VIII
Construction Cost Estimates for New Facility

Construction Cost Estimates for New Facility

Turner Construction Sports was asked to prepare a construction cost model range for the New Hartford Arena. To prepare the cost model, we studied the construction costs from seven recently completed National Basketball Association (NBA) arenas. The costs were all escalated to a construction start in 2007 (current pricing) by using the Turner Index, a nationally recognized cost indexing system that tracks price changes due to escalation and other market forces. The costs were then relocated to the Hartford marketplace using the Means Relocation Factors, another nationally recognized index which accounts for differences in material and labor costs from city to city in the United States.

Next, we adjusted the costs to the specifics of the Hartford site and program. For example, money was added for demolition of the existing civic center and for relocation of the utilities that we expect to find on this urban site. Money was deducted due to the limited amount of site work for the buildings plaza on this site compared to other projects in the sampling of jobs studied.

The result of our study is a prediction of the range of construction costs that one could expect for a new NBA arena in current costs in Hartford, CT consistent with the quality of the seven projects we included in the sample. The Arenas included in our sampling were:

American Airlines Arena (Miami, FL)
Nationwide Arena (Columbus, OH)
AT&T Center (San Antonio, TX)
Bobcats Arena (Charlotte, NC)
American Airlines Center (Dallas, TX)
Fed Ex Forum (Memphis, TN)
Verizon Center (Washington, DC)

Construction Cost Estimates for New Facility on Existing Hartford Civic Center Site

	Low Range		High Range	
Demolition & Site Clearing	$8.60	$7,000,000	$8.60	$7,000,000
Utility Relocation and New Services	$5.83	$4,700,000	$6.47	$5,300,000
Excavation and Foundation	$19.20	$15,600,000	$21.31	$17,300,000
Structural Frame	$71.11	$57,900,000	$78.93	$64,200,000
Roofing and Waterproofing	$4.10	$3,300,000	$4.55	$3,700,000
Exterior Wall	$20.13	$16,400,000	$22.34	$18,200,000
Interior Finishes	$48.31	$39,300,000	$53.62	$43,600,000
FF&E	$4.68	$3,800,000	$5.19	$4,200,000
Scoreboard	$7.56	$6,200,000	$8.39	$6,800,000
Ice Floor	$1.63	$1,300,000	$1.81	$1,500,000
Equipment	$5.62	$4,600,000	$6.23	$5,100,000
Food Service Equipment	$13.02	$10,600,000	$14.45	$11,800,000
Seating	$8.82	$7,200,000	$9.79	$8,000,000
Vertical Transportation	$5.00	$4,100,000	$5.55	$4,500,000
Plumbing	$9.16	$7,500,000	$10.17	$8,300,000
Fire Protection	$2.47	$2,000,000	$2.74	$2,200,000
HVAC	$25.42	$20,700,000	$28.22	$23,000,000
Electrical	$29.45	$24,000,000	$32.69	$26,600,000
Audio Visual	$9.06	$7,400,000	$10.05	$8,200,000
Plaza and Site	$5.26	$4,300,000	$5.84	$4,800,000
Direct Work Subtotal	$304.44	$247,900,000	$336.96	$274,300,000
Indirect Costs	$45.67	$37,200,000	$50.54	$41,100,000
Construction Total	$350.11	$285,100,000	$387.50	$315,400,000
Cost per Seat	$15,411		$17,049	

Notes:

- The above data has been adjusted for a construction start in 2007 in the Hartford, CT marketplace.
- Study based on the current pricing of 7 Professional Arenas
- Both ranges include demolition of the existing Civic Center and the Chruch St Garage.
- Research on specifics of the sites has yet to be complete; consider this as an order of magnitude study
- Above costs do not include project soft costs such as design fees, financing, land, project contingency, etc.
- Gross area of project is 814,000 sf with 18,500 seats for basketball

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Construction Cost Estimates for New Facility at Sites 2 and 3

	Low Range		High Range	
Demolition & Site Clearing	$4.00	$3,300,000	$4.44	$3,600,000
Utility Relocation and New Services	$5.83	$4,700,000	$6.47	$5,300,000
Excavation and Foundation	$19.20	$15,600,000	$21.31	$17,300,000
Structural Frame	$71.11	$57,900,000	$78.93	$64,200,000
Roofing and Waterproofing	$4.10	$3,300,000	$4.55	$3,700,000
Exterior Wall	$20.13	$16,400,000	$22.34	$18,200,000
Interior Finishes	$48.31	$39,300,000	$53.62	$43,600,000
FF&E	$4.68	$3,800,000	$5.19	$4,200,000
Scoreboard	$7.56	$6,200,000	$8.39	$6,800,000
Ice Floor	$1.63	$1,300,000	$1.81	$1,500,000
Equipment	$5.62	$4,600,000	$6.23	$5,100,000
Food Service Equipment	$13.02	$10,600,000	$14.45	$11,800,000
Seating	$8.82	$7,200,000	$9.79	$8,000,000
Vertical Transportation	$5.00	$4,100,000	$5.55	$4,500,000
Plumbing	$9.16	$7,500,000	$10.17	$8,300,000
Fire Protection	$2.47	$2,000,000	$2.74	$2,200,000
HVAC	$25.42	$20,700,000	$28.22	$23,000,000
Electrical	$29.45	$24,000,000	$32.69	$26,600,000
Audio Visual	$9.06	$7,400,000	$10.05	$8,200,000
Plaza and Site	$5.26	$4,300,000	$5.84	$4,800,000
Direct Work Subtotal	$299.85	$244,200,000	$332.80	$270,900,000
Indirect Costs	$44.98	$36,600,000	$49.92	$40,600,000
Construction Total	$344.82	$280,800,000	$382.71	$311,500,000
Cost per Seat	$15,178		$16,838	

Notes:

- The above data has been adjusted for a construction start in 2007 in the Hartford, CT marketplace.
- Study based on the current pricing of 8 Professional Arenas
- Research on specifics of the sites has yet to be complete; consider this as an order of magnitude study
- Above costs do not include project soft costs such as design fees, financing, land, project contingency, etc.
- Gross area of project is 814,000 sf with 18,500 seats for basketball

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IX
Financing Plan

Funding Analysis

The intent of this section is to summarize the typical funding sources that have been used to fund public assembly facilities in other communities as well as to quantify potential sources of funds that could be used for a new arena in Hartford. This section is divided into the following sub-sections:

- Financing Techniques and Vehicles
- Comparable Facility Funding
- Summary of Potential Hartford Funding Sources

Financing Techniques and Vehicles

An important consideration in evaluating the financing options available to finance the proposed arena development must include a determination of which municipal entity will issue the bonds. Whenever public debt is issued, the financial standing of the issuer is important in determining the interest rate that will be paid on the bonds. For a project that is anticipated to cost several hundred million dollars, the interest rate paid can have a significant impact on the annual debt service expense. At present, the State of Connecticut has a rating of AA by Standard and Poor's and Aa3 by Moody's, while the City of Hartford has ratings of ___ and ___ by Standard and Poor's and Moody's, respectively.

Another consideration when developing a facility funding plan relates to the Federal Tax laws that govern the tax-exempt status of municipal bonds issued for a project when a private user, such as an NHL franchise, will be the primary beneficiary of the new facility. The majority of similar facility development projects around the country have involved some form of joint public and private partnership. Depending on the final structure of the agreement, the tax-exempt status of any bonds issued for the project may be impacted, potentially resulting in significantly higher interest rates and debt service payments.

General Obligation Bonds

General obligation bonds are backed by a pledge of ad valorem taxes of the issuer. This pledge is generally supported by a commitment from the issuer to repay the principal and interest through whatever means necessary, including levying additional taxes. Advantages associated with general obligation bonds revolve around the strength of the credit, typically resulting in lower interest rates. General obligation issuances typically result in a simple financing plan that lowers the cost of issuance and reduces the overall bond size, since a debt service reserve fund is often not required. Also, the strength of the public sector pledge provides a higher credit rating and therefore a lower overall cost of financing the project.

General obligation bond financing projects may be structured with a lower variable interest rate in the early years of the project, with conversion to a fixed rate in later years, although such a structure could require specific legislation. The primary disadvantage associated with general obligation indebtedness is that the bonding capacity for other capital needs is reduced. Projects financed with general obligation bonds may also require voter approval. The public may perceive a sports and entertainment facility project as less essential than improved streets, libraries, education or other public services, especially if the project will require increased property taxes.

In addition to unlimited general obligation debt, the State or other entities could issue Special Tax Obligation debt for the project. This debt is similar to general obligation debt in that it is backed by the credit of the public entity. However, this type of debt requires a specific funding source that is not tied to ad valorem taxes. For instance, the majority of the State's transportation spending is funded through a special tax on vehicles and petroleum products, such as gasoline or diesel fuel.

The State of Connecticut currently budgets approximately $1.2 billion per year in new debt for a variety of projects, including education projects and other such projects. While the State has capacity for upwards of $2.5 billion per year, exceeding the current budgeted amount would require specific revenue sources to back the debt, whether an increase in ad valorem taxes or a special tax source. Similarly, while the City currently has approximately $300 million in debt outstanding, the City could issue up to $1.45 billion in total debt. However, as with the State, in order to do so the City would likely need to identify specific revenue sources to be able to repay any additional debt.

Revenue Bonds

A frequently used method of facility financing is the issuance of revenue bonds. Revenue bonds are special obligations issued by municipalities or other public agencies for which payment is dependent upon a particular source of funds, such as revenues generated by the project, to provide the amount needed for bond repayment. The issuer of such bonds pledges to the bondholders the revenues generated by the project being financed. No pledge of state or local ad valorem tax revenues is required. However, other taxes may be assessed and/or pledged, in whole or in part, by a public entity to provide funds necessary to pay off the revenue bond offering. As will be discussed later in this section, in many cases, any change in tax rates for such an issuance requires public referendum or legislative approval.

The major disadvantage associated with revenue bonds relates to interest rates that are typically higher than those associated with general obligation bonds. This is largely due to the fact that revenue bonds are not backed by the full faith and credit of the issuing entity. In addition, funding of a debt service reserve and other credit enhancements out of bond proceeds typically make the required bond size larger, with higher annual debt service payments.

Revenue bond financing may also be structured in such a way that payments may be tied to a lower variable rate in the initial years of operation and converted to a higher fixed rate in later years. This is often advantageous in situations where the particular revenue stream or streams that are pledged to debt service are expected to increase annually.

Certificates of Participation

Certificates of Participation (COPs) represent another financial instrument that has been used to finance sports facilities in markets around the country. COP holders are repaid through an annual lease appropriation by a sponsoring governmental agency. COPs do not legally commit the governmental entity to repay the certificate holder beyond the annual appropriations, and therefore do not typically require voter approval. Further, this type of instrument is not subject to many of the limitations and restrictions typically associated with general obligation bonds. As COPs generally offer the issuing authority less financial risk and more flexibility than other financing instruments, they tend to be more cumbersome, due to the reliance on a trustee for appropriations while also typically carrying a higher coupon rate relative to traditional general obligation bonds.

COPs could allow the City or State to enhance a revenue source with a pledge to make up any revenue deficiencies from other City or State funds. This issue would be subject to annual appropriation. The certificates usually imply that some other security, such as revenue from operations or a sales tax, will be relied upon as the primary source of credit worthiness.

The primary advantage associated with COPs is that the obligation enhances the issue, resulting in an interest rate more favorable than standard revenue bond issues. The disadvantage associated with COPs is that primary credit must still be established, and the issuance is typically more costly than general obligation or revenue bonds. Because of these issues, the City and State have historically not utilized COPs for major development projects.

Tax Increment Financing (TIF)

Tax Increment Financing (TIF) essentially involves capturing assessed valuation growth within a specific area (i.e. TIF District) related to a particular development. TIF often requires the enactment of legislation to allow an entity to establish a TIF District. Typically, a redevelopment agency delineates a project area and declares a base year. The existing base-assessed valuation is taxed as before by each overlapping taxing entity covering a portion of the project area. The additional assessed valuation, or additional tax revenue generated within the district, added to the tax rolls over the base is then taxed at the same rate as the base valuation. However, those revenues attributed to the incremental assessed valuation or the incremental tax revenues are remitted to the redevelopment agency and used to pay debt service on the project. While TIF typically involves the capture of incremental tax revenues, this type of financing may also be used to capture incremental sales tax revenues or other similar taxes generated within a specific District.

The City recently established its first TIF District as part of their investment in the Colt Gateway project. In this and most other cases, the City's policy states that 50 percent of the incremental property tax revenues generated within in the district are allocated to repayment of the City's project debt. Similarly, the CDA has established several brownfield TIF districts throughout the State, including one in Hartford. With this project, the City Council elected to increase the share of incremental property tax revenues allocated to project debt to 60 percent, rather than the normal 50 percent noted above. In order to establish a TIF District, the City or other entity would be required to hold public hearings and bring the plan through the appropriate planning or redevelopment agency. The plan would then be brought to the City Council for approval and determination on the percentage of incremental revenues that could be used for the specific project.

Private/Public Equity

In addition to the public funding sources noted above, most public assembly facilities require some level of private equity. Private sources of equity can include cash equity contributions, land contributions, and revenues generated at the facility. These facility related revenues may include up-front revenues, such as suite deposits, seat license fees, pouring rights or concessionaire contributions. Other facility revenues may include ongoing, contractually obligated income sources such as annual suite and club seat payments, naming rights revenues or long-term sponsorship contract revenues. In addition, equity contributions have been received from local businesses and other entities that perceive benefit from the development of an arena.

As shown in the previous section, for purposes of this analysis, it is assumed that revenues from naming rights, premium seating, sponsorship and other sources that could be used for facility financing have been included in facility operating revenues. To the extent available, any excess revenues generated from these or other private revenue streams could potentially be used to cover a portion of the facility debt service requirements.

Comparable Facility Funding

Among the primary considerations in the potential development of a new arena in Hartford are the construction costs and associated funding sources to be used for facility development. In evaluating potential funding sources that could be used for the proposed arena, it is helpful to understand the funding structures used for the development of comparable facilities around the country. The following table summarizes the total construction costs and the portion of the costs covered by public and private sector revenue streams. All dollar figures are stated in 2007 dollars and have been adjusted to reflect the estimated project cost if the facility were to be built in Hartford, based on the relative building cost indices of each market.

Comparable Arena Funding Summary
(U.S. Facilies Only)

					Amount		Percentage	
Facility	Location	Year Opened	Total Cost	Adjusted Cost (1)	Private	Public	Private	Public
Municipal Facilites								
BOK Center	Tulsa, OK	2008	$183.0	$224.4	$0.0	$224.4	0%	100%
Veterans Memorial Coliseum	Jacksonville, FL	2003	130.0	226.1	0.0	226.1	0%	100%
Ford Center	Oklahoma City, OK	2002	87.0	161.3	0.0	161.3	0%	100%
Wells Fargo Arena (2)	Des Moines, IA	2005	216.7	292.7	26.3	266.3	9%	91%
Qwest Center (2)	Omaha, NE	2003	291.0	462.9	111.1	351.8	24%	76%
Sprint Center	Kansas City, MO	2007	276.0	282.9	93.4	189.6	33%	67%
Municipal Average			**$197.3**	**$275.0**	**$38.5**	**$236.6**	**11%**	**89%**
NHL-Only								
Jobing.com Arena	Glendale, AZ	2003	$207.0	$334.1	$43.4	$290.7	13%	87%
BankAtlantic Center	Sunrise, FL	1998	217.7	508.5	106.8	401.7	21%	79%
Xcel Energy Center	St. Paul, MN	2000	170.0	272.3	70.8	201.5	26%	74%
RBC Center	Raleigh, NC	1999	176.3	436.8	139.8	297.0	32%	68%
Nationwide Arena	Columbus, OH	2000	166.0	308.9	278.0	30.9	90%	10%
NHL Only Average			**$187.4**	**$372.1**	**$127.8**	**$244.4**	**36%**	**64%**
Average - All Arenas			**$192.8**	**$319.2**	**$79.1**	**$240.1**	**23%**	**77%**

(1) Adjusted to 2007 dollars assuming an annual inflation rate of 7.5 percent for construction costs, and adjusted to represent the estimated cost if the facility were built in Hartford based on the relative building cost indices for each market.

Municipal facilities are generally funded with a majority of public sources, average approximately 89 percent of the total project cost. After adjusting for inflation to current dollars and for the cost of construction in each market, the estimated average cost of this facility type in Hartford would be approximately $275.4 million.

While private contributions make up a somewhat larger share of the average NHL facility, the public sector still contributes approximately 64 percent of the total project cost for these facilities. The overall average project cost for an NHL facility in Hartford is estimated at approximately $372.1 million.

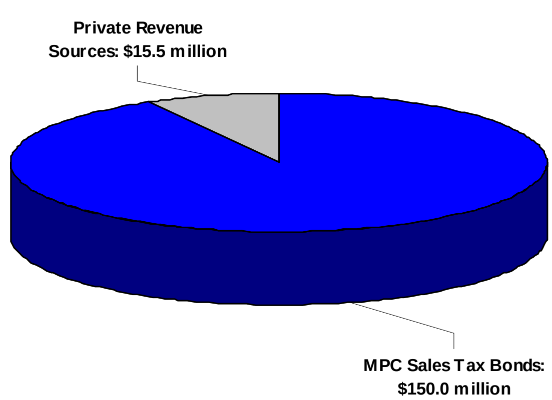
As shown, based on the comparable facilities included in this analysis, it is likely that at least some level of public funding will be required for the development of a new NHL arena in Hartford. However, if a new arena is built without an NHL tenant, as has been the case in Oklahoma City, Tulsa, Kansas City and other markets, the public share is likely to be significantly higher. In many cases, the public has contributed the entire cost of the project after evaluating the overall benefits that can be derived from the development of such a facility. Specific information about the development and funding of each of these facilities is provided on the following pages.

Municipal Arena Case Studies

BOK Center

The 18,000 seat BOK Center is scheduled to open in Tulsa in September 2008. The project includes the development of the arena as well as the expansion of the existing Tulsa Regional Convention Center. The total project cost is currently estimated at approximately $243.9 million, of which approximately $190.0 million is directly related to the development of the BOK Center.

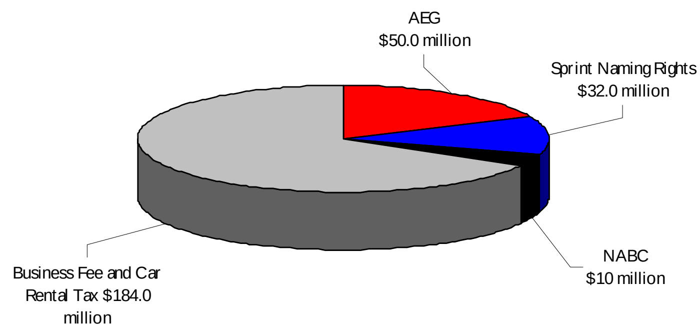
The overall project, including both the convention center and the arena, is being funded primarily through a portion of revenues generated by a new 1.0 percent county-wide sales tax. The tax was implemented in 2004 and is slated to be in place for 13 years. The remaining cost of the BOK Center is being supported through private revenues, including naming rights, founding partner sponsorship and founding partner suite sales.



Sprint Center Funding

The Sprint Center project will open in the fall of 2007 at an estimated cost of approximately $276 million. The City of Kansas City will contribute $184 million initially and up to $16 million more if needed. The City's share will be from revenues resulting from a $1.50 business fee applied to hotel rooms and a $4.50 increase in the daily car rental tax. There will also be a 2.275 percent user fee on all ticket sales.

Private funding will include $50 million from Anschutz Entertainment Group (AEG). AEG will also cover any cost overruns. Sprint Corporation has agreed to pay $2.5 million per year over 25 years for naming rights. The present value of these payments is approximately $32 million (assuming a 6% interest rate). The final piece of private funding is a $10 million contribution from the National Association of Basketball Coaches (NABC). The arena will house the NABC's executive offices and the NABC Hall of Fame.



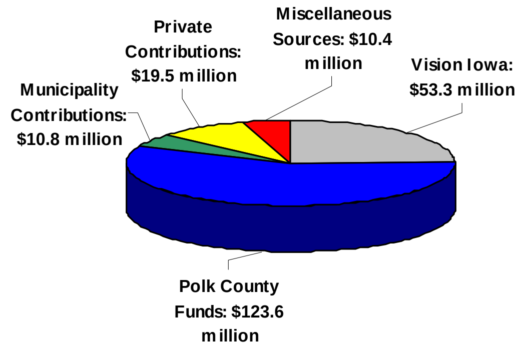
Wells Fargo Arena

The Iowa Events Center in Des Moines, Iowa includes the 17,170-seat Wells Fargo Arena, along with a new exhibit hall and a renovated Veterans Memorial Auditorium. The total project cost for the complex was approximately $216.7 million, consisting of the following specific costs:

- $91.7 million arena construction
- $45.0 million exhibit hall construction
- $2.4 million Auditorium renovation
- $9.4 million land
- $42.1 million soft costs
- $12.3 million soft/infrastructure
- $8.8 million contingency/reserves
- $5.0 million to cover construction cost increases due to construction delays

The majority of project funding took the form of $153.0 million in general obligation bonds issued by Polk County. In addition, $19.5 million of the bonds were backed by naming rights and other private contributions, while $10.8 million of the bonds were backed by contributions from local municipalities, including $7.5 million from the City of Des Moines, $1.3 million from the City of West Des Moines and less than $1.0 million from each of 12 other municipalities. The remaining cost was backed by general County funds.

In addition to the County general obligation bonds, other revenue sources included a $53.3 million grant from the Vision Iowa program, a state program that contributes to economic development projects throughout the state, and $10.4 million from miscellaneous sources such as sales tax reimbursements and utilities rebates.

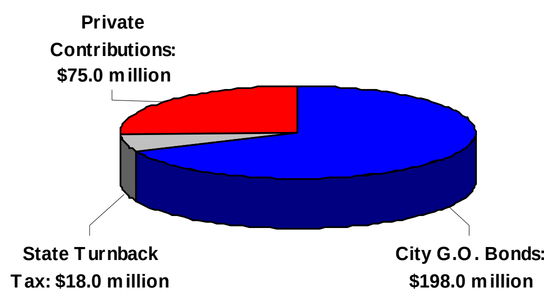


Qwest Center

The Qwest Center in Omaha, Nebraska opened in 2003 and includes a 17,000-seat arena and an adjacent convention center. The construction cost for the complex approximated $291.0 million, including $208.0 million in arena and convention center construction and $83.0 million in infrastructure improvements.

The primary source of funding for the project was $198.0 million in City-issued general obligation bonds. A portion of bonds are being repaid through parking revenue generated by events at the complex, but the majority of debt service is being derived from general city revenues.

The second source of public funding includes $18.0 million from a State turnback tax, which refunds sales taxes generated by out of state visitors using the complex. Each year, estimates are developed concerning the percentage of out-of-state attendees and the amount each attendee spends in the City. The estimated taxes generated by this spending are then returned to the City.

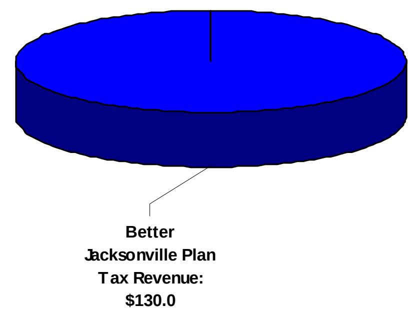


The final funding source consisted of $75.0 million raised from private corporations and individuals in the Omaha area. According to project representatives, the entire $75.0 million was raised within a 60-day period. The private contributions were essentially donations rather than investments in the arena, as the private contributors do not receive any arena revenues or other financial benefits from the facility.

The arena project was approved through a city-wide referendum. Two issues were approved: the issuance of bonds to fund construction and infrastructure, and the development of an authority to build and operate the facility in lieu of City government. As a result of the vote, the Metropolitan Entertainment and Convention Authority (MECA), a 501-C-3 organization, was formed. The MECA has a 99-year lease to operate the facility and receives a $2.0 million annual operating subsidy from the City to cover potential operating losses.

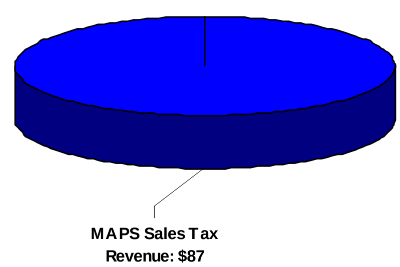
New Jacksonville Coliseum

Opened in 2003, the new Jacksonville Veterans Memorial Coliseum replaced the original Veterans Memorial Coliseum, which was built in 1959 and lacked many of the features and amenities found in modern arenas. In 2000, Jacksonville voters approved the Better Jacksonville Plan, which utilizes a half-cent sales tax to support approximately $2.2 billion in total spending, including the $130 million Coliseum. The entire cost of the Coliseum was funded by revenue generated through the half-cent sales tax implemented as part of the Better Jacksonville Plan.



Ford Center

Oklahoma City voters approved the MAPS Program in 1993. The MAPS Program imposed a city-wide, one-cent sales tax over a 66-month period to finance convention, cultural and sporting facilities, including the new Ford Center, which opened in late 2002. The sales tax portion of the MAPS program generated approximately $309 million in revenues. Interest revenue earned on this revenue generated an additional $52 million, while various projects in the program were eligible for an additional $40 million in federal funds. In total, the MAPS program generated approximately $400 million for various projects throughout Oklahoma City. The Ford Center was built for a cost of approximately $87 million, with funding coming directly from the MAPS program funds.

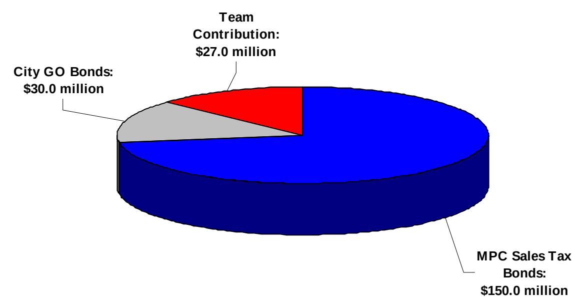


NHL Arena Case Studies

Jobing.com Arena

The 17,500-seat Jobing.com arena opened in 2003 as the home of the Phoenix Coyotes. The $207.0 million facility is located in the Westgate City Center in Glendale, a mixed-use retail, entertainment and office development being developed by the owner of the Coyotes. The City of Glendale contributed a total of $180.0 million toward the project cost, including the issuance of $150.0 million in Municipal Property Corporation bonds backed by existing City sales tax revenues. The remainder of the City's contribution consisted of $30.0 million in G.O. bonds used to fund infrastructure improvements. The City expects to recoup its investment in arena construction through incremental sales and property taxes generated by the Westgate City Center development.

The Coyotes agreed to assume responsibility for any cost overruns over the initial budget of $180.0 million. Upon completion, the Team was responsible for an additional $27.0 million toward the total project cost of $207.0 million. In addition to their responsibility for cost overruns, the team's owner is responsible for developing the Westgate City Center complex. As part of the overall agreement to bring the Coyotes to Glendale, the team's owner agreed to develop the Westgate complex over several years, with specific development guidelines and requirements included in the overall agreement.

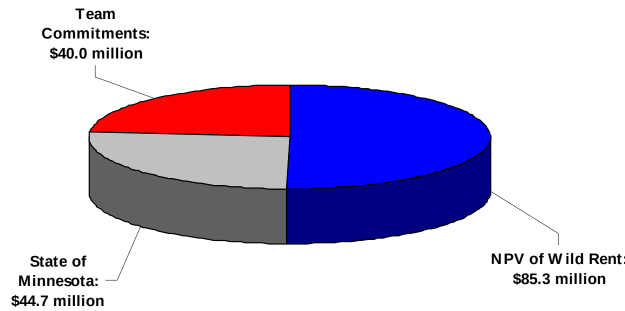


Xcel Energy Center

The $170.0 million Xcel Energy Center opened in 2000 as the home of the expansion Minnesota Wild. The Center is part of the RiverCentre complex in downtown St. Paul, which includes a convention center and a secondary auditorium.

The final development agreement for the arena included a City contribution of $65.0 million. All of this amount will repaid by the Wild through annual rent payments as well as PILOT payments. In addition, the State of Minnesota provided an interest-free loan for an additional $65.0 million. Like the City's contribution, a portion of this amount will be repaid to the State through the Team's rent payments.

The Team did not contribute any up-front cash to the project, but has agreed to may annual rental payments of approximately $3.5 million per year for the first 25 years of the lease. In addition, the Team pays to the City an amount in PILOT to offset the City's contribution. The present value at the time of the construction of the team's repayment of the City's contribution and a portion of the State's loan was estimated to be approximately $85.3 million.

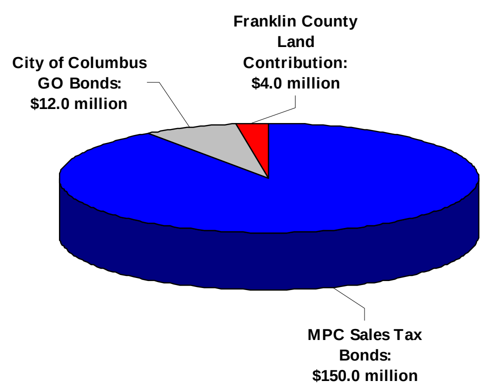


Nationwide Arena

The Columbus Blue Jackets moved into Nationwide Arena upon its completion in 2000. The $166.0 million arena features a capacity of approximately 18,100 seats and is located in an area of Columbus now known as the Arena District. The Arena District has been redeveloped into a vibrant, mixed-use development featuring a variety of residential complexes as well as retail, dining, entertainment and office space.

The City of Columbus contributed approximately $12.0 million to the project in off-site infrastructure improvements, financed through City G.O. bonds. In addition, the Franklin County Convention Center Authority contributed land for the project, valued at approximately $4.0 million.

Nationwide Arena L.L.C., a subsidiary of Nationwide Insurance, provided the remaining $150.0 million for the project through an equity contribution. After several failed attempts to obtain public funding for a new arena, Nationwide elected to proceed with a privately funded arena, while also pushing the redevelopment that has taken place in the Arena District.

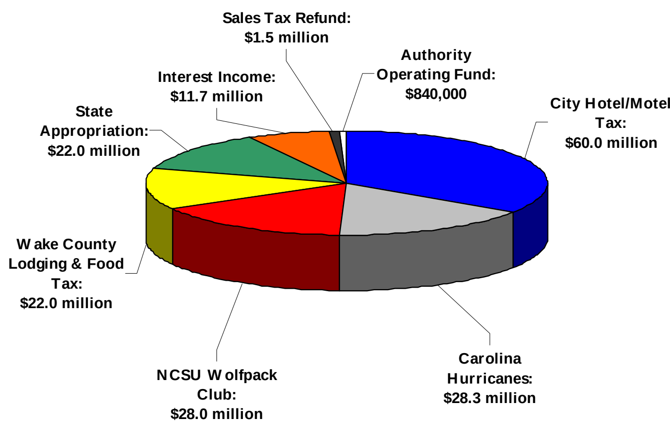


RBC Center

The RBC Center in Raleigh was completed prior to the start of the 1999/2000 NHL season and is now the home of the Carolina Hurricanes of the NHL and N.C. State basketball. The Center was originally planned and designed for N.C. State University basketball only. However, when the then Hartford Whalers elected to relocate to Raleigh, the arena plan was updated to be able to accommodate an NHL franchise.

The Centennial Authority, who owns the Center, issued $60.0 million in revenue bonds supported by City of Raleigh lodging taxes. The City and Wake County also contributed an additional $22 million from lodging and prepared food tax revenue, while the State of North Carolina provided an appropriation of $22.0 million for the project. In addition, $11.6 million in interest income was provided by the Authority, along with a sales tax refund on construction materials of $1.5 million. The Authority contributed an additional $840,000 from their operating fund to the project.

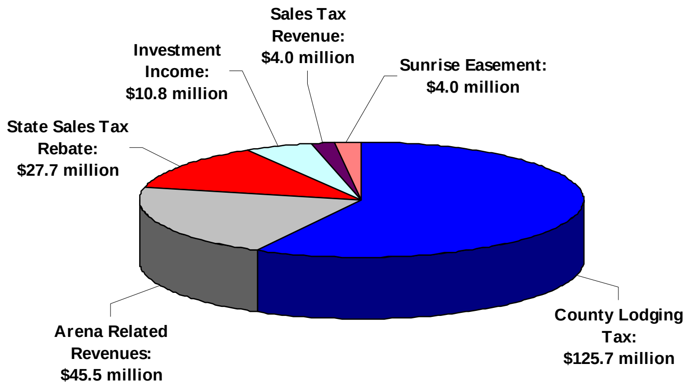
The Carolina Hurricanes contributed $28.3 million to the project through rental payments and other arena revenues. The remaining $28.1 million in project funding was provided by the NCSU Wolfpack Club through private contributions.



BankAtlantic Center

The BankAtlantic Center (originally called National Car Rental Center) opened in 1998 as the home of the NHL Florida Panthers. Broward County issued approximately $184.0 million in bonds for the arena, secured by arena revenues, lodging taxes and a State sales tax rebate. Approximately $110.8 million of the County contribution will be supported through an increase in the local hotel/motel tax rate, while the State sales tax rebate will generate approximately $27.7 million. Current lodging tax collections provided an additional $14.9 million for the project, along with approximately $10.8 million in investment income, $4.0 million in current sales tax collections and $4.0 million in easement revenue.

The development agreement between the County and the Panthers calls for the team to fund the difference between annual debt service associated with the County's bond issuance and $10.0 million. Based on the final project cost of approximately $217.7 million, the Panthers contribution is estimated to total approximately $45.5 million.



Summary of Potential Funding Sources

CSL has conducted a detailed evaluation of the potential funding sources that could be available to assist in the development of the proposed arena in Hartford. Specific information related to each of the most likely potential sources, including estimates of the potential debt that could be supported, is provided on the following pages.

Private Funding Sources

While the majority of recent arena funding has been derived from public sources, in certain instances significant private funding can be found to support a portion of project development. For instance, in Columbus, after failing to obtain public funding for a majority of the project costs, the ownership of the Blue Jackets elected to privately fund the development of Nationwide Arena. In this case, the private investment in the arena was justified by the owners' additional investment in the redevelopment of the area around the Arena, which is now called the Arena District. In other instances, facility revenues have been allocated to debt service as part of a tenant franchise's contribution to the project.

In the financial analysis related to this project, all typical operating revenues are allocated to the facility. However, it may be possible to earmark specific revenue streams for debt service. Any such allocation of revenues would need to be weighed against the impact on facility operations. The following pages provide a summary of those private sources considered most likely to provide a source for project funding.

Contractually Obligated Income

Certain facility revenues have been used to finance portions of facility development costs in a variety of projects around the country. While any source of facility revenue could theoretically be allocated for project debt, contractually obligated income streams, such as naming rights, suite revenues, and advertising, provide a higher level of security for financial markets. As noted above, all such revenues have been allocated to facility operations for purposes of this analysis. However, it may be possible to capture some revenues for debt service through the arena development negotiation process. The following exhibit summarizes the estimated revenues from specific contractually obligated income streams and the level of debt service that could be supported by each.

Funding Potential - Contractually Obligated Income

Revenue Source	Annual Revenue	Interest Rate	Term	Coverage	Debt Supportec
Municipal Arena					
Suites	$4,638,000	6.00%	20 years	1.75	$30,399,000
Naming Rights	$750,000	6.00%	20 years	1.75	$4,916,000
Advertising	$1,250,000	6.00%	20 years	1.75	$8,193,000
NHL Arena					
Suites	$17,375,000	6.00%	20 years	1.75	$113,880,000
Naming Rights	$3,000,000	6.00%	20 years	1.75	$19,663,000
Advertising	$5,000,000	6.00%	20 years	1.75	$32,771,000

As shown, capturing revenues from suite sales under either scenario would result in significant debt support for arena development. Due to the magnitude of these revenue streams in proportion to overall facility and team revenues, it is unlikely that any NHL franchise would allocate all of this revenue to debt service, although a portion could potentially be used. Similarly, while the suite revenues from a municipal arena could support approximately $30.4 million in project debt, the facility owner would need to account for the loss of these revenues from operations, which would result in a significant operating subsidy.

Naming rights or sponsorships could also be captured for debt service related to the facility development, potentially supporting approximately $4.9 million and $8.2 million in a municipal arena, respectively. These revenue sources could support approximately $19.7 million to $32.8 million in debt for an NHL facility. However, as with suite revenues, the impact on facility operation under both scenarios must be considered before allocating such revenues to debt service.

Admission Surcharge

The Hartford Civic Center currently imposes a surcharge of between $1.75 and $2.00 per paid admission for Civic Center events. While these revenues historically have been allocated to the operations of the Civic Center, with a new facility development it may be possible to allocate these revenues to debt service. The following exhibit summarizes the estimated revenue from the surcharge, assuming a maximum surcharge of $2.50 per paid admission, and the estimated debt that could be supported by this revenue source.

Funding Potential - Admission Surcharge

Revenue Source	Annual Revenue	Interest Rate	Term	Coverage	Debt Supported
Municipal Arena					
$1.75 to $2.50 (1)	$1,613,000	6.00%	20 years	1.50	$12,334,000
NHL Arena					
$2.50 per Paid Admission (1)	$3,453,000	6.00%	20 years	1.50	$26,404,000

(1) Excludes attendance at community and other non-ticketed events.

At a municipal arena, the admissions surcharge is estimated to generate approximately $1.6 million per year, which could support approximately $12.3 million in project debt. With an NHL tenant, the surcharge is estimated to generate approximately $3.5 million per year, which could support approximately $26.4 million in project debt.

As with the contractually obligated income items discussed previously, this revenue source is currently allocated to facility operations. Therefore, the impact of removing this revenue from operations and allocating to debt service must be thoroughly evaluated.

Concessionaire/Vendor Rights

Concession and novelty sales at public assembly facilities are typically provided by outside contractors such as ARAMARK, Centerplate, SportsService, Levy Restaurants and other such entities. The revenues generated by the sale of a facility's concession and merchandise operating rights to such entities has provided an additional funding source for a number of arena projects around the country.

Concessionaire fees provide the concessionaire the right to the concession profits for a specified period of time. The concessionaire fee represents a portion of the capitalized revenue streams that are anticipated to be received by the concessionaire over the term of the agreement.

Such agreements may range from several hundred thousand dollars to several million dollars, depending on the ultimate agreement. While such an agreement may provide a needed funding source for facility development, it may be less desirable than other sources. Should a concessionaire rights agreement be reached that provides upfront funds, the amount of concession and merchandise revenues retained by the facility would likely be reduced, impacting the overall operating revenues presented previously in this report.

Other Private Sources

The private revenue streams presented above generally represent the most likely facility-related revenue sources that may be available for arena financing. Other potential private sources that could be available include owner's equity contributions, local foundations, donations, parking surcharges, seat license sales, land contribution, investment income and other such sources. The level of funding available from these sources varies greatly depending on the project scope and specific market conditions.

Public Funding Sources

In addition to the private funding sources, public revenues are often used to fund the majority of arena development projects. The following is an analysis of public funding sources that have been used to fund arena construction in comparable markets, and the potential ability of those sources to contribute to the funding of a new arena in Hartford. This analysis focuses solely on those sources deemed to be viable in Hartford at the present time, based on conversations with project representatives, current statutes and other such information.

Tax Increment

As mentioned previously, several communities have used tax increment financing as a funding source for the development of arenas and other sports facilities. In Hartford, the City or another public agency (i.e. the Capital City Economic Development Authority) could potentially establish a tax increment district that would include the arena and potentially surrounding areas. If the City Council approves such a development, a portion the incremental tax revenues generated within the district over the base revenues could be allocated to project financing. In most cases, the contribution of such revenues is limited to 50 percent of the increment, however the Council can elect to allocate a larger portion of the increment in certain cases.

While this technique may be an attractive funding source, tax increment financing presents certain challenges as well. For instance, if the financing is reliant on property tax increases from development surrounding the arena, unless such development is completed prior to the completion of the arena, the incremental revenues available for financing would likely take several years to be generated. If the arena is included as part of a larger development project, with specific commitments to development milestones that will enable accurate projections of estimated tax revenues, this issue can be mitigated somewhat. In addition, it may be possible to create a tax increment district that captures only sales taxes generated at the arena, which would begin generating revenues immediately upon project completion.

In addition, while property tax rates are not directly increased through this type of project, the individual taxing entities that generate revenues from the specific district will need to be considered. Each entity must consider the potential opportunity cost of allocating these incremental revenues to the project rather than to the individual entity's funds. To address this it may be possible to only allocate a designated percentage of the overall incremental revenues, or only those revenues from specific taxing entities, to the project.

For purposes of this analysis, the following estimates have been developed to represent the estimated revenues that could be generated through the implementation of a sales tax district that includes only the arena, as well as a district that would capture incremental property tax revenues. Because no specific site has been designated for the project, and no development plan has been presented at this point, the estimated revenues projected through the development should be considered as examples only. As the project moves forward and more specific plans are developed, this analysis should be revisited to determine the actual potential funding ability of these revenues.

Funding Potential - In-Arena Sales Tax

Revenue Source	In-Arena Taxable Spending	Tax Rate	Annual Revenue	% Captured (2)	Coverage	Debt Supported (3)
Municipal Arena						
Taxable Sales (1)	$27,366,700	6.00%	$1,642,002	50%	1.50	$6,278,000
NHL Arena						
Taxable Sales (1)	$70,214,300	6.00%	$4,212,858	50%	1.50	$16,107,000

(1) Includes gross spending on tickets, concessions and catering and merchandise within the arena.
(2) Represents portion of annual revenues to be allocated to the project, with remainder allocated to State general fund.
(3) Assumes 20 year term with 6.0% interest rate.

As shown, taxable spending within the arena is estimated to generate between $1.6 million and $4.2 million per year in sales tax revenues. Assuming 50 percent of these revenues would be captured for project financing, it is estimated that approximately $6.3 million to $16.1 million in project debt could be supported.

The amount of revenue that can be generated through a property tax TIF district will be directly related to the amount and type of development that takes place within the district. The following table summarizes the property tax mill rates in place for the current fiscal year.

Current Millage Rates - City of Hartford

Private Property Type	Rate (1)
Residential	42.3000
Residential - Apartments	64.8200
Commercial/Industrial	74.5400

(1) Tax rate per $1,000 of assessed value.

As shown, non-apartment residential property is taxed at $42.30 per $1,000 in assessed valuation, while apartments are taxed at $64.82 per $1,000 in assessed value and commercial and industrial property is taxed at $74.54 per $1,000 in assessed value. It is important to note that these rates are anticipated to decrease somewhat based on anticipated increases in property revaluations, however the final rates have not yet been determined at this time. It is also important to note that current policy states that the assessed value is calculated as 70 percent of fair market value. However this is also anticipated to change based on the results of the revaluations.

For purposes of calculating the potential revenues generated through a property tax TIF district surrounding the arena, it is assumed that the current mill rates will remain steady, but that the assessed value of property within the district will approximate 50 percent of the fair market value. The reduction in this calculation has been made to reflect the anticipated decreases in both the assessed value calculation as well as the anticipated decreases in the mill rates. In addition, it is assumed that the construction cost of each component will represent an approximation of the estimated fair market value of the property. Because no specific plans have been put forth regarding any additional development that could surround the proposed arena, the estimated revenues generated by each $10.0 million in development of each type has been calculated and is shown in the following exhibit.

Funding Potential - Tax Increment Financing (TIF)

	Property Type		
	Residential	Apartments	Commercial/ Industrial
Construction Cost (1)	$10,000,000	$10,000,000	$10,000,000
Assessment Rate	50%	50%	50%
Assessed Value	$5,000,000	$5,000,000	$5,000,000
Millage Rate	42.300	64.820	74.540
Incremental Annual Revenue	$211,500	$324,100	$372,700
% Available for Project Funding	50%	50%	50%
$ Available for Project Funding	$105,750	$162,050	$186,350
Funding Potential (2)	$2,426,000	$3,717,000	$4,275,000

(1) Construction cost has been assumed to represent an approximation of the fair market value of the property.

(2) Assumes a 6.0 percent interest rate, 20 year term and 1.0x debt coverage

For every $10.0 million in residential, apartments or commercial/industrial development, it is estimated that approximately $2.4 million, $3.7 million or $4.3 million in project cost could be supported, respectively. Further analysis will be required to determine the actual anticipated increment that could be captured as the project site is determined and other key factors are identified. This analysis assumes that all such development will be private development and thus will be taxed at the rates shown herein.

Admission Tax

The State of Connecticut currently levies an admission tax of 10 percent of the face value of tickets for sports and entertainment events at certain facilities throughout the State. For instance, while admissions to events at Rentschler Field are subject to this tax, events at the Hartford Civic Center are not subject to this tax. With the development of a new arena, it may be possible to apply this tax to admissions at the new facility, with these revenues captured for project financing. However, if this tax is applied, it may not be possible to also charge the ticket surcharge discussed previously, potentially reducing operating revenues to the facility. In addition, the implementation of this tax would likely prohibit the application of the general sales tax (discussed above) to paid admissions. The following exhibit summarizes the estimated revenues and resulting supportable debt that could be generated through the implementation of this tax.

Funding Potential - Admission Tax

Revenue Source	Gate Receipts	Tax Rate	Annual Revenue	Coverage	Debt Supported (2)
Municipal Arena					
Taxable Sales (1)	$18,841,000	10.00%	$1,884,100	1.50	$14,407,000
NHL Arena					
Taxable Sales (1)	$52,870,000	10.00%	$5,287,000	1.50	$40,428,000

(1) Includes gross spending on all paid admissions to the arena.

(2) Assumes 20 year term with 6.0% interest rate.

A 10 percent admissions tax would generate approximately $1.9 million to $5.3 million per year. Assuming 20 year debt with a six percent interest rate, these revenues could support approximately $14.4 million at a municipal arena to $40.4 million at an NHL arena. This type of tax is often an attractive funding tool because the revenues generated are paid by those patrons who actually utilize the facility.

Sales Tax Increase

In addition to capturing the sales taxes generated from spending within the arena, it may be possible to implement an increase in the actual sales tax rate. In many cases, a local municipality has the authority to levy a local option sales tax to generate revenues for the general fund or for specific projects. However, the State of Connecticut has not provided legislation that enables municipalities to create such a tax. Therefore specific legislation would be required to enable the City of Hartford and other municipalities to levy such a tax. As an alternative, the State could raise the income tax rate across the entire state. The following exhibit summarizes the estimated revenues that could be generated through specific increases in either the local sales tax or the statewide sales tax rate.

Funding Potential - Sales Tax Increase

Revenue Source	Retail Sales (1)	Rate Increase	Annual Revenue	Coverage	Debt Supported (2)
City of Hartford Tax					
	$1,937,117,000	0.10%	$1,937,117	1.25	$17,775,000
		0.25%	$4,842,793	1.25	$44,437,000
		0.50%	$9,685,585	1.25	$88,874,000
		1.00%	$19,371,170	1.25	$177,749,000
Statewide Tax					
	$52,157,700,000	0.10%	$52,157,700	1.25	$478,596,000
		0.25%	$130,394,250	1.25	$1,196,489,000
		0.50%	$260,788,500	1.25	$2,392,979,000
		1.00%	$521,577,000	1.25	$4,785,958,000

(1) Represents total estimated retail sales for fiscal year 2005/06 for the City of Hartford and the State of Connecticut

(2) Assumes 20 year term with 6.0% interest rate.

Source: State of Connecticut, Department of Revenue Services, Annual Report Fiscal Year 2005-06

As shown, each 0.10 percent increase in sales tax rate for sales within the City of Hartford would generate approximately $1.9 million in revenues per year. If the State provided legislation enabling the City to levy a local option tax of 1.0 percent, the related revenues could support approximately $177.7 million in project financing.

Similarly, for each 0.10 percent increase in overall state sales tax rate, approximately $52.2 million would be generated per year, which could support approximately $478.6 million in project financing. Based on preliminary estimates, this would likely be sufficient to support the entire project cost for an arena in Hartford. However, by increasing the total state sales tax rate by 0.25 percent or more, significant additional revenues could be generated that could be used for a variety of other projects and funding needs. By providing additional revenues that could also be used for projects outside the City of Hartford, it may be possible to garner the needed political support to raise the tax rate across the state.

Occupancy Tax

Taxes charged one short-term lodging rentals (i.e. hotel stays) have become more and more popular as a potential funding source for public assembly facilities such as the proposed arena. These types of taxes are attractive because the majority of the revenues are derived from visitors to the market, rather than local residents. However, the lodging industry typically offers significant resistance to any such increases, unless a project using such funds can be shown to positively impact the lodging industry.

The State of Connecticut currently levies a total tax of 12 percent on all applicable short-term rentals, which includes the State's six percent sales tax. As with the sales tax discussed above, the State does not allow local municipalities to implement a local option occupancy tax. Therefore, any potential increase would likely need to be made state-wide or would require specific legislation to enable the City to enact such a tax to generate funds for the arena's development.

The following exhibit summarizes the estimated revenues that could be generated through a local or state-wide increase in the occupancy tax rate.

Funding Potential - Occupancy Tax Increase

Revenue Source	Gross Receipts (1)	Rate Increase	Annual Revenue	Coverage	Debt Supported (2)
City of Hartford					
	$41,975,000	0.10%	$41,975	1.25	$385,000
		0.25%	$104,938	1.25	$963,000
		0.50%	$209,875	1.25	$1,926,000
		1.00%	$419,750	1.25	$3,852,000
Statewide					
	$633,333,000	0.10%	$633,333	1.25	$5,811,000
		0.25%	$1,583,333	1.25	$14,529,000
		0.50%	$3,166,665	1.25	$29,057,000
		1.00%	$6,333,330	1.25	$58,114,000

(1) Represents the total applicable lodging tax receipts for the City and State.
(2) Assumes 20 year term with 6.0% interest rate.

Source: State of Connecticut, Department of Revenue Services

For every 0.10 percent increase in the occupancy tax rate for lodging within the City of Hartford, approximately $42,000 would be generated. If the rate was increased by a full one percent, the estimated revenues could support approximately $3.9 million in project debt. Similarly, for every 0.10 percent increase in the state-wide occupancy tax, approximately $633,000 would be generated each year. A one percent increase in the state occupancy tax rate could potentially support approximately $58.1 million in project debt.

It is important to note that all revenues from the State occupancy tax are allocated to the State general fund. In most cases, this type of tax is collected by a separate agency (such as a Convention and Visitors Bureau) with the revenues used to fund the operations of convention facilities as well as tourism advertising initiatives geared towards increasing tourism in a specific area. In Connecticut, facilities such as the Connecticut Convention Center and groups such as the Greater Hartford Convention and Visitors Bureau must go through an appropriation process each year, with revenues from the State's general fund used to provide the required funds. If an increase in this tax is used for arena development, a segregated fund may need to be established for facility debt repayment.

Vehicle Rental Tax

As with the occupancy tax, several communities have levied a specific tax on short-term vehicle rentals to provide funds for facility development. As the majority of the revenues derived from such taxes are paid by visitors to the community, this type of tax is often more appealing from a legislative perspective.

At present, the State applies a Rental Surcharge of three percent on all vehicle rentals. Revenues generated from the Rental Surcharge are used to reimburse rental car companies for property taxes, licensing and other fees paid to the State. Because these revenues are earmarked for reimbursement of specific expenses incurred by the rental car companies, an increase in this rate is considered unlikely.

In addition to the Rental Surcharge, the State applies a Tourism Account Surcharge of $1.00 per day on all short-term vehicle rentals originating within the State of Connecticut. An increase in this rate could potentially generate additional revenues that could be used by the State to fund the development of the arena. The following exhibit summarizes the estimated revenues and supportable debt generated through various increases in this surcharge.

Funding Potential - Tourism Account Surcharge Increase

Revenue Source	Gross Receipts (1)	Rate Increase	Annual Revenue	Coverage	Debt Supported (2)
Statewide					
	$4,751,000	$0.25	$1,187,750	1.25	$10,899,000
		$0.50	$2,375,500	1.25	$21,797,000
		$0.75	$3,563,250	1.25	$32,696,000
		$1.00	$4,751,000	1.25	$43,595,000

(1) Represents the total gross receipts from car rentals throughout State of Connecticut.
(2) Assumes 20 year term with 6.0% interest rate.

Source: State of Connecticut, Department of Revenue Services

An increase of $0.25 per day in the Tourism Account Surcharge would generate approximately $1.2 million in revenue per year, which could support approximately $10.9 million in project debt. Approximately $4.8 million would be generated annually if the surcharge is increased to $2.00 per day (from the current rate of $1.00 per day). This amount could support approximately $43.6 million in project financing.

It is important to note that information on revenues generated within a specific City were not available, therefore the information presented includes only state-wide revenues. As discussed previously, a state-wide tax that would generate revenues to be used for a project in Hartford may face significant political opposition.

Other Taxes

In addition to the public revenue streams identified above, it may be possible to generate revenues for project funding through several other taxes. Examples of other taxes used to fund similar projects include taxes on alcoholic beverages or on cigarette sales. These so-called “sin taxes” are often a popular funding source for a variety of projects, but have faced opposition in recent years due to the perception of singling out specific groups of people. However, the City and State may wish to explore potential opportunities for funding from such sources in order to develop a viable project financing plan.

Summary of Funding Sources

The intent of this analysis has been to provide the City with a preliminary understanding of the potential need for public contributions to the proposed arena development. In addition, a variety of both public and private funding sources have been identified that could potentially be used to help fund the development of a new arena in Hartford. As shown in the following exhibit, a combination of several potential funding sources may be required to secure project financing.

Potential Public Funding Sources

Source	Incremental Rate	Estimated Annual Revenue	Estimated Debt Supported (1)	Comments
PUBLIC SOURCES				
TIF - In-Arena Sales Tax	n/a	$1.6 million to $4.2 million	$6.3 million to $16.1 million	May require approval from the City Council for implementation. Also, it may be possible to capture a higher percentage than the 50 percent used in this estimate for project costs, with Council approval.
TIF - Property Taxes (2)	n/a	$106,000 - Residential $162,500 - Apartments $186,000 - Commercial	$2.4 million $3.7 million $4.3 million	Assumes $10.0 million of development for each property type. Also assumes 50 percent of increment is captured for project costs. With Council approval, this amount could be increased.
Admission Tax	10.00%	$1.9 million to $5.3 million	$14.4 million to $40.4 million	Would require legislative approval as Kalamazoo currently does not qualify under the Stadia or Convention Facilities Act of 1991. Would also require voter referendum for approval.
Sales Tax Increase - City	0.25%	$4.8 million	$44.4 million	The State of Connecticut currently does not allow municipalities to levy a local sales tax. Legislative action would be required to enable the City to enact such a tax.
Sales Tax Increase - Statewide	0.25%	$130.4 million	$1.2 billion	Legislative action would be required to increase the State sales tax rate.
Occupancy Tax - City	1.00%	$420,000	$3.9 million	The State of Connecticut currently does not allow municipalitiesto levy a local tax, therefore legislative action would be required. In addition, all revenues generated by the State's occupancy tax are currently allocated to the General Fund, therefore specific action to establish a segregated fund may be required.
Occupancy Tax - Statewide	1.00%	$6.3 million	$58.1 million	All revenues generated by the State's existing occupancy tax are currently allocated to the General Fund, therefore specific action to establish a segregated fund may be required to enable funds to be used for arena construction.
Tourism Account Surcharge	$1.00 per day	$4.8 million	$43.6 million	Legislative action would likely be required to implement an increase in the Tourism Account Surcharge amount on rental cars. Information on rentals within specific municipalities is not available, therefore only a statewide estimate has been included herein.
PRIVATE SOURCES				
Suite Revenue	n/a	$4.6 million to $17.4 million	$30.4 million to $113.9 million	These revenues are currently assumed to be allocated to the facility for operations. If captured for arena construction funding, impact on operations must be considered.
Naming Rights	n/a	$750,000 to $3.0 million	$4.9 million to $19.7 million	These revenues are currently assumed to be allocated to the facility for operations. If captured for arena construction funding, impact on operations must be considered.
Advertising	n/a	$1.25 million to $5.0 million	$8.2 million to $32.8 million	These revenues are currently assumed to be allocated to the facility for operations. If captured for arena construction funding, impact on operations must be considered.
Admission Surcharge	$1.75 to $2.50 per paid admission	$1.6 million to $3.5 million	$12.3 million to $26.4 million	These revenues are currently assumed to be allocated to the facility for operations. If captured for arena construction funding, impact on operations must be considered.

(1) Assumes 20-year debt with a six percent interest rate and various coverage ratios. However, depending on the type of tax, a higher coverage ratio may be required, reducing the amount of debt supported accordingly.
(2) Revenue and supported debt are based on $10.0 million of development for each property type.

As shown, it is likely that a combination of both public and private sources will be required to secure adequate project funding. In addition, it is important to note that several of the public sources identified would require legislative approval for implementation.