

Market Demand and Operational Effectiveness Analysis

of the

Hartford Civic Center

Presented to:

The Connecticut Development Authority

Presented by:



August 4, 2006



August 4, 2006

Mr. Philip Siuta
Senior Vice President
Finance and Administration
Connecticut Development Authority
999 West Street
Rocky Hill, CT 06067

Dear Mr. Siuta:

We have completed the market demand and operational effectiveness analysis of the Hartford Civic Center. The attached report summarizes the study's research and analyses, and is intended to assist the Connecticut Development Authority ("CDA") in evaluating the on-going viability of the Hartford Civic Center ("HCC") and potential future arena development options in Hartford and should not be used for any other purposes.

The information contained in this report is based on estimates, assumptions and other information developed from research of the market, knowledge of the public assembly facility industry and other factors, including certain information you have provided. All information provided to us by others was not audited or verified and was assumed to be correct. Because procedures were limited, we express no opinion or assurances of any kind on the achievability of any projected information contained herein and this report should not be relied upon for that purpose. Furthermore, there will be differences between projected and actual results. This is because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

We sincerely appreciate the opportunity to assist you with this project, and would be pleased to be of further assistance in the interpretation and application of the study's findings.

Very truly yours,

CSL International

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Executive Summary

Executive Summary

In response to the advancing age of the Hartford Civic Center (“HCC” or “the Center”) and recent competitive changes in the Hartford public assembly facility market, the Connecticut Development Authority (“CDA”) is currently evaluating the long term future of the Center, including potential renovations to the facility or the eventual replacement of the Center with a new arena in Hartford. The CDA retained Conventions, Sports & Leisure International (“CSL”) to perform an independent analysis of the market and operational effectiveness of the HCC. CSL subsequently retained HOK Sport+Venue+Event (“HOK SVE”) to assist in completing the analysis.

The following summary focuses on the study methods and results of the research and analyses conducted by CSL and HOK SVE, and is intended to assist in making informed decisions with regard to future arena development options in Hartford. As this section is only a summary of the findings, the full report should be read in its entirety to ensure that all study methods, assumptions, and analyses are considered.

Existing Hartford Civic Center Analysis

The analysis completed by CSL and HOK SVE included a detailed analysis of the historical and present operations of the HCC, including event levels, financial performance and physical characteristics. The analysis also included estimates related to the potential future performance of the facility.

Historical Analysis

The ability of a public assembly facility to attract adequate event levels is key to the facility’s revenue generating capability. The following table summarizes HCC event levels over the past three fiscal years.

**Hartford Civic Center
Event Levels**

Event Type	Number of Events			Average
	2003/04	2004/05	2005/06	
AHL	49	43	46	46
UCONN	20	21	23	21
Concerts	7	8	11	9
Family Shows	35	28	28	30
Non-Tenant Sports	12	9	12	11
Other Events	23	18	22	21
Subtotal	146	127	142	138
Flat Floor Events	39	31	13	28
Total Events	185	158	155	166

Source: CDA, HCC, MSG

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- Annual HCC event levels have declined in recent years due primarily to a loss of flat floor event business. This loss is largely a result of the construction of Hartford 21 and the opening of the Connecticut Convention Center in 2005 and the recent opening of other exhibition and conference facilities in the area.
- Spectator event levels decreased in 2004/05 but rebounded to previous levels in 2005/06. The HCC hosts several family shows and non-tenant sporting events that utilize the main arena on a recurring annual basis.

In terms of financial performance, the HCC has incurred substantial operating losses in recent years based on the facility's audited financial statements, which are summarized in the following table.

Summary of HCC Audited Financial Statements

	Year		Average
	2003/04	2004/05	
<i>Revenues</i>			
Rental and Event Income	\$5,055,000	\$5,084,000	\$5,070,000
Sponsorship and Signage	888,000	921,000	905,000
Luxury Seating	1,871,000	1,862,000	1,867,000
Food and Beverage - Arena	1,825,000	1,923,000	1,874,000
Food and Beverage - Luxury Seating	1,177,000	952,000	1,065,000
Parking	1,787,000	0	894,000
Ticket Surcharge	929,000	870,000	900,000
Investment Interest	186,000	194,000	190,000
Whaler Exit Fee	1,050,000	1,050,000	1,050,000
Other Income	113,000	659,000	386,000
Total Revenues	\$14,881,000	\$13,515,000	\$14,198,000
<i>Expenses</i>			
Civic Center Events	\$3,400,000	\$3,534,000	\$3,467,000
Civic Center Facility	2,455,000	2,532,000	2,494,000
General and Administrative	3,735,000	4,125,000	3,930,000
Parking	556,000	70,000	313,000
Food and Beverage - Luxury Seating	658,000	602,000	630,000
Rent	2,503,000	1,795,000	2,149,000
Interest	844,000	770,000	807,000
Depreciation	2,372,000	2,558,000	2,465,000
Management Fee	1,433,000	1,153,000	1,293,000
Total Expenses	\$17,956,000	\$17,139,000	\$17,548,000
Net Profit/(Loss)	(\$3,075,000)	(\$3,624,000)	(\$3,350,000)

Source: CDA

- The HCC sustained a net loss of approximately \$3.1 million in 2003/04 and \$3.6 million in 2004/05, for an average loss of approximately \$3.4 million per year.
- HCC revenues declined by approximately \$1.4 million in 2004/05, due primarily to a loss of parking revenue resulting from the City's sale of parking facilities that had been covered under the CDA's lease with the City.

Executive Summary

- To reduce the impact of the loss of parking revenues, the City agreed to reduce the CDA's rent payment in 2005 and future years, as reflected in the Rent expense line item in the table.

It should be noted that several of the revenues and expenses included in the audited financial statements do not directly result from building operations. In addition, several revenue line items have correlating expenses that are directly associated with the specific revenue stream. In order to eliminate non-operating revenues and expenses and determine the *net* revenues after deducting corresponding expense line items, several adjustments were made to the HCC's audited financial statements. The following table summarizes the adjusted financials of the HCC for the 2003/04 and 2004/05 fiscal years.

Summary of Adjusted Financials

	Year		Average
	2003/04	2004/05	
Revenues			
Direct Event Income (Net) ⁽¹⁾	\$1,538,000	\$1,451,000	\$1,495,000
CT Ticket Surcharge	929,000	870,000	900,000
Food and Beverage Commissions	2,344,000	2,273,000	2,309,000
Merchandise Commissions	117,000	99,000	108,000
Parking (Net)	1,231,000	(70,000)	581,000
Sponsorship and Signage	888,000	921,000	905,000
Luxury Seating	1,871,000	1,862,000	1,867,000
Other Revenues	108,000	655,000	382,000
Total Revenues	\$9,026,000	\$8,061,000	\$8,544,000
Expenses ⁽²⁾			
Facility	\$2,455,000	\$2,532,000	\$2,494,000
General and Administrative	3,152,000	3,435,000	3,294,000
Management Fee	1,433,000	1,153,000	1,293,000
Total Expenses	\$7,040,000	\$7,120,000	\$7,080,000
Net Profit/(Loss)	\$1,986,000	\$941,000	\$1,464,000

(1) Includes rent and reimbursable expenses, net of event expenses.

(2) Excludes depreciation and interest expenses and City rent payments.

Source: CDA, HCC, MSG

- The HCC generated an operating profit of approximately \$2.0 million in 2003/04 and \$941,000 in 2004/05 after deducting non-operating revenues and expenses.
- The decrease in profitability in 2004/05 was due primarily to the loss of parking revenues. In addition, facility and general and administrative expenses increased slightly in 2004/05.

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Operational Efficiency Analysis

HOK SVE was engaged by CSL to assess the condition of the exterior walls, roof, windows, public restrooms, premium areas, concession stands, dressing rooms and interior finishes of the Hartford Civic Center. HOK SVE assessment personnel performed an on-site review of the Hartford Civic Center on April 20 and 21, 2006. The following is a summary of HOK SVE's key findings:

- The facility is well maintained by current management.
- Major systems have reached the end of their useful life.
- Major expansion of concession stands, restrooms and concourses is not feasible.
- The existing seating configuration does not meet current ADA regulations.
- The Hartford Civic Center does not meet current arena standards for a major professional sports franchise in terms of:
 - Team spaces
 - Premium spaces
 - Guest experience
 - Revenue generation

Based on these findings, HOK SVE developed the following recommendations:

- It is recommended that an engineering study be conducted to determine location and cost of new mechanical systems.
- The installation of booster pumps and a bladder tank system is recommended to increase water pressure in the upper level.
- A comprehensive lighting study should be conducted to determine improvements to lighting of public spaces.

On-Going HCC Operations

Along with the analyses of the historical and present physical and operational characteristics of the HCC, the analysis included the development of estimates related to event levels and financial operating results in future years of HCC operations. The following is a summary of key considerations included in the analysis of the on-going operations of the HCC:

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- Based on the results of the Operational Efficiency Analysis completed by HOK SVE, the HCC does not meet the standards for a major professional sports franchise in terms of many physical and operational characteristics. Further, a major expansion or renovation of the facility to accommodate the requirements of a major sports franchise is not considered feasible due to space constraints and other such factors.
- Because the HCC cannot be brought up to the standards of major professional sports franchise, it is assumed that the facility will continue to host AHL hockey and UCONN basketball events, but will not attract any new sports franchises.
- The lower levels of flat floor event utilization in recent years are likely to continue in future years, as the recently build Connecticut Expo Center and the Connecticut Convention Center now host many of the HCC's former flat floor events.
- According to promoters of events such as concerts, family shows and touring sporting events that are currently utilizing the HCC, the facility generally is adequate to accommodate its existing events. Therefore, spectator event levels are not likely to decrease significantly in future years. However, event levels are not assumed to increase significantly regardless of whether renovations are made to the facility, as the market is currently capturing the majority of event demand in the market and future concert levels are likely to continue to be limited by the high degree of competition from regional arenas and casino venues.

Overall, it appears that the HCC's current event levels are likely to be achievable in the short-term future, but the facility is unlikely to significantly increase annual event levels in the future. In the long term, the HCC may gradually lose events as the building and its systems continue to age. Based on these factors, estimates were developed concerning future event and attendance levels at the HCC. These estimates are summarized in the following table.

Summary of Event Estimates

Event Type	Historical HCC ⁽¹⁾			On-Going HCC		
	Events	Average Attendance	Annual Attendance	Events	Average Attendance	Annual Attendance
Wolf Pack Hockey	46	3,800	173,000	43	3,800	163,000
UConn Basketball	21	14,000	288,000	21	14,000	294,000
Concerts	8	8,900	67,000	8	8,900	71,000
Family Shows	32	3,300	105,000	28	3,300	92,000
Non-Tenant Sports	11	8,700	91,000	11	8,700	96,000
Other Events	21	1,700	34,000	21	1,700	36,000
Subtotal	137		758,000	132		752,000
Flat Floor Events	35	2,500	86,000	15	2,500	38,000
Total - All Events	172		844,000	147		790,000

(1) Represents average event and attendance levels during the 2003/04 and 2004/05 fiscal years.

Note: Attendance figures are *paid* attendance with the exception of flat floor and other events

Executive Summary

- Event and attendance levels at the HCC are estimated to decrease in future years, due primarily to a continued loss of flat floor events to the new, larger competitive flat floor venues in the Hartford market.
- Other event levels are assumed to remain relatively stable in future years. Family show utilization is estimated to decline slightly, as the historical family show event levels are inflated due to a non-recurring event that played the HCC in 2003/04. Annual Wolf Pack event levels will vary based on the number of playoff games the team hosts in a given year.

Based on these annual event and attendance levels, the following table summarizes the estimated financial performance of the HCC in future years of operations.

Estimated Financial Operating Results On-Going HCC Operations

	HCC 2004/05	On-Going HCC
Revenues		
Direct Event Revenues	\$1,451,000	\$1,419,000
CT Ticket Surcharge	870,000	1,038,000
Premium Seating	1,862,000	1,861,000
Naming Rights	0	0
Food & Beverage	2,273,000	2,302,000
Merchandise	99,000	113,000
Sponsorship & Signage	921,000	921,000
Other	585,000	585,000
Total revenues	\$8,061,000	\$8,239,000
Expenses		
Facility	\$2,532,000	\$3,000,000
General & administrative	3,435,000	3,500,000
Management Fee	1,153,000	956,000
Total expenses	\$7,120,000	\$7,456,000
Operating Income (Loss)	\$941,000	\$783,000

- Total operating revenues are anticipated to increase slightly over the next few years, due primarily to an increase in the Connecticut ticket surcharge.
- Due to anticipated increases in general facility maintenance and repairs related to the aging of the facility, overall operating expenses are anticipated to continue to increase over the next several years, reducing the overall operating revenue from approximately \$941,000 to approximately \$783,000 per year.

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New Arena Analysis

In addition to analyzing the current and potential future operations of the HCC, an analysis was conducted to evaluate the potential operations of a new arena in Hartford. The following tasks were completed in developing estimates concerning the potential event and attendance levels and financial performance of a new arena, including:

- The historical operations of the HCC;
- Interviews with event promoters to evaluate interest in bringing events to a new arena in Hartford;
- Interviews with representatives of various sports leagues that could potentially place a franchise in Hartford;
- An analysis of the physical and operational characteristics of comparable, recently-built arenas, including large minor league arenas and facilities hosting NHL franchises;
- An analysis of the current state of the NHL, including the current arena situations of its franchises, in order to evaluate the potential for a new arena in Hartford to attract an NHL franchise; and,
- Web based surveys of members of the Metro Hartford Alliance to assess interest among the local corporate community in supporting a new arena through the purchase of premium seating and sponsorship packages.

The following is a summary of the key findings resulting from the completion of these tasks:

- Assuming a new arena meets the standards of major modern professional sports facilities, it could potentially attract an NHL franchise to Hartford. However, the majority of NHL teams play in recently built arenas or are currently planning the development of new arenas in their respective markets. At this time, the Pittsburgh Penguins are for sale and are believed to be the only team that could consider relocation in the near future. Furthermore, the NHL is not planning any expansion in the foreseeable future.
- Several markets, including Kansas City, Oklahoma City, Houston and Portland, have recently opened or are constructing arenas capable of hosting an NHL franchise. In addition, Las Vegas is considering the development of a new arena and has shown interest in attracting an NHL and/or NBA franchise. Therefore, if an NHL franchise becomes available, Hartford would face competition from several other markets in securing the franchise.

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- If no NHL franchise can be attracted to the new arena, the new facility will likely host AHL hockey and UCONN basketball. In addition, the revenue generating potential of a new arena could make Hartford a more attractive market for arena football, lacrosse and other professional sports leagues.
- In terms of non-tenant events, promoters generally indicated that a new arena in Hartford would be unlikely to result in a significant number of new events playing the Hartford market. A new arena would continue to face strong competition from area casinos for concerts, while the HCC already accommodates the demand for family shows, sports events and other such events in the market. However, a new arena could allow the Hartford market to maintain existing event levels in future years due to the upgraded amenities associated with a new facility.
- Flat floor and other miscellaneous event utilization at a new arena would likely be lower than historical event levels at the HCC, as a new arena is not assumed to offer dedicated exhibit space.

Estimated Event Levels

Estimates were developed concerning the potential event parameters of a new arena in Hartford. Two scenarios were developed to reflect the impact of the arena attracting an NHL franchise as opposed to a facility that continues to host only minor league and collegiate sports tenants. The following table summarizes the estimated event and attendance levels that could be achieved by a new arena in Hartford.

Summary of New Arena Event Estimates

Event Type	Historical HCC ⁽¹⁾			New Arena		
	Events	Average Attendance	Annual Attendance	Events	Average Attendance	Annual Attendance
<i>Tenant Hockey</i>						
Wolf Pack	46	3,800	173,000	43	4,800	206,000
NHL Assumptions	n/a	n/a	n/a	45	15,000	675,000
<i>Other Events</i>						
af2 Football	n/a	n/a	n/a	7	6,000	42,000
NLL Lacrosse	n/a	n/a	n/a	8	10,000	80,000
UConn Basketball	21	14,000	288,000	21	15,000	315,000
Concerts	8	8,900	67,000	10	10,000	100,000
Family Shows	32	3,300	105,000	28	3,500	98,000
Non-Tenant Sports	11	8,700	91,000	12	9,000	108,000
Flat Floor Events	35	2,500	86,000	5	n/a	n/a
Other Events	21	1,700	34,000	5	5,000	25,000
Total - AHL Tenant	172		844,000	139		974,000
Total - NHL Tenant	n/a		n/a	141		1,443,000

(1) Represents average event and attendance levels during the 2003/04 and 2004/05 fiscal years.

Note: Attendance figures are *paid* attendance with the exception of flat floor and other events

Executive Summary

- A new arena in Hartford is estimated to host 139 to 141 annual events.
- Because the arena is not assumed to offer any dedicated flat floor space, it is assumed to host significantly fewer flat floor and miscellaneous events as compared to the HCC.
- If the new arena hosts an AHL tenant, total annual attendance at arena events is estimated to approximate 974,000 per year. The inclusion of an NHL franchise in the event estimates is assumed to increase annual attendance to approximately 1.4 million.

Financial Analysis

Based on the event and attendance levels presented in the previous table, estimates were developed related to the potential revenues and expenses that could result from the annual operations of a new arena in Hartford under both tenant scenarios. The following table summarizes the estimated financials of an arena with no NHL tenant. For purposes of this analysis, lease terms for the Wolf Pack and UCONN basketball were assumed to be similar to their respective HCC leases. Lease assumptions for football and lacrosse franchises were assumed to be similar to the Wolf Pack lease.

Estimated Financial Operating Results New Arena - No NHL Tenant

	HCC 2004/05	New Arena AHL Tenant
Revenues		
Direct Event Revenues	\$1,451,000	\$2,028,000
CT Ticket Surcharge	870,000	1,389,000
Premium Seating	1,862,000	4,638,000
Naming Rights	0	750,000
Food & Beverage	2,273,000	2,460,000
Merchandise	99,000	297,000
Sponsorship & Signage	921,000	1,250,000
Other	585,000	600,000
Total revenues	\$8,061,000	\$13,412,000
Expenses		
Facility	\$2,532,000	\$4,500,000
General & administrative	3,435,000	6,000,000
Management Fee	1,153,000	1,500,000
Total expenses	\$7,120,000	\$12,000,000
Operating Income (Loss)	\$941,000	\$1,412,000

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- A new arena is estimated to generate approximately \$5.4 million in incremental revenues as compared to the historical operations of the HCC.
- However, operating expenses are assumed to be significantly higher for a new arena, resulting in incremental net operating income of approximately \$371,000.

The operations of an NHL arena typically differ significantly from the operations of minor league venues. In most cases, the NHL franchise is responsible for the operations of the arena, retaining all NHL and non-NHL event revenue as well as revenue from naming rights, advertising and other non-event specific revenue streams.

For purposes of this analysis, it is assumed that the NHL franchise would operate the building and retain all arena revenues. The team is also assumed to be responsible for all arena operating expenses. The following is a summary of the estimated annual revenues and expenses associated with the operations of an NHL franchise and facility in Hartford.

Estimated Financial Operating Results NHL Arena and Franchise

Revenues

Arena Related

Direct Event Income (Non-NHL Events)	\$1,920,000
CT Ticket Surcharge	1,389,000
Premium seating	17,375,000
Naming rights	3,000,000
Food and beverage	5,216,000
Advertising	5,000,000
Merchandise	581,000
Other	600,000
Total Arena Revenues	\$35,081,000

Team Related

NHL Gate Receipts	\$37,125,000
Other Team Operating Revenue	31,000,000
Total Team Revenues	\$68,125,000

Total Team and Arena Revenues	\$103,206,000
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Expenses

Arena Related

Facility	\$5,500,000
General & administrative	9,500,000
Management Fee	1,250,000
Total Arena Expenses	\$16,250,000

Team Related

Player Compensation	\$44,000,000
Other Team Operations	41,200,000
Total Team Expenses	\$85,200,000

Total Team and Arena Expenses	\$101,450,000
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Operating Income (Loss)	\$1,756,000
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Executive Summary

- Combined NHL team and arena operations are estimated to generate approximately \$103.2 million in total revenues and \$101.5 million in annual operating expenses, resulting in a net operating profit of approximately \$1.8 million.

Economic Impact Analysis

An analysis was conducted to provide estimates of the economic impacts resulting from the historical and ongoing operations of the HCC, and to estimate the incremental impacts that could result from a new arena operating in Hartford.

The initial impacts associated with the development of a new arena would be in the form of impacts taking place during the construction period as a result of spending on material and labor. The following table presents the estimated construction period impacts, assuming a total project cost of approximately \$400.0 million.

**Estimated Economic and Fiscal Impacts
Construction - One-Time Impacts**

Project Cost	\$400,000,000
Adjusted Local Spending	\$300,000,000
Total Output	\$541,243,000
Earnings	\$266,204,000
Jobs (1)	5,100

(1) Includes full- and part-time jobs

- It is assumed that approximately 75 percent of spending associated with arena construction would take place within the Hartford market. Therefore, a local spending adjustment has been made to account for spending assumed to take place outside of Hartford.
- Total economic and fiscal activity associated with the construction of the proposed arena is estimated to include \$300.0 million in total local direct spending, \$541.2 million in total output, \$266.2 million in total earnings and 5,100 jobs.

The table on the following page presents the estimated annual economic and fiscal impacts estimated to be generated by a new arena in Hartford under each potential tenant hockey scenario. The estimates presented herein represent the gross estimated impacts related to on-going arena operations. For comparison purposes, the estimated economic impacts generated by the current operations of the HCC have also been included in the table.

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Estimated Economic and Fiscal Impacts Annual Arena Operations

	HCC 2004/05	On-Going HCC	New Arena	
			NHL (2)	AHL
Direct Spending	\$30,893,000	\$31,414,000	\$82,963,000	\$42,229,000
Total Output	\$51,952,000	\$52,876,000	\$140,022,000	\$71,280,000
Earnings	\$25,272,000	\$25,814,000	\$69,201,000	\$35,703,000
Jobs (1)	1,100	1,200	3,200	1,600
Tax Revenues				
State Sales	\$1,327,000	\$1,346,000	\$2,797,000	\$1,667,000
State Lodging	\$50,000	\$48,000	\$76,000	\$46,000
State Personal Income	\$863,000	\$881,000	\$2,362,000	\$1,219,000
State Business	\$178,000	\$181,000	\$480,000	\$244,000
Total State Taxes	\$2,418,000	\$2,456,000	\$5,715,000	\$3,176,000

(1) Includes full- and part-time jobs

(2) Direct spending has been adjusted downward to reflect the assumption that a significant portion of the spending related to an NHL franchise is allocated to player payroll, and that only a portion of player spending will actually impact the local economy.

- The HCC is currently estimated to generate approximately \$30.9 million in direct spending, resulting in approximately \$52.0 million in total output and supporting 1,100 jobs with approximately \$25.3 million in annual earnings. The impacts of HCC operations are not anticipated to change significantly in the near future, as event and attendance levels are estimated to remain relatively stable.
- Gross impacts related to the operations of a new arena are estimated to include \$42.2 to \$83.0 million in direct spending, \$71.3 to \$140.0 million in total output, \$35.7 to \$69.2 million in earnings and 1,600 to 3,200 jobs. The operations of a new arena are estimated to generate gross State taxes of approximately \$3.2 to \$5.7 million.
- The economic impacts associated with an NHL arena are assumed to be significantly higher than the impacts of an arena with only minor league sports tenants. An NHL franchise is assumed to draw significantly higher attendance levels, resulting in increased spending in the arena and outside of the facility before and after events. In addition, spending related to premium seating, sponsorships and other such revenue streams are estimated to be significantly higher at an NHL arena.

In addition to the economic effects of money spent on arena construction and at arena events, the Hartford market could receive additional benefits that cannot be quantitatively measured. Potential qualitative benefits for the local and regional market area could include:

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- Enhanced growth and ancillary private sector development spurred by the operations of an arena;
- Diversified entertainment alternatives for families in the local area;
- New advertising opportunities for local businesses;
- Enhanced community pride, self-image, exposure and reputation; and
- Other such benefits.

1.0 Introduction

1.0 Introduction

The Hartford Civic Center Veterans Memorial Coliseum and Exhibition Center (“HCC” or “the Center”) opened in 1975, providing the Hartford market with its primary indoor sports, entertainment and exhibition venue. Over the past three decades, the HCC has hosted a wide variety of professional and collegiate sports, concerts, family shows, flat floor shows and several other events.

While the Center continues to represent one of the primary event venues in Connecticut, several regional facility development projects have significantly altered the competitive environment in which the Center operates. The opening of the Connecticut Expo Center in 1998 and the Connecticut Convention Center in 2005 provided the market with larger, more modern venues for flat floor events compared to the spaces offered at the HCC Exhibition Center. In addition, the construction of new arenas in Bridgeport and at the Mohegan Sun Casino, as well as a concert venue at the Foxwoods Resort Casino, introduced new competitors for concerts and other touring events routing through the Connecticut region.

Along with these changes to the regional competitive environment, recent trends in the national public facilities industry have also impacted the operations of the HCC. A number of new arenas have been developed in markets throughout the U.S. in recent years, providing new revenues streams through enhanced premium seating products and other such offerings. The inability of the HCC to generate these revenue streams helped lead to the relocation of the National Hockey League (“NHL”) Whalers to a new arena in Raleigh, North Carolina, in 1997. In addition, many of the fan and event amenities of the HCC are no longer up to the standards of amenities found in more modern venues.

In response to these competitive changes and the advancing age of the HCC, the Connecticut Development Authority (“CDA”) is currently evaluating the long term future of the Center, including potential renovations to the facility or the eventual replacement of the Center with a new arena in Hartford. The CDA retained Conventions, Sports & Leisure International (“CSL”) to perform an independent analysis of the market and operational effectiveness of the HCC. CSL subsequently retained HOK Sport+Venue+Event (“HOK SVE”) to assist in completing the analysis. The scope of the analyses completed by CSL and HOK SVE included the following key tasks:

- Reviewed the historical operations of the HCC, including event and attendance levels, financial operations and other key operational characteristics;
- Performed an operational efficiency analysis to assess the current HCC on the basis of several physical and operational attributes;
- Compared the demographics of the Hartford market with those of other markets currently hosting large new arenas;

I.0 Introduction

- Collected and analyzed operating information related to competitive regional event facilities;
- Analyzed the physical and operational characteristics of recently built NHL arenas and large municipal arenas;
- Interviewed existing and potential HCC users, including concert and other event promoters, sports leagues and other users;
- Conducted surveys of Hartford area corporations to assess potential demand for premium seating and other offerings at a renovated HCC or a new arena in Hartford;
- Developed estimates related to potential annual event and attendance levels that could be achieved by a renovated HCC or a new arena in Hartford;
- Developed a financial model based on the estimated levels of utilization and patron spending derived from the previous tasks and other information pertaining to the Hartford market; and,
- Estimated the economic and fiscal impacts that could result from the development of a renovated HCC or a new arena in Hartford.

The following report focuses on the study methods and results of the research and analyses conducted for the study, and is presented to the CDA in order to assist in making informed decisions regarding the on-going viability of the HCC and potential arena development options. The report is divided into the following sections:

	Executive Summary
1.0	Introduction
2.0	Historical Operating Analysis
3.0	Operational Efficiency Analysis
4.0	Hartford Market Analysis
5.0	Competitive Facility Analysis
6.0	Comparable Facility Analysis
7.0	NHL Overview
8.0	Market Survey Results
9.0	Utilization Analysis
10.0	Financial Analysis
11.0	Economic and Fiscal Impact Analysis
	Appendix A. Architectural Glossary
	Appendix B. Additional Survey Results

2.0 Historical Operating Analysis

2.0 Historical Operating Analysis

The HCC opened in 1975 and includes a main arena with seating capacities of 14,660 for hockey and up to 16,500 for a center stage concert. The Center also incorporates an Exhibition Center offering 68,855 square feet of exhibit space and nine meeting rooms ranging in size from 370 to 6,900 square feet. The purpose of this section is to present a variety of historical information related to the operations of the HCC. This information forms an initial basis from which to evaluate the on-going operations of the HCC and the potential operations of a new arena in Hartford.

Management

The City of Hartford was responsible for the operations of the HCC until 1993, when the CDA assumed full control and operating authority under a lease/purchase agreement between the CDA and the City with an initial term of 20 years. Under the terms of the lease, the CDA makes lease payments to the City in the amount of \$400,000 per quarter, increasing by four percent annually. The CDA's lease payment was reduced beginning in 2004-05 in response to the sale of a City-owned parking ramp that formerly generated parking revenue for the CDA. In the fiscal year ended June 30, 2005, the CDA's lease payments totaled approximately \$1.8 million.

In 1997, the CDA entered into an operating agreement with Madison Square Garden CT, LLC ("MSG") by which MSG assumed responsibility for the day-to-day operations of the HCC. The initial term of the operating agreement between the CDA and MSG expires on August 31, 2007, but will be extended to 2013 should the Wolf Pack AHL franchise elect to extend its lease through that period. Under the terms of the lease agreement, MSG is responsible for operating expenses and receives commissions equal to 40 percent of net profits for each fiscal year until net profits equal \$3.0 million. The CDA and MSG equally share revenue-enhancing capital expenditures, while the CDA bears full responsibility for capital expenditures that are not revenue enhancing.

Leases and Contracts

The following is a summary of the tenant leases and other relevant contracts currently in place at the HCC.

2.0 Historical Operating Analysis

UCONN Lease

MSG and the University of Connecticut signed a five year lease agreement in 2005 covering UCONN men's and women's basketball games played at HCC during the 2005-06 through 2009-10 seasons. The following is a summary of the key terms of the lease agreement:

- UCONN pays rent in the amount of \$50,000 per game in 2005-06. The rent per game increases by \$1,250 each season, reaching a maximum of \$55,000 per game in 2009-10.
- UCONN pays a Connecticut ticket surcharge of \$2.00 per paid admission, capped at \$26,500 (13,250 paid tickets) per game.
- UCONN receives advertising rights to a limited inventory of signage, one set of rotating signage tables, official's tables, media tables, team benches and basketball backstops. UCONN and MSG share use of the video board, in-game announcements and other such advertising opportunities.
- MSG retains all income from food and beverage sales.
- MSG receives a commission equal to 35 percent of merchandise revenues, net of sales tax and applicable security charge.

Wolf Pack Lease

In 1997, the CDA and the New York Rangers Hockey club signed a lease agreement outlining the terms of the Wolf Pack's tenancy at the HCC. The lease expires on August 31, 2007; however, the Team retains the right to extend the term for an additional six years after 2007. The following is a summary of the key terms of the lease agreement:

- The Team pays base rent in an amount equal to the actual direct costs incurred by the CDA in connection with the preparation for and production of Wolf Pack home games. As long as MSG operates the building, no additional rent is paid.
- Should MSG cease to operate the facility at any point during the lease term, the Team would be required to pay base rent of \$14,000 per game in year one, escalating to \$21,812 per game in year 16.
- The CDA is responsible for ice maintenance, score clocks and other game day equipment and game day staff such as ushers, ticket takers and security personnel.

2.0 Historical Operating Analysis

- The Team has the right to sell advertising on ticket backs, dasher boards, benches, penalty boxes and on the ice. The CDA retains the right to sell advertising in all other areas of the arena; however, if the Team delivers sponsors to the CDA, the Team retains a 30 percent commission on any revenue resulting from that sponsor.
- The CDA retains all revenue from the suites and the Coliseum Club, with the exception of a payment of \$5.00 per actual suite or Club attendee made to the Team in addition to ticket revenue.

Concession Services Agreement

In 2002, MSG and Volume Services America (“Volume”) signed a concessions services agreement providing Volume with the exclusive right to perform food and beverage operations at the HCC.

- Volume must pay MSG commissions on food and beverage sales as follows:
 - 54 percent of gross receipts up to and including \$1.0 million each year;
 - 56 percent of gross receipts of \$1.0 to \$2.0 million; and,
 - 60 percent of gross receipts over \$2.0 million.
- In terms of merchandise sales, Volume pays MSG commissions equal to 75 percent of net publications profits.
- MSG receives 60 percent of any subcontracting income generated by Volume.
- The minimum annual commissions are \$1.7 million, increased each fiscal year based on the increase in the consumer price index.
- Volume was required to make capital investments totaling \$250,000, including \$100,000 in year one and \$50,000 in each of years two through four.

Event Characteristics

The HCC currently serves as the home of the Hartford Wolf Pack of the American Hockey League (AHL) and hosts a majority of the home games of the University of Connecticut (UCONN) men’s and women’s basketball programs. In addition to tenant sporting events, the main arena hosts a variety of concerts, family shows, non-tenant sports and various other events on a regular basis. The presence of the Exhibition Center allows the HCC to host a number of additional events that would not traditionally be held in arena venues, including meetings, banquets, trade shows, testing and various miscellaneous events. The following table summarizes HCC event levels over the past three fiscal years.

2.0 Historical Operating Analysis

Hartford Civic Center Event Levels

Event Type	Number of Events			Average
	2003/04	2004/05	2005/06	
AHL	49	43	46	46
UCONN	20	21	23	21
Concerts	7	8	11	9
Family Shows	35	28	28	30
Non-Tenant Sports	12	9	12	11
Flat Floor Events	39	31	13	28
Other Events	23	18	22	21
Totals	185	158	155	166

Source: CDA, HCC, MSG

As shown, event levels at the HCC decreased significantly over the past three years, from 185 total events in 2003/04 to 158 in 2004/05 and 155 in 2005/06. Several factors contributed to this decrease in event levels, including:

- Fewer Wolf Pack playoff games, particularly in 2004/05;
- A non-recurring family show (Dragon Tales), which played the HCC in 2003/04 but will not return on an annual basis;
- A decrease in flat floor events; and,
- On-going construction at Hartford 21, a major mixed-use development surrounding the HCC, which has negatively impacted event levels due to street and sidewalk closings and other inconveniences associated with construction.

The decrease in flat floor events has been an ongoing trend at the HCC in recent years. Much of this decrease is attributable to the increased competition for these events presented by the opening of the Connecticut Expo Center and the Connecticut Convention Center.

Other event levels have remained relatively stable over the past three years. The majority of the HCC's family show activity consists of events that return to the HCC on an annual basis. Similarly, many non-tenant sporting events such as the Big East Conference women's basketball tournament and an annual monster truck event occur on an annual basis, providing the HCC with a reliable source of non-tenant events.

The following table summarizes average paid and actual attendance at HCC events during the 2003/04 and 2004/05 fiscal years.

2.0 Historical Operating Analysis

**Two-Year Attendance Summary
Hartford Civic Center**

Event Type	Annual Events	Average Paid Attendance	Annual Paid Attendance	Average Actual Attendance	Annual Actual Attendance	Actual as % of Paid
AHL	46	3,800	173,000	3,500	163,000	94%
UCONN	21	14,000	288,000	12,400	255,000	89%
Concerts	8	8,900	67,000	9,200	69,000	103%
Family Shows	32	3,300	105,000	4,000	126,000	120%
Non-Tenant Sports	11	8,700	91,000	7,300	77,000	85%
Flat Floor Events	35	1,000	35,000	2,500	86,000	246%
Other Events	21	50	1,000	1,700	34,000	3400%
Totals	172		760,000		810,000	107%

Source: CDA, HCC, MSG

As shown, total paid attendance at HCC events has averaged 760,000 over the past two fiscal years, while actual attendance has averaged approximately 810,000. A relatively small percentage of flat floor and miscellaneous events are ticketed, resulting in low average paid attendance levels for these events. Actual attendance at concerts and family shows is also typically higher than paid attendance, a result of complimentary tickets distributed for these events.

In order to gain an understanding of the profitability of various types of events held at the HCC, the arena revenues and expenses directly associated with each event over the past three years were analyzed. The following table summarizes the average event revenues and expenses by event type during the 2003/04 and 2004/05 fiscal years.

**HCC Event Profitability Summary
2003/04 and 2004/05**

Event Type	Annual Events	Average Event Revenues	Average Event Expenses	Average Profit/(Loss)	Annual Event Revenues	Annual Event Expenses	Annual Profit/(Loss)
AHL	46	\$29,000	\$16,700	\$12,300	\$1,334,000	\$768,000	\$566,000
UCONN	21	93,900	22,400	71,500	1,925,000	459,000	1,466,000
Concerts	8	135,000	68,400	66,600	1,013,000	513,000	500,000
Family Shows	32	37,000	22,900	14,000	1,166,000	721,000	445,000
Non-Tenant Sports	11	88,800	42,500	46,300	932,000	446,000	486,000
Flat Floor Events	35	19,200	9,100	10,000	672,000	319,000	353,000
Other Events	21	10,900	5,600	5,300	223,000	115,000	108,000
Totals	172				\$7,265,000	\$3,341,000	\$3,924,000

Source: CDA, HCC, MSG

Event revenues included in the analysis consist of:

- Rent;
- Proceeds of the Connecticut ticket surcharge, a State fee of \$1.75 per paid admission to most events;
- Commissions from concessions and merchandise sales;
- Income from electrical orders placed by event organizers; and,
- Recovered event expenses.

2.0 Historical Operating Analysis

Event expenses consist of security, utilities, conversion costs, clean-up, advertising and various other direct event-related expenses.

As shown in the previous exhibit, concerts and UCONN basketball games typically represent the most profitable events held at the HCC. The majority of concert event revenues are derived from rent paid by promoters ranging from \$35,000 to \$65,000 per event, as well as the Connecticut ticket surcharge and reimbursed expenses. Event revenues from UCONN basketball games over the past two seasons consisted primarily of rent of \$45,000 to \$50,000 per game, ticket surcharge revenues, which typically totaled approximately \$20,000 per game, as well as commissions from concessions and merchandise sales.

The arena generates lower levels of direct revenue from the Wolf Pack, who do not pay rent to use the building per the team's lease agreement with the CDA, which stipulates that rent is waived so long as the team's management (MSG) is also managing the day-to-day operations of the arena. The Wolf Pack are only required to reimburse the CDA for direct costs incurred in connection with the preparation and production of Wolf Pack games. In addition, the Center retains a commission on all concessions and merchandise sales during Wolf Pack events.

Financials

The HCC's primary revenue sources include direct event revenues such as rent and reimbursed event expenses, Connecticut ticket surcharge proceeds, commissions from the sales of concessions and merchandise, sponsorships and signage, luxury seating and other miscellaneous revenues. In addition, under the terms of the agreement by which the Whalers NHL franchise relocated from the Civic Center, the team is required to make annual exit fee payments of \$1.05 million to the CDA each year through 2012.

Major HCC expense categories include facility expenses, general and administrative expenses and other miscellaneous expenses. In addition, the CDA makes an annual rent payment to the City and pays an annual management fee to MSG.

The following table provides a summary of the HCC's audited financial statements for the 2003/04 and 2004/05 fiscal years.

2.0 Historical Operating Analysis

Summary of HCC Audited Financial Statements

	Year		Average
	2003/04	2004/05	
Revenues			
Rental and Event Income	\$5,055,000	\$5,084,000	\$5,070,000
Sponsorship and Signage	888,000	921,000	905,000
Luxury Seating	1,871,000	1,862,000	1,867,000
Food and Beverage - Arena	1,825,000	1,923,000	1,874,000
Food and Beverage - Luxury Seating	1,177,000	952,000	1,065,000
Parking	1,787,000	0	894,000
Ticket Surcharge	929,000	870,000	900,000
Investment Interest	186,000	194,000	190,000
Whaler Exit Fee	1,050,000	1,050,000	1,050,000
Other Income	113,000	659,000	386,000
Total Revenues	\$14,881,000	\$13,515,000	\$14,198,000
Expenses ⁽³⁾			
Civic Center Events	\$3,400,000	\$3,534,000	\$3,467,000
Civic Center Facility	2,455,000	2,532,000	2,494,000
General and Administrative	3,735,000	4,125,000	3,930,000
Parking	556,000	70,000	313,000
Food and Beverage - Luxury Seating	658,000	602,000	630,000
Rent	2,503,000	1,795,000	2,149,000
Interest	844,000	770,000	807,000
Depreciation	2,372,000	2,558,000	2,465,000
Management Fee	1,433,000	1,153,000	1,293,000
Total Expenses	\$17,956,000	\$17,139,000	\$17,548,000
Net Profit/(Loss)	(\$3,075,000)	(\$3,624,000)	(\$3,350,000)

Source: CDA

As shown, the HCC sustained a net loss of approximately \$3.1 million in 2003/04 and \$3.6 million in 2004/05, for an average loss of approximately \$3.4 million per year. HCC revenues declined by approximately \$1.4 million in 2004/05, due primarily to a loss of parking revenue resulting from the City's sale of parking facilities that had been covered under the CDA's lease with the City. To reduce the impact of the loss of parking revenues, the City agreed to reduce the CDA's rent payment in 2005 and future years, as reflected in the Rent expense line item in the table.

It should be noted that several of the revenues and expenses included in the audited financial statements do not directly result from building operations. In addition, several revenue line items have correlating expenses that are directly associated with the specific revenue stream. In order to eliminate non-operating revenues and expenses and determine the *net* revenues after deducting corresponding expense line items, the following adjustments have been made to the HCC's audited financial statements.

2.0 Historical Operating Analysis

Summary of Adjustments to Audited Financial Statements

	2003/04	2004/05
<i>Revenues</i>		
Rental and Event Income	5,055,000	5,084,000
Less Civic Center Events expense	(3,400,000)	(3,534,000)
Less estimated merchandise commissions	(117,000)	(99,000)
Direct Event Income (Net)	1,538,000	1,451,000
CT Ticket Surcharge	929,000	870,000
Food and Beverage Arena	1,825,000	1,923,000
Food and Beverage - Luxury Seating	1,177,000	952,000
Less Food and Beverage - Luxury Seating expense	(658,000)	(602,000)
Food and Beverage Commissions	2,344,000	2,273,000
Merchandise Commissions	117,000	99,000
Parking revenue	1,787,000	0
Less Parking expense	(556,000)	(70,000)
Parking (Net)	1,231,000	(70,000)
Sponsorship and Signage	888,000	921,000
Luxury Seating	1,871,000	1,862,000
Other Revenues	113,000	659,000
Less "General" Other Revenues	(5,000)	(4,000)
Other Revenues	108,000	655,000
Total Revenues (1)	9,026,000	8,061,000
<i>Expenses</i>		
Facility	2,455,000	2,532,000
General and Administrative Expenses	3,735,000	4,125,000
Less "General" G&A Expenses	(583,000)	(690,000)
General and Administrative	3,152,000	3,435,000
Management Fee	1,433,000	1,153,000
Total Expenses (2)	7,040,000	7,120,000

Note: Bold line items tie to information included in CSL report.

(1) Excludes Whaler Exit Fee and Investment Interest which are not considered arena operating revenues.

(2) Excludes Rent paid to City, Interest expense and Depreciation expense, which are not considered arena operating expenses. Also excludes the following line items, which were netted out of revenue line items:

Civic Center Events, Parking, Food and Beverage-Luxury Seating.

Based on the adjustments summarized in the previous table, the following table summarizes the revenues and expenses resulting from HCC operations during the 2003/04 and 2004/05 fiscal years.

2.0 Historical Operating Analysis

Summary of Adjusted Financials

	Year		Average
	2003/04	2004/05	
Revenues			
Direct Event Income (Net) ⁽¹⁾	\$1,538,000	\$1,451,000	\$1,495,000
CT Ticket Surcharge	929,000	870,000	900,000
Food and Beverage Commissions	2,344,000	2,273,000	2,309,000
Merchandise Commissions	117,000	99,000	108,000
Parking (Net)	1,231,000	(70,000)	581,000
Sponsorship and Signage	888,000	921,000	905,000
Luxury Seating	1,871,000	1,862,000	1,867,000
Other Revenues	108,000	655,000	382,000
Total Revenues	\$9,026,000	\$8,061,000	\$8,544,000
Expenses ⁽²⁾			
Facility	\$2,455,000	\$2,532,000	\$2,494,000
General and Administrative	3,152,000	3,435,000	3,294,000
Management Fee	1,433,000	1,153,000	1,293,000
Total Expenses	\$7,040,000	\$7,120,000	\$7,080,000
Net Profit/(Loss)	\$1,986,000	\$941,000	\$1,464,000

(1) Includes rent and reimbursable expenses, net of event expenses.

(2) Excludes depreciation and interest expenses and City rent payments.

Source: CDA, HCC, MSG

As shown, the HCC generated an operating profit of approximately \$2.0 million in 2003/04 and \$941,000 in 2004/05 after deducting non-operating revenues and expenses. The decrease in profitability in 2004/05 was due primarily to the loss of parking revenues. In addition, facility and general and administrative expenses increased slightly in 2004/05.

Summary

Within this section, various aspects of the HCC's current and historical operations were analyzed, including management agreements, event and attendance levels and financial performance. The following is a summary of the key findings of the historical operating analysis.

- Annual HCC event levels have declined in recent years due primarily to a loss of flat floor event business. This loss is largely a result of the construction of Hartford 21 and the opening of the Connecticut Convention Center in 2005 and other exhibition and conference facilities in the area.
- Spectator event levels have remained relatively consistent, including several family show and non-tenant sporting events that utilize the main arena on a recurring annual basis.

2.0 Historical Operating Analysis

- Concerts and UCONN basketball games are the most profitable events for the HCC. Because the Wolf Pack is not required to pay rent to the HCC, Wolf Pack games generate lower levels of direct revenue to the building.
- After generating an operating profit of approximately \$2.0 million in 2003/04, the profit decreased to approximately \$941,000 in 2004/05. The reduction in the Center's profitability was due primarily to a loss of parking revenue resulting from the City's sale of a parking facility, as well as reduced event revenues resulting from a decrease in event and attendance levels and increases in facility and general and administrative expenses.

3.0 Operational Efficiency Analysis

3.0 Operational Efficiency Analysis

HOK SVE was engaged by CSL to assess the condition of the exterior walls, roof, windows, public restrooms, premium areas, concession stands, dressing rooms and interior finishes of the Hartford Civic Center. HOK SVE assessment personnel performed an on-site review of the Hartford Civic Center on April 20 and 21, 2006. Patrick Delly, a 20 year veteran of arena operational and engineering systems, was also engaged to survey the facility's mechanical, electrical, plumbing and fire safety systems.

A survey of mechanical systems including HVAC, plumbing, and fire suppression was also performed to assess their respective general conditions. The review team did not assess the condition of every mechanical room or piece of equipment, but did review a representative sample on each level of the facility. The facility's technology including scoreboard, back-lit panels, audio and video systems, data and phone systems were reviewed by HOK Sport to assess their condition and whether the appropriate preventive maintenance has been performed.

The assessment team has established some recommendations based on the observed condition of the facility. The information contained in this document represents the professional opinion of the assessment team comprised of representatives of HOK Sport. For a glossary of architectural terms used in this section, please refer to Appendix A.

Architecture and Facility

This document is a field investigation narrative describing the condition of the architectural spaces and facility equipment at the Hartford Civic Center. Also included are recommendations and alternatives to aid in the long term operation of the facility. Following are observations and recommendations made during the walk-through of the arena, illustrated with snapshots of the issues being discussed.

- Overall, the entries and concourses are in relatively good condition, clean and well maintained.
- The two main entrances could be better utilized by converting the event merchandise kiosks to concessions.
- Fan experience can be enhanced by updating the finishes on the walls and floors with a new, more inviting color scheme.
- The current color scheme makes the concourses appear dim. With the existing indirect lighting, a brighter color palette will reflect more light and raise the overall lighting level.
- The premium spaces (suites, Director's Club and Coliseum Club) are clearly the facility's strongest assets. The level of finish, lighting and amenities is on par with many newer facilities of similar capacity.

3.0 Operational Efficiency Analysis

Concourses

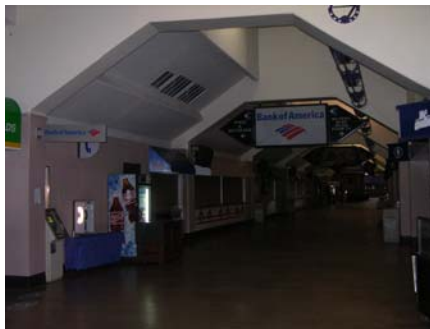
Main Entry Lobbies

The main entrances for ticketed fan entry are moderately spacious and in good condition. Large kiosks for event merchandise are located directly in front of the entry doors. Because queuing space is limited in front of the concourse concession stands, and because concession sales are typically higher than merchandise sales, we propose that the CDA consider converting these kiosks to concession points of sale that would allow more queuing space. It would present immediate opportunity for fans to purchase concession items upon entry. Careful attention would have to be paid to avoid conflicting with high volume entry traffic prior to events. The additional POS would reduce the amount of queuing in the very narrow concourse concession areas. A smaller concession stand in the concourse could be converted to a memorabilia stand.



Merchandise Kiosk in Entry Lobby

Current facility management has considered the addition of merchandise and concession stands in these areas, but feels that this would significantly increase congestion in these areas and inhibit ingress to the facility. In addition, the cost associated with such improvements would likely not result in an adequate return on investment.



Main Concourse

Concourse Walls

While the existing CMU walls and paint are in good condition, the wall color is a bit dim, causing the concourses to appear less inviting. New paint in brighter colors will help reflect more of the existing indirect light. Using multiple colors in lieu of the current monochromatic scheme will help to energize the space and improve fan experience.

3.0 Operational Efficiency Analysis

Concourse Floors

The existing floor is sealed concrete and is in need of updating. Application of a new concrete coating will serve multiple purposes. First, it will help to improve the light quality in the corridor in concert with the new wall colors. Next, if a seamless, built-up coating were to be installed to a thickness of approximately ¼”, the large quantity of shrinkage cracks would be concealed. Coatings such as Stonhard are relatively cost effective when compared to more premium coatings such as tile or terrazzo, and are very durable and easily maintained. They are also capable of spanning most concrete control joints and cracks without telegraphing through to the surface.

Concourse Lighting

Currently, the main source of lighting in the concourse areas is indirect fluorescent fixtures that reflect light off the bottom of the precast seating bowl above. These fixtures, in combination with lighted sponsorship, concession and way-finding signage provide an adequate and comfortable level of light throughout the concourse areas. We believe the proposed new color scheme for walls and floors is all that is needed to improve concourse lighting.



Concourse Lighting Fixture

300 Level Concourses

The 300 Level Concourses are very narrow with minimal amenities. Due to structural limitations and the limited number of seats served by these concourses, it is not economically feasible to invest in significant capital improvements which might include larger concourses, expanded concession stands and increased number of restrooms. However, additional way-finding and concession signage may be added at minimal cost to improve the overall feel of the spaces. Beyond that, there is little that can be done to increase revenue generated in these areas. Improvements in the Main Concourse areas may help to draw upper level ticket holders to the Main Concourse concessions by possibly offering better food and merchandise amenities.



300 Level Concourse

3.0 Operational Efficiency Analysis

Public Restrooms

The public restrooms off the main and upper concourse are in excellent condition and have been well maintained. Fixtures were observed to be working properly in the sinks and toilets. Paper towel and soap dispensers were observed to be functioning properly as well.



Women's restroom outside Section 114/115 is clean and well maintained

The number of restrooms, water closets and urinals does not currently meet today's standards for public assembly facilities or guests expectations.

	Capacity	Women		Men		
		W C	Lav	W C	Urinal	Lav
Hartford CC	16,500	50	42	29	64	44
Average (14 Arenas)	16,850	140	47	39	109	40

As the table illustrates, the Hartford Civic Center has 54 fewer water closets for women and 45 less urinals than what exists in newer generations of facilities of similar size. Significant renovation to the concourse would be required to achieve parity with current generation facilities. Further study would be required to determine costs which we believe would be significant and probably prohibitive. Current management has evaluated the addition or improvement of restrooms and has determined that any benefits would be negligible and would be cost prohibitive.

Premium Spaces

Suites

The quality, level and condition of the suites is consistent with industry standards for comparable facilities. While some carpet and seating upholstery is beginning to show signs of wear, their condition does not yet warrant upgrade or replacement.

3.0 Operational Efficiency Analysis

Director's Club

The Director's Club is clearly the jewel of the facility. Its condition and level of maintenance is equal to or better than that of the suites. One concern for this space, should any upgrading/renovation work be done here, is the lack of ADA compliant wheelchair-accessible seating. Accommodations will need to be made for the minimum number of accessible seating should any work in this area be considered.



Director's Club

Coliseum Club

The Coliseum Club appears to be the most utilized premium space in the building. Its condition and level of finish is consistent with the other premium areas. Due to more extensive use, the seating in the front of the club is showing more wear than seats in the suites or Director's Club. The finish on the wooden cup holders and flip-up trays is beginning to deteriorate and the upholstery is showing signs of wear, though probably not yet to the point of needing to be replaced.



Coliseum Club Seating

One improvement that should be considered is the lowering of the rails in front of the club seating. Current code should allow for a minimum height of 26 inches in lieu of the current height of approximately 36 inches. This improvement would enhance the site lines and improve the fan experience. Current management is exploring potential alternative options, including the utilization of architectural glass, to replace the current railing.



Coliseum Club Bar

3.0 Operational Efficiency Analysis

Catwalks

The condition of the catwalks was generally observed to be good. Carpet has been laid to cover the grate flooring, an obvious attempt to accommodate use of the area by people other than the facility's operations and engineering crews. The catwalks were generally observed to be free of debris and equipment. We did, however, observe a spotlight platform that had poor access capability that would probably constitute an OSHA violation. Spotlights were also observed not to be safetied to the platforms which may constitute another OSHA violation. All sports lighting fixtures on the catwalk were observed to be safetied to the railing of the catwalk. Management has reviewed the safety of all spotlight platforms and believes that all are currently up to required safety standards.



Spotlight platform at SW corner – 2x8 inch board used to access platform from the catwalk

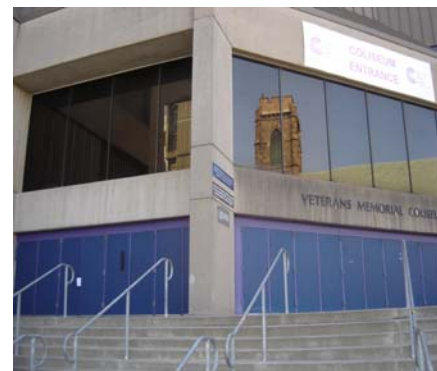
Seats and Seating Area

All of the seats in the seating area have been replaced within the last ten years. The seats and aisle ways are in very good condition and have been well maintained. The aluminum retractable risers for the seating area were being used and were set up during our tour for the ice show. The decks are in good condition and the pieces we observed being operated were in good condition and seemed to operate smoothly.

Exterior Condition

The condition of the exterior is generally well maintained, but there were areas where there was significant delamination of concrete steps and pads, especially at the designated smoking area. The main entrance to the facility along Trumbull Street is accessible and clearly marked by the presence of the LED marquee.

Management acknowledges the deterioration of the exterior of the HCC, but has delayed any work until the construction of the Hartford 21 project has been completed. The current capital budget includes \$105,000 to address the delamination issues.



Northwest entrance of the facility where the steps have been re-concreted in the past year. The metal paneling on the backside is still left over from original construction. The facility management has talked about re-doing this back side to make it more appealing

3.0 Operational Efficiency Analysis



Southwest corner of the building used as a smoking section. There is significant wear and delamination of the concrete steps and pads

Food Service

In general, the foodservice equipment and facilities were found to be old but in good operating condition, well maintained and operating under a high standard of sanitary condition. Due to the space limitations and original design of the permanent concession stands, the food offering is very limited and not to the standards that are currently observed in today's municipal facilities. Currently, there is only one stand with grills and fryers which limits the facility producing fresh and higher revenue product. On the other hand, it appears that converting so that 50 percent of the stands can grill and fry food may not be a sound investment due to the cost of renovation. Significant costs associated with expansion and venting systems may not provide the return on investment.

The following table summarizes the Center's current permanent POS ratios in comparison with industry standards for new arena construction.

Concourse	Hartford Civic Center	New Construction Industry Standard
Lower	1 POS per 209 Seats	1 POS per 125-150 Seats
Club/Suite	N/A	1 POS per 100 Seats
Upper	1 POS per 453 Seats	1 POS per 175-200 Seats
Average	1 POS per 331 Seats	1 POS per 150 Seats

As the table illustrates, the Civic Center does not meet current standards for numbers and distribution of points of sale for concession stands. Although attempts have been made to increase points of sale with portables, the sheer lack of concourse width makes it virtually impossible to add an adequate number of points of sale for a positive customer experience.

3.0 Operational Efficiency Analysis

Point of Sale Equipment

The current Point of Sale system was installed in 1999 and is a Di/An model. The system does not currently accept credit cards and should be upgraded so cards could be accepted at all sales areas, as customers expect that of all retailers, even at smaller fast food chains. Visa and MasterCard studies show that credit card transactions are 15 to 25 percent greater than cash transactions, so adding credit card capabilities can increase sales. In observing the long lines at the Center's ATM machines, it is obvious that customers do not carry enough cash, and making it inconvenient to use their credit and debit cards only impedes sales and lessens the fan experience.



Di/An POS terminal in Brigham's Ice Crème stand

Credit card transactions, if engineered correctly with Ethernet or wireless broadband, will also be quicker than a cash transaction, since there is no change and most merchants do not require a signature for purchases under a specified amount.

The latest developments in POS technology is the contact-less transaction, where a customer just waves their credit card in front of a reader and the transaction is complete, using RFID readers and activated cards. Likewise, many facilities want to implement customer loyalty or frequent purchase programs, as well as customer discount programs, which can all be built into a modern POS system.

The HCC's current concessionaire has determined that replacement of the existing system would cost approximately \$100,000. In addition, while the acceptance of credit card transactions may be feasible in the grill area, full retrofitting of all stands with this capability may not provide an adequate return on investment.

Offices

The management staff indicated the foodservice offices were sufficient in size.

Kitchens

The Hartford Civic Center has one kitchen on the suite level for food preparation for suites and clubs. The kitchen was observed to be clean and of sufficient size to handle the demand for the above mentioned spaces. The kitchen also is the place where catering is prepared and distributed for the exhibit space on the service level.

3.0 Operational Efficiency Analysis



Kitchen on suite level has enough space to accommodate large scale cooking for premium areas and catering activities



Pantry on the suite level used to service the suites is in good condition

Concessions

The current concession food offered by the Civic Center is not consistent with today's standards in public assembly facilities. Due to the physical constraints relating to the size of the stands and the lack of grills and fryers, operators are hindered from being able to provide fans with a diverse menu. Only one stand currently allows for the cooking of food product in the stand, while the other stands are only able to receive prepared food product and, therefore, must store it in warmers. The expectation of the vast majority of consumers today is to view fresh food being prepared in an open area which does allow for the operator to charge more and in return increase revenue. The amount of remodeling and construction that it would take to bring the concession stands up to today's standards may in fact be so large that any return on investment may take 10 to 15 years to realize.

Portable Concession Stands

The portable concession stands on the main and upper concourse are generally in good condition with the graphics viewed to be concise and eye catching. The major issue is the lack of queuing line space, which is true for the fixed stands as well. There is currently no course of action that can taken by facility management that can remedy the situation.



Ice crème portable outside section 113/114 is in good condition and properly placed on the concourse

3.0 Operational Efficiency Analysis

Premium Food Services

The premium food areas and services were viewed as strengths of the food and beverage operation at the Hartford Civic Center. The Nextel Club and the Director's Club were as good as what one might see in a facility 25 years younger. The kitchen is appropriately sized to service 40 or more suites and a restaurant.

Major Systems

Operations/Maintenance Staff

The maintenance staff should be commended for their efforts for maintaining all of the mechanical systems inside the facility. It is immediately obvious that the staff is concerned about the equipment in the facility, as well as the outward appearances in the public areas and the service levels of the facility. The overall appearance of the inside of the entire facility is well kept and free of debris and there appears to be a regular program to maintain the painted areas of the facility.

The janitorial staff is managed in-house through the Operations Department and seems to be maintaining the building properly. During the walk-through, no bad odors were noticed in the service area. The public areas including the lobby floors, seating area, restrooms and concession areas were clean and mostly free of debris or loose trash. The dumpster in the service area is the only area where a bad odor was noticed; however, the janitorial staff and the maintenance staff seemed to have some measures in place to help contain the area around the dumpster and keep the odor to a minimum.

During our walk-through and observations of the mechanical equipment throughout the facility, most of the equipment was noticeably dingy and had an aged look. This "dingy" look is due to the actual age of the equipment, a result of human contact over the past 31 years of operation and from normal maintenance procedures. It should be noted that most of the mechanical equipment has been well maintained in the past but is now showing signs of deterioration due to its age and will need to be completely replaced in the near future. This issue and other issues concerning outdated and worn out equipment will be addressed in more detail in the HVAC sections of this report

3.0 Operational Efficiency Analysis

HVAC

Air Handling Units

There are over 20 separate air handling units for the arena, associated concourses and meeting areas. These units use chilled water for cooling and steam / hot water for heating. There is also numerous DX type Freon units that cool areas in the service level and primarily the dressing rooms.

All of the DX units we observed were in good condition and most were operating. The units were obviously well maintained and were very clean. The condensing units were relatively free of dirt and dust build-up on the condenser fins and none were making any unusual noises or compressor straining sounds.

Generally, most of the units were in fair condition. As mentioned earlier, the maintenance staff has done a great job maintaining these units; however, due to the age of these units, it will be necessary to begin planning some type of retrofit for new units in the future. Most of the units observed appeared to be working properly and we were advised by the staff that all are used regularly for heating and cooling.

During our observations we did not find many dirty filters and there were replacement filters in most storage rooms indicating a good filter maintenance program. The maintenance staff was actively working in two of the air handling units as we toured the facility and there were three units scheduled for cleaning and filter replacement during the next week. As with most venues in this age range there are numerous problems in the mechanical and plumbing systems. Several serious problems are cooling coil deterioration, pipe and baton insulation in and outside the units, control / shut off valve deterioration and corroded steel piping.

On almost all units we observed piping insulation deterioration and insulation that has been removed for maintenance and repair purposes. There were several units that had saturated insulation with some type of liquid, most of which seemed to be condensation from CW pipes and possibly concession stand leakage. The staff informed us that the coils are also steam cleaned on a yearly basis. Many of the AHU's coils on both the cooling sides and the heating sides were damaged due to "mashed coils", this usually results from normal maintenance and these coils can be repaired to some extent.

3.0 Operational Efficiency Analysis

AHU #s S3, S4 and S5 are units that have exposure to the outside air used to pressurize the building; they contain repaired coils which were previously damaged by freezing temperatures. The maintenance staff was able to repair the coils by simply plugging it with copper and solder. AHU # S3 cannot be used for cooling any longer due to extensive freeze damage to the cooling coils; the unit is now used for heat only.

Many of the air handling units observed have broken access door latches and hinges or were simply not closed. Also, many of the lights in the AHU's were not operating properly. The broken door latches can cause massive air leaks depending on which side of the AHU it is located. It was also observed that there were no door seals on many of the units to stop the flow of unwanted / nontreated air from entering the facility. The outdoor louvers appeared not to be functioning, leaving equipment exposed to the low temperatures during winter months and hot temperatures during the summer months causing higher utility costs.

Management acknowledges the issues noted related to the mechanical systems related to the age and efficiency of the systems. Funds have been allocated to the annual capital budget regarding system upgrades based on priority items requiring service. Management will continue the maintenance and upgrades to the current systems in efforts to ensure the most optimal operation until such a time it is determined to replace completely with new and more efficient equipment.



Building Automation System

The facility has added a Carrier Comfort Works building automation system. This system is not a true Energy Management System, but the system allows the operator to monitor all of the main air handling units and set temperature parameters as well as on / off capabilities. The system is also tied into the Ice Plant and its associated systems such as Glycol temperature & slab temperature.

Electrical usage can be monitored by the staff but only on a limited basis. Daily electrical usage readings are manually recorded at the building KWH meter in the mail electrical room.

3.0 Operational Efficiency Analysis

This system is currently being utilized by the staff but it has limitations, such as true verification monitoring. Examples would be turning on an AHU and the computer gives you the indication the unit is running; however, the unit did not turn on and the operator cannot verify proper operations of the unit until a visual check is completed. This would also be true with the controlling of temperature. The unit is connected to alarms in the security office should any type of emergency arise during off hours. The ice plant alarms are also tied into the system in case of an emergency.

Central Plant / Pump Room

The central plant is maintained by the in-house maintenance personnel and does not contain chillers for production of chilled water nor boilers for hot water or steam production. All of the chilled water, steam and hot water are purchased from an off-site plant and piped into the facility.

The central plant contains two pumps for the chilled water circulation throughout the facility. The steam comes into the facility at high pressure and then the steam pressure is reduced or “stepped down” before being regulated at different locations. According to the staff, the primary steam regulator was recently replaced.

The central plant room and its equipment have been well maintained and we noticed that several pieces of equipment such as small pumps and regulating valves have been replaced. However, as the picture illustrates, the equipment and its support system is old and showing signs of deterioration such as numerous leaks, evidenced by the buckets catching water leaks from overhead pipes and previous leaks around the chilled water pump pads.



Electrical

Primary Systems

Primary Electrical service for the facility is provided by three separate pad mounted utility transformers located inside the facility. These transformers are owned and operated by the local utility company. The transformers are original equipment and seem to be operating properly and are rated for 3,000 amps each @ 480 Volts. There was no evidence of PCB testing



3.0 Operational Efficiency Analysis

and the operations staff did not know if a load test had ever been performed. Due to the age of these transformers, it is recommended that proper documentation be obtained from the utility company to determine if the equipment meets local and federal standards. It is also recommended that a written contingency plan be instituted to insure a replacement transformer can be obtained in a timely manner should a failure be encountered.

The three utility transformers are owned, operated and maintained by Connecticut Light and Power (CL&P). CL&P maintains all documentation regarding local and federal standards as well as applicable failure contingency plans. CL&P performs regular maintenance to the units and demonstrates a high level of service to the HCC and adjacent properties.

Secondary Systems

Most of the electrical rooms consist of 277/480 volt lighting panels and dry type transformers serving 120/208 volt branch circuit panels. It appeared that most of the 277/480 Volt panels and dry type transformers were fed from the bus ducts; however, no electrical prints were reviewed to confirm this assessment

Most of the electrical rooms appeared clean but some rooms had a build-up of dust and were currently being used for storage of event equipment and various items.

All of the secondary electrical equipment in the facility, excluding the dry transformers, was manufactured by Federal Pacific Electrical (FPE). FPE has been out of business for more than 20 years, thus creating a problem with replacement parts. The smaller breakers and low amperage parts are usually available and not too difficult to obtain through local electrical distributors. Most of the high amperage parts, however, are very difficult to secure in a timely manner. Management has indicated that all equipment replacements are being completed with current standard devices to extract the system from reliance on FPE parts.



3.0 Operational Efficiency Analysis

Should part of a low voltage or high voltage electrical box be partially destroyed due to a failure, the entire panel box or feeder box will have to be replaced. The low amperage electrical panels should not pose much of a problem; however, the high amperage distribution and feeder panels could cause the facility to be shut down for several days or possibly weeks depending on severity and location of the problem.



Note the storage of event equipment and the dust / grease residue coming out of the vents in this pane

Emergency Electrical Power

The emergency generator (Caterpillar Engine 500 KVA Generator) is original equipment and seems to be in good working order. The maintenance staff exercises the unit once a week as evidenced in the logs placed near the generator. According to the staff, the generator runs well and has no apparent problems.



Emergency Generator

H.O. Penn & Company is hired to maintain, repair and test the entire unit once a year. It appears that there have been several modifications to the unit such as a secondary fuel filter system and fuel distribution hoses.

The generator is air cooled, thus causing a heating problem inside the room housing the generator. There are two large ventilator units that remove the hot air produced by the heat from the engine. These two units are automatically engaged as soon as the engine starts.

Adjacent to the generator system is a 400-gallon diesel fuel tank to feed the generator fuel. According to the staff, a larger tank located outside the generator room was recently removed due to space constraints.



Fuel Storage Tank

3.0 Operational Efficiency Analysis

Variable Frequency Drive Units

Most of the large and medium sized motors on the major systems in the facility have a VFD installed. These units are of great assistance to reduce the electrical energy being used to produce proper environmental conditions for low load demand events and off event days. Many of the air handlers and associated pumps have these units installed.

In addition to the AHU's having a VFD, the ice floor glycol circulating pumps and the main chilled water circulating pumps also have a VFD installed.

Plumbing

The restrooms in the lobby, service level and the suites were generally in good condition. The "flushing systems" we observed were operated by a manual system utilizing a vacuum breaker and all of these fixtures seem to be in good working order.

Other areas observed were the ice making / snow pit area and various parts of the service level where janitorial personnel were working. Most of the potable water piping was not accessible; however, some of the pipe observed were of the steel galvanized type and were generating sufficient water pressure in the service levels. The water closets in the public areas seemed to be operating properly also. The higher levels of the building seemed to have less pressure and the building staff confirmed that low water pressure during high usage periods in these areas becomes a problem. The lower water pressure in the upper areas indicates restrictions in the piping due to corrosion and scale and is not uncommon in buildings of this age. This also indicates possible future pipe failure and all of the piping should be inspected by a qualified plumber that has experience with this type of problem.

Please see the recommendations section for possible short term solutions.

De-Ionizer / Ice Making Water System

A Jet Ice water treatment system is being used to clean and condition the water for the hockey floor. These systems have been used with good results and produce a hard sheet of ice. The system used here seems to be in need of general maintenance and cleaning. We have been advised the system is working properly but did not test any of the ice making water. The covers on the automatic mixers were missing and the internal piping was exposed. Both tanks of acid and caustic soda are stored in front of the unit and could cause problems should there be a leak and maintenance personnel need to make emergency repairs quickly.

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Ice Floor / Hockey Rink System

The chillers and all ice making systems were being used and there seemed to be no apparent problems with any of the equipment.

The dasher wall and Plexiglas were in good condition and the staff advised us the dasher wall had been replaced three or four years earlier. The glass was in good condition but needed cleaning which is always the case after a full season.



The ice floor is cooled and maintained by two Carrier skid mounted “Screw Type” chiller packages. The two pumps that circulate the cooling medium Ethylene Glycol throughout the ice floor seemed to be operating properly. The two pumps have Variable Frequency Drives connected to them for electrical efficiency, and the chiller packages are connected to the building controls system and alarms are mounted inside the security office in case of an emergency

The facility is using two ice floor re-surfacers that are manufactured by Olympia. One of the units is older than the other and was in need of cleaning and maintenance. The newer unit seemed to be in good operating condition and we were able to observe the unit in operation after the practice concluded.

Fire Protection Systems

Fire Extinguishers and Cabinets

All of the fire hose cabinets and dry type chemical fire extinguishers in the facility have been properly tested and tagged accordingly by a licensed inspection company. All of the fire hose cabinets were clean and free of debris and none appeared to have any type of leaking which indicates a good maintenance program. There were, however, some hand-held chemical extinguishers that were not properly hung on the wall and had no marking indicating their location. Management has indicated that these units are in excess of the code-required total and are located in areas already served by the required units. In addition, some of these are event related and are moved as necessary by event requirements. Management will continue to consult with its fire safety consultants to determine the best course of action regarding the location and identification of these spare extinguishers.

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Sprinkler Systems

All of the fire protection systems seemed to be maintained to a high standard and the dry system was observed to be almost new. There were four separate locations we observed, though none of the systems we observed had any type of inspection tags indicating testing dates or any type of flow certification associated with any of the units. There were also numerous pieces of equipment stored in some of these areas leaving little access to the units or controllers in case of an emergency. According to the staff, plans were in place to start a bid process to have this work completed by a licensed testing company. The main water backflow-preventer had been recently repaired and has a current certification tag attached.



Elevators/Escalators

The elevators and escalators observed are operated and controlled by relay type systems. The elevators and escalators seemed to be of original equipment and were observed while operating. Considering the age of the equipment, there was nothing noted out of the ordinary concerning the elevators other than normal wear and tear and the age of the entire systems.



The escalators are showing signs of deterioration due to usage and age, especially the escalators near the entrance to the main office. They were observed to be loose and making noises near the top of the landings. These noises may be an indicator of loose or worn out roller bearings and guides in the steps and the support railings.

Montgomery Elevator & Otis Systems is currently contracted to maintain the elevators and escalators. There are numerous elevator parts and escalator parts in many of the elevator mechanical areas indicating that the systems are being repaired and maintained on a regular basis.

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A complete mechanical survey conducted by an independent contractor is advised due to the age & condition of these systems. It would not be unusual for complete replacement in the near future due to the age. Other problems can arise when new components are incorporated with older components causing conflicts with electronic and mechanical parts and systems resulting in a shut down.

Catwalk and Catwalk Area

The catwalk area was clean and obviously a program was in place to maintain the areas in and around the catwalk. There were some miscellaneous cables and wiring on the catwalk floor but this would be considered to be consistent with the current condition of a facility of this type and age.

Metal Halide lighting manufactured by Musco Lighting was installed for arena lighting. There are no blackout shutters or instant re-strike bulbs installed on this system. The lights and associated fixtures are properly installed and safetied to the catwalk railing to prevent accidental falling.

Mounted on the ceiling of the roof structure is the center hung scoreboard / video and its winch system. The scoreboard is a four-sided system manufactured by Daktronics and is operated by a control system in the lobby. The control system for the video production is also housed in the lobby and can accommodate almost any type of video production. There are also patch panels and feeders for video feeds from production trucks outside the facility.



Fall protection cables have been installed within the catwalk system. According to the staff, the system is checked annually and had been inspected in March of 2006. The system is clean and looks well maintained.

According to the staff, the scoreboard system and winch are inspected annually by a certified company. Even though the scoreboard system was not operating at the time of our tour, building personnel indicated that the system was operating properly.

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Spotlights

There are numerous areas on the catwalk and adjacent areas that support the spotlights for entertainment purposes. The Supertrooper spotlights are manufactured by Strong Industries and powered by a Xenon electronic lighting system. Most of the spotlights were observed to be in good condition.

All of the spotlight platforms we observed were dangerous and none of the spotlights were safetied to the catwalk. The platforms were dirty and there were large amounts of garbage accumulated around and inside many of these platforms. Some platforms had little railing, thus making the potential for falling objects, equipment or operators a threat, especially as some of the operators must traverse areas over the audience to get to the platform. There was also no evidence that spotlight operators are using a safety harness nor was there any evidence that any type of fall protection is being used in these areas. Some of the spotlight platforms had arena chairs for the operators to sit in during shows, though none of the chairs were safetied.

Roof and Roof Systems

A visual inspection of the roof was conducted and there were no evident problems noted with the roofing system. The roof was clean of debris and some of the exhaust fans were turned on and operating properly. There was some minor patching but nothing out of the ordinary.



Technology

Telephone System

The telephone system is of the analog type. There is one fiber optic cable system inserted into the main telephone room, but it is not utilized at this time. All of the offices and other systems that require telephone service use the analog system. Since the fiber optic cabling is inserted into the facility, there may be a chance to utilize it should upgrades require a fiber optic system.

3.0 Operational Efficiency Analysis

Sound System

The sound system for the arena is controlled in the catwalk. The system is spread throughout the arena in a series of speaker clusters hung from the ceiling trusses and some of the support beams. There are also numerous speakers in the public areas tied to the system for announcements and event activity. According to the staff, the system works properly and the arena has a sound technician on retainer as required for specific events. The arena staff demonstrated a pre-recorded emergency message and the system worked very well. There are also numerous connections in meeting areas and the facility has several independent small portable systems for smaller events. There are also controllers on walls in the meeting areas for sound and lighting control.

Management has indicated that approximately \$225,000 has been allocated in the current capital budget to improve the emergency and event-related sound system in the lower seating bowl and the floor seating areas.

Event Operations

The following observations were made as a result of a facility walk-through at the Hartford Civic Center and while attending Champions on Ice and the Billy Joel concert at the facility on April 20 and 21.

Loading Dock and Backstage Spaces

Due to the lack of overall space and functional event-related facilities located on the event level, as well as the lack of a dedicated loading dock and marshalling space, event operations at the Hartford Civic Center are conducted at a significant disadvantage. As show requirements and technical requirements continue to increase, the Center will find it increasingly difficult to meet promoter and producer expectations.



Roll up door from loading dock to marshalling area. Production trucks must be loaded and unloaded with ramps, which increases labor costs and time for loading and unloading equipment

3.0 Operational Efficiency Analysis

Box Office

The box office area at the main entrance off Trumbull Street is sufficient to handle crowds purchasing tickets or picking up will call. The area/lobby provides a sufficient space for a large crowd to gather in cases of inclement weather.



Ticket windows in main entry lobby

Concourse Congestion/Restrooms

Long lines at the restrooms and concession stands were observed throughout the night at the Billy Joel concert. The one public concourse is not sufficient to accommodate pedestrian flow of a crowd of 15,000. Public restrooms, whose numbers were designed to accommodate 10,000, are woefully deficient in servicing a crowd of 15,000. A renovation of the facility to meet current code and design standards for public assembly facilities for public restrooms may be prohibitive. The renovation would consequently require upgrades to all facility's spaces to ADA compliance.



One line for a Women's restroom. This was typical of most restrooms at the HCC

Summary

Within this section, the key findings of HOK Sport's assessment of the conditions of the HCC have been presented. The following is a summary of HOK Sport's findings and recommendations.

Architecture and Facility

Overall, the entries and concourses are in relatively good condition, clean and well maintained for a facility of this type and age. While there are some improvements that could be made to improve the facility's appearance and others that could result in increased revenue, we do not believe the revenue generated through these improvements is enough to justify the capital investment required.

3.0 Operational Efficiency Analysis

As it relates to concourses, the main entrances are small by today's standards and in good condition. We recommend that the event merchandise kiosks in these four areas be converted to concession stands to increase revenue and result in more queuing space. To help increase the fan experience and bring more energy to the concourse, the concourse walls should be painted in brighter colors that would help reflect the light, rather than the current monochromatic scheme. Also, the concrete floor needs a new concrete coating that would help improve the light quality and conceal the large quantity of shrinkage cracks. Due to the structural limitations of the 300 level concourses and the limited number of seats it serves, it is not economically feasible to make significant capital improvements to this level.

The premium spaces of the Hartford Civic Center are clearly the facility's strongest assets. The level of finish, lighting and amenities in these spaces is on par with many newer facilities of similar capacity. Some carpet and seating upholstery in the suites are beginning to show signs of wear, but this does not yet warrant replacement. The Director's Club is the most appealing of the three premium spaces, with a condition and level of maintenance equal to or better than that of the suites. The Coliseum Club's finishes are consistent with those of the other premium spaces, but it appears to be the most utilized premium space in the facility due to the amount of wear shown in the seats.

The arena seating areas were very clean and facility management mentioned that the seats and associated hardware were replaced approximately eight years ago. The aisle ways were clean and non-skid had been applied to the aisle way steps to help prevent slip and falls. The arena staff has a program to re-coat the non-skid treated areas once a year. There was few spalling and cracks noted in the lobby concrete but nothing out of the ordinary. Only one expansion joint was observed and it appeared to be normal.

The condition of the catwalks was observed to be good, while the overall condition of the exterior was also observed to be well maintained. However, there were areas outside the facility where there was significant delamination of concrete steps and pads.

While there are areas of the public and premium spaces that could benefit from minor improvements, our conclusion is that for an extensive renovation to result in significant increase in event revenue, the work would need to include additional concession points of sale, new shops and restaurants that are found in newer facilities, and significantly more toilet rooms/fixtures. Unfortunately, there is little or no opportunity for expansion to include these types of amenities. While there is work that could be done to improve the overall appearance, it is unlikely that it would result in enough increased revenue to justify the capital investment.

3.0 Operational Efficiency Analysis

Food Service

In general, we found the foodservice equipment and facilities to be old but in good operating condition, well maintained and operating under a high standard of sanitary condition. Due to the space limitations and original design of the permanent concession stands, the food offerings are very limited and not to the standards that are currently observed in today's municipal facilities. Currently, there is only one stand with grills and fryers which limits the facility's ability to produce fresh and higher revenue producing product. However, it appears that converting so that 50 percent of the stands can grill and fry food may not be a sound investment due to the cost of renovation. Significant costs associated with expansion and venting systems will not provide the return on investment over the long term.

The portable concession stands on the main and upper concourse are generally in good condition with the graphics viewed to be concise and eye catching. The major issue is the lack of queuing line space, which is true for the fixed stands as well.

The Hartford Civic Center currently falls short in terms of current standards for numbers and distribution of points of sale for concession stands. The physical limitations of the concourse space, however, make it virtually impossible to add an adequate number of points of sale for a positive customer experience. The current Point of Sale system was installed in 1999 and is a Di/An model. The system does not currently accept credit cards and the system should be upgraded so debit or credit cards could be accepted at all sales areas, as customers expect that of all retailers, even at smaller fast food chains. Credit card company studies have shown that consumers will spend 15 to 25 percent more with a credit or debit card versus a cash transaction.

The Civic Center's only kitchen, located on the suite level, serves as the food preparation area for suites and clubs, as well as the place where catering is prepared and distributed for the exhibit space on the service level. The kitchen was observed to be clean and of sufficient size to handle the demand for the above mentioned spaces.

Major Systems

The facility's mechanical equipment inside and outside are well maintained; however, most of the HVAC equipment is deteriorating and seems to have reached the end of its useful life and will need to be replaced. Not only is the HVAC equipment in danger of failing, but the support systems such as the cooling water pipes and hot water / steam pipes and their shut off valves, air compressors, regulating control valves and insulation are failing. Some of these components have been or are scheduled for replacement.

3.0 Operational Efficiency Analysis

The plumbing and associated systems such as flush valves inside the restrooms and potable water piping are outdated, and it would not be cost effective to completely replace, leaving the maintenance crews to replace or repair as necessary. This is evidenced by the lack of water pressure in upper level suites due to pipes that have corroded inside and caused restrictions of the water flow to these levels. Simply boosting pressure in these systems will not help the flow of water and would tax the system more than necessary.

The lighting systems in lower level meeting areas is outdated and in need of replacement. The current system uses one large lamp to span a large area, creating areas that become washed out and dingy looking. The lighting system in the arena has been updated properly and appears to meet the needs of the sports team and other entertainment activities.

The building and roof structure appeared sound and no evidence of leaks from the roof were observed during our walk-through. All of the steel supports and roof trusses were in good condition and no rust or corrosion was observed.

The following is a summary of recommendations related to the analysis of Major Systems:

- An engineering study should be commissioned to determine the feasibility of installing all new air handling equipment into one or possibly two locations of the facility. This would eliminate the large number of units and mechanical support needed to house these units, reduce energy costs and reduce the amount of maintenance currently needed.
- The potable water system is failing in the upper parts of the building. The probable cause of this is buildup of corrosion inside the piping. An industrial plumbing company should investigate the severity of this problem using a fiber optic camera system. Should the problem be too extensive to repair, a booster pump with a bladder type tank system can be installed in various areas to help assist with water flow problems.
- All of the primary and secondary electrical equipment should be evaluated and properly tested by a qualified electrical contractor that specializes in commercial and industrial electrical systems. As mentioned later in the electrical portion of this report, the manufacturer of the existing electrical equipment is no longer in business and parts for the larger distribution systems and switch gears are no longer readily available.
- An electrical engineer should be retained to write testing specifications and review all the testing results.

3.0 Operational Efficiency Analysis

- Most of the elevators are controlled by the older type relay control systems. During our walk-through we did not observe any other type of control systems for the elevators or escalators. The electrical circuitry for these systems looks to be at the end of its useful life. Plans should be made to begin some type of retrofit for all of these systems.
- A structural engineer should be retained to inspect all of the building support structures and seating support systems. Management has indicated that a structural engineer is engaged on a regular basis to inspect the roof, survey rigging grids and to monitor the roof and structural deflection. Management agrees that additional review of other building support structures and seating systems are also warranted.
- Replace all of the old air compressors used for the pneumatic control systems.
- Evaluate and add as necessary new lighting in the meeting areas and the main lobby entrances to the arena from the street levels.

Management has indicated that as HVAC and plumbing components and piping have failed or are in need of repair, entire subsystems and pipe runs are replaced, rather than repaired. In this manner, system replacement costs are managed on an “as needed” basis.

Event Operations

In general, the HCC has been well maintained and operated at a level that exceeds the age and limitations of the facility. However, event operations at the Hartford Civic Center are conducted at a significant disadvantage due to the lack of a dedicated loading dock and marshalling space, as well as a lack of overall space and functional event-related facilities located on the event level. The fact that the Hartford Civic Center continues to do the type and number of events that it does is a testimony to the effects of facility management and operations staff. As show requirements and technical requirements continue to increase, the Hartford Civic Center will find it increasingly difficult to meet promoter and producer expectations.

4.0 Demographic Analysis

4.0 Demographic Analysis

An important component in assessing the potential success of an arena development project is the demographic and socioeconomic profile of the local market. The strength of a market in terms of its ability to support a sports and entertainment venue is measured in part by the size of the market area population and its spending characteristics. The following section summarizes a number of key demographic and socioeconomic characteristics of the Hartford region.

The analysis also presents comparisons of the Hartford market's demographics with those of other markets currently hosting arenas built since 1995, including NHL arenas as well as municipal arenas with capacities of 15,000 or greater that currently host minor league sports tenants. The analysis excludes NHL markets that also host an NBA franchise, as these markets are generally not comparable to Hartford based on their significantly larger populations. The following table summarizes the markets included in the demographic comparisons.

Comparable Arena Markets

Arena	Location	Year Opened	Concert Capacity
<i>Minor League</i>			
BOK Center	Tulsa, OK	2008	18,041
Sprint Center	Kansas City, MO	2007	18,954
Wells Fargo Arena	Des Moines, IA	2005	15,654
Veterans Memorial Coliseum	Jacksonville, FL	2003	18,000
Save Mart Center	Fresno, CA	2003	16,182
Qwest Center	Omaha, NE	2003	17,000
Ford Center	Oklahoma City, OK	2002	16,000
Alltel Arena	N. Little Rock, AR	1999	19,000
Bi-Lo Center	Greenville, SC	1998	15,000
Hartford Civic Center	Hartford, CT	1975	16,500
Minor League Average (Excl. HCC)			17,100
<i>NHL Only</i>			
Glendale Arena	Glendale, AZ	2003	17,500
Xcel Energy Center	St. Paul, MN	2000	18,064
Nationwide Arena	Columbus, OH	2000	18,137
RBC Center	Raleigh, NC	1999	21,000
BankAtlantic Center	Sunrise, FL	1998	19,088
Bell Centre	Montreal, PQ	1996	21,631
Scotiabank Place	Ottawa, ON	1996	18,500
St. Pete Times Forum	Tampa, FL	1996	19,758
Gaylord Entertainment Center	Nashville, TN	1996	17,500
HSBC Arena	Buffalo, NY	1996	18,500
General Motors Place	Vancouver, BC	1995	19,193
Hartford Civic Center	Hartford, CT	1975	16,500
NHL Only Average (Excl. HCC)			19,000

For purposes of this analysis, the demographics of each market have been evaluated utilizing each market's Core Based Statistical Area (CBSA). The CBSA is defined as an area with a concentrated population core, along with an adjacent territory with social and economic ties to the core.

4.0 Demographic Analysis

The Hartford CBSA is comprised of Hartford, Middlesex and Tolland Counties. The following map illustrates the boundaries of the Hartford CBSA.



The Hartford CBSA extends through central Connecticut from the Massachusetts border to the north to Long Island Sound to the south and includes cities such as Hartford, New Britain, Bristol and Middletown.

Population

The level of population from which sports and entertainment facilities will draw attendees can impact the events and attendance attracted to the facilities. The following exhibit summarizes the key population statistics of the Hartford area.

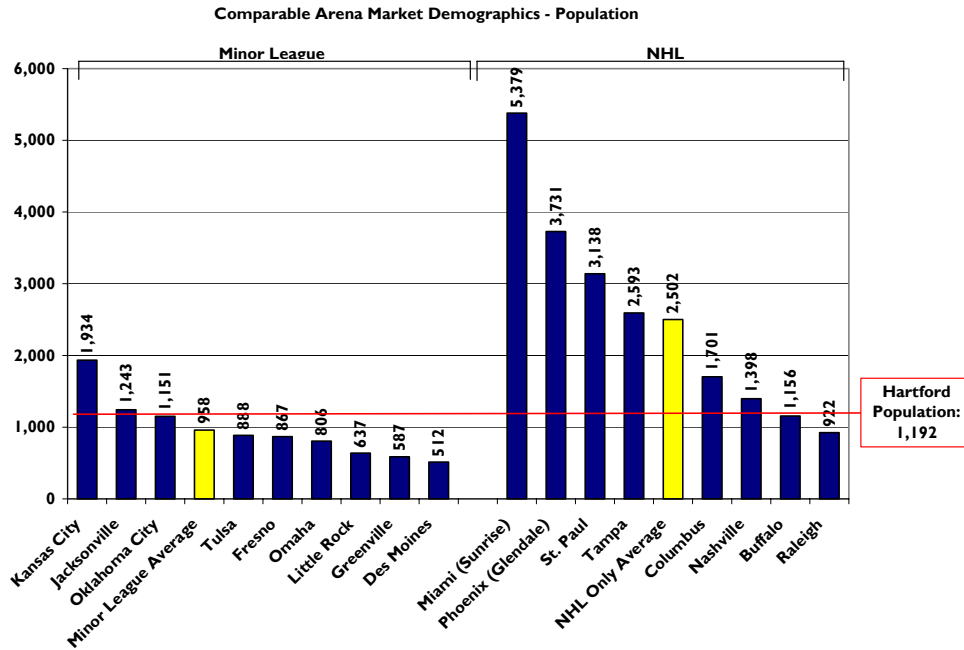
Hartford Population Statistics

	Hartford CBSA	U.S.
2005 Population	1,192,100	292,937,000
2010 Population	1,239,000	307,116,000
CAGR 2005 - 2010	0.8%	0.9%

Source: Claritas, Inc.
CAGR = Compound Annual Growth Rate

4.0 Demographic Analysis

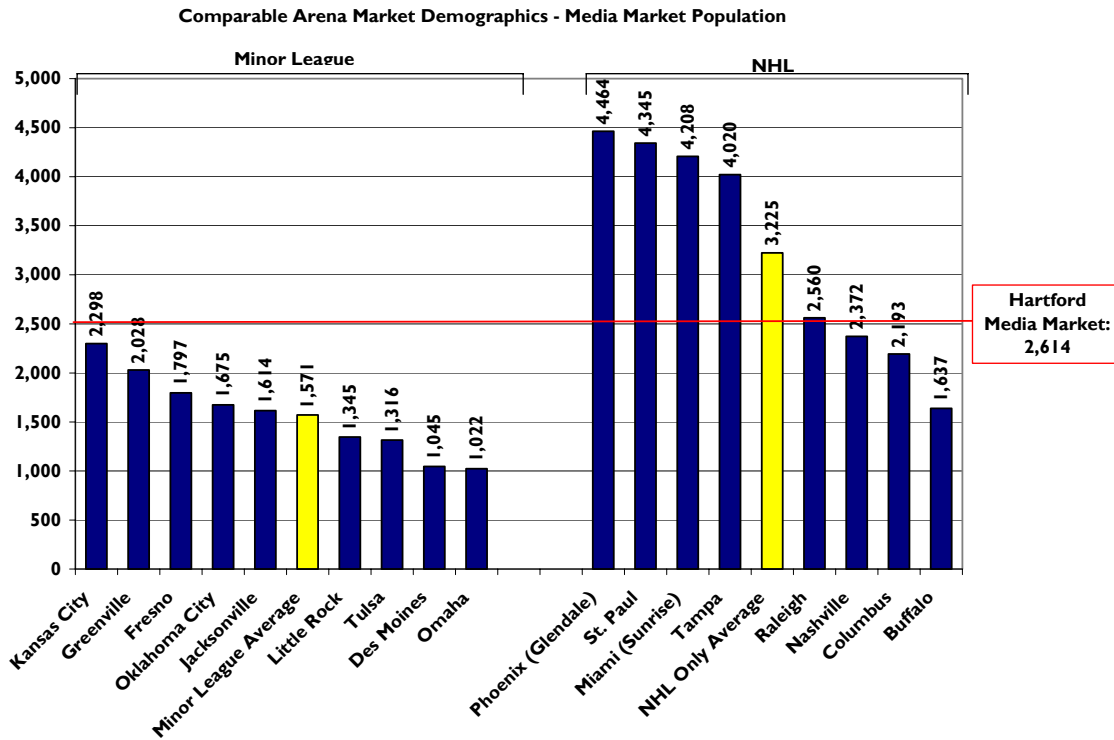
The Hartford CBSA had a population of approximately 1.2 million in 2005. The market's population is projected to grow by approximately 0.8 percent annually over the next five years, similar to the projected growth rate for the U.S. as a whole. The following chart compares Hartford's population with the populations of the comparable facility markets.



Hartford's population is above the average among the nine markets hosting large minor league arenas opened since 1995. While the Hartford market's population is significantly lower than the average among markets hosting recently built NHL-only arenas, several markets with similar populations, including Columbus, Nashville, Buffalo and Raleigh have developed NHL arenas in recent years.

While the CBSA population analysis presented above provides a uniform comparison of the populations of each market, it is also important to consider the media market population of each market. This factor is particularly important to the NHL and other sports leagues. The following exhibit summarizes the media market population of the Hartford area compared to similar minor league and NHL markets.

4.0 Demographic Analysis



As shown, the media market population for the Hartford area of approximately 2.6 million is significantly higher than the CBSA population, and would rank as the largest media market population among the comparable minor league markets discussed in this analysis. When compared to other existing NHL markets, the Hartford media market is among the smaller NHL markets discussed herein, comparing closely to Raleigh, Nashville and Columbus, but will be below the average of the comparable NHL markets.

Age

The age of a specific populace can impact the overall drawing power for the proposed development, particularly for spectator events held at the proposed ballpark and arena. In general, the 18 to 34 year old age group is regarded in the spectator events industry as one of the groups that is most likely to attend sporting and other spectator events. The 35 to 54 year old age group is also regarded as a relatively strong market for these events. This age group also exhibits higher spending patterns than other age groups. A lower than average population concentration within these groups will not necessarily adversely affect the number of events hosted in the given market, but could potentially affect the type of programming that can work to maximize event potential at spectator facilities in the market. The following table summarizes the age distribution and median age of the Hartford-area population.

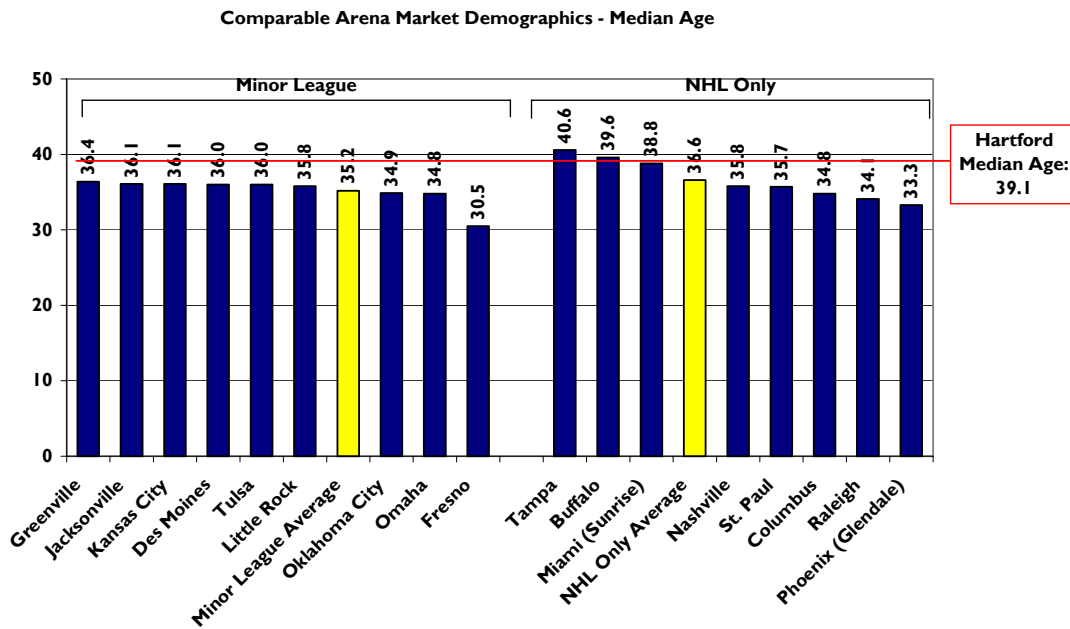
4.0 Demographic Analysis

Hartford Age Statistics

	Hartford CBSA	U.S.
Age Distribution:		
Under 15	16.6%	20.7%
15 to 24	14.2%	14.2%
25 to 34	11.4%	13.6%
35 to 44	14.7%	15.3%
45 to 54	16.0%	14.1%
55 and over	27.1%	22.1%
Median Age	39.1	36.0

Source: Claritas

The Hartford market population is relatively old in comparison to the nation as a whole. Specifically, the median age of the Hartford market is approximately 3.1 years older than the national median and has a significantly larger proportion of its population aged 55 and over. The following chart compares the median age within each comparable arena market.



The Hartford-area populace is older than all of the markets hosting large minor league arenas all but two comparable NHL-only markets.

4.0 Demographic Analysis

Household Income

Household income is an important socioeconomic variable that can be indicative of the potential success of sports and entertainment venues. Household income can be used as a surrogate measure for the ability to purchase tickets, premium seating and other such items at sports facilities. The following table summarizes the key household income variables of the Hartford market area.

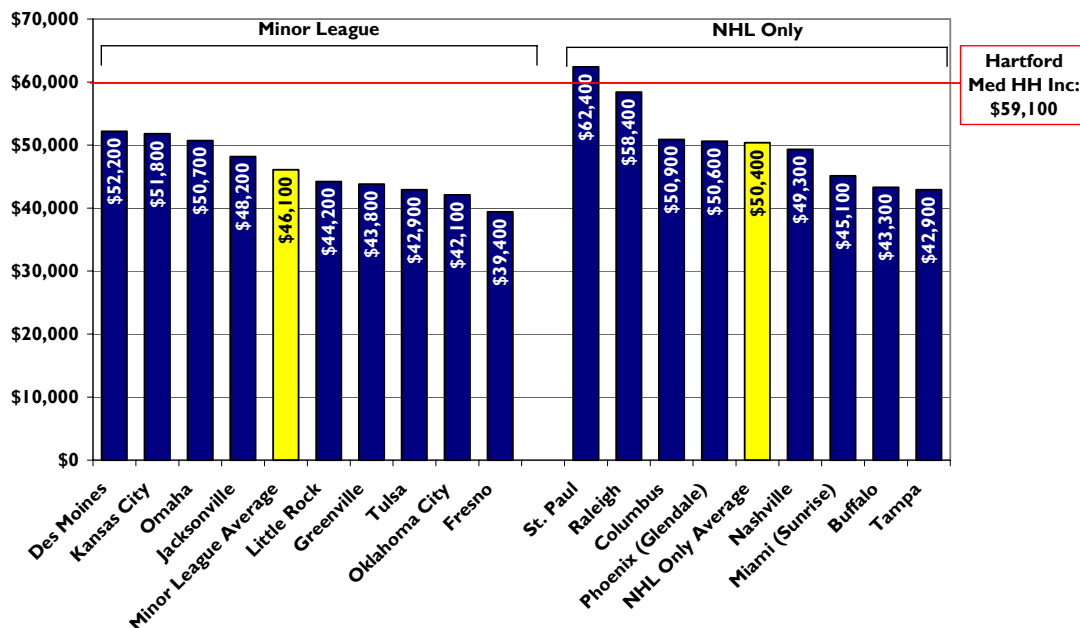
Hartford Household Income Statistics

	Hartford CBSA	U.S.
Household Income Distribution:		
Under \$25,000	19.4%	26.0%
\$25,000 to \$49,999	23.3%	27.7%
\$50,000 to \$74,999	19.4%	19.1%
\$75,000 to \$99,999	14.4%	11.6%
Over \$100,000	23.5%	15.7%
Median Household Income	\$59,100	\$46,500
Average Household Income	\$75,700	\$63,300

Source: Claritas

Household income levels in the Hartford market area are generally significantly higher than the national average, with higher proportions of households having annual incomes of \$100,000 or greater. The median and average household income of Hartford-area households are also higher than the national average. The following chart compares the median household income of the Hartford market with those of the comparable arena markets.

Comparable Arena Market Demographics - Median Household Income



4.0 Demographic Analysis

Hartford's median household income is significantly higher than any of the markets currently hosting large minor league arenas, and is significantly above the average among recently built NHL-only facilities.

Corporate Inventory

Local corporations play a significant role in supporting the arenas by purchasing private suites, season tickets and advertising/sponsorship opportunities. The following table summarizes the corporate inventory of the Hartford CBSA, including all corporate headquarters with at least 25 employees and \$5.0 million in annual sales and corporate branches with at least 25 employees.

Annual Sales (in millions)	Number of Headquarters	Subtotal
\$2,000.0 or more	7	7
\$1,500.0 - \$1,999.9	0	7
\$1,000.0 - \$1,499.9	4	11
\$750.0 - \$999.9	6	17
\$500.0 - \$749.9	2	19
\$250.0 - \$499.9	12	31
\$100.0 - \$249.9	37	68
\$50.0 - \$99.9	66	134
\$25.0 - \$49.9	131	265
\$10.0 - \$24.9	314	579
\$5.0 - \$9.9	341	920
Total Headquarters	920	
Corporate Branches	694	
Total	1,614	

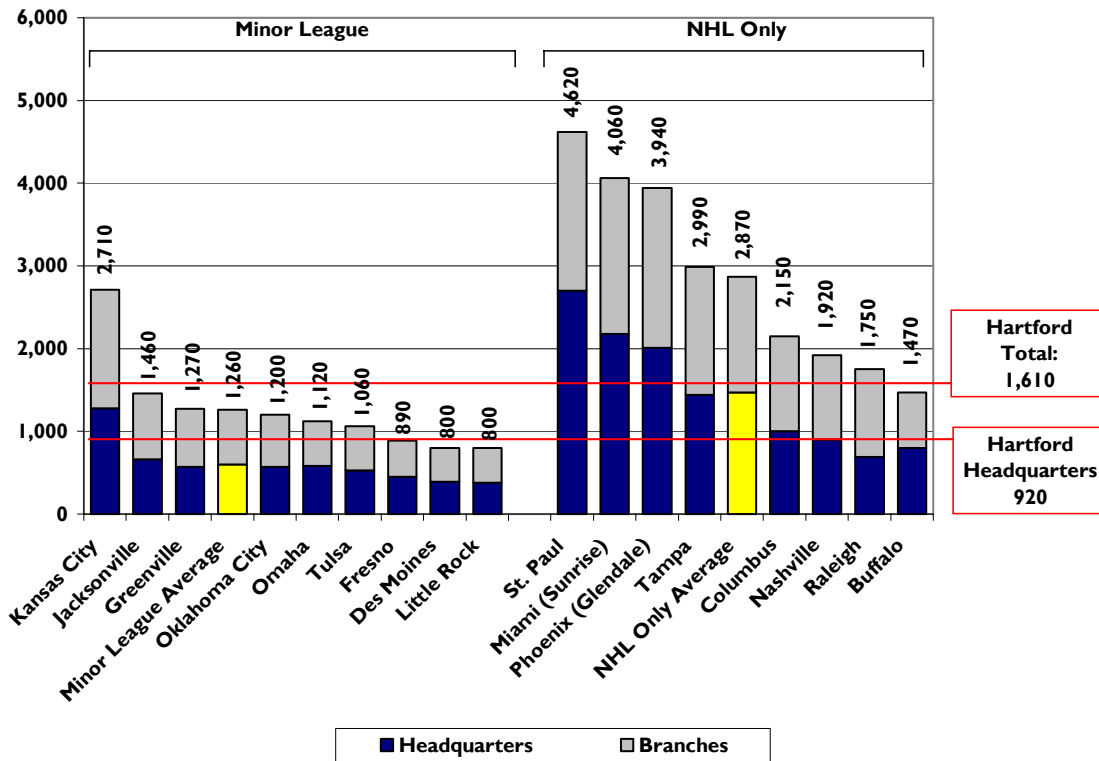
Note: Includes only corporate headquarters and branches with at least 25 employees.
Source: Dun & Bradstreet.

As shown, the Hartford CBSA has a total of approximately 920 corporate headquarters with at least 25 employees and \$5.0 million in annual sales. The Hartford market is also home to approximately 690 corporate branches with 25 or more employees, resulting in a total corporate inventory of approximately 1,610.

The following chart compares the inventory of corporate headquarters and branches with at least 25 employees in each comparable arena market. It should be noted that the corporate headquarter inventories in the chart include only organizations with at least \$5.0 million in annual sales.

4.0 Demographic Analysis

Comparable Arena Market Demographics - Corporate Inventory



The total corporate inventory of the Hartford market is higher than those of the majority of markets currently hosting large minor league arenas opened since 1995. However, compared to other NHL markets, the Hartford corporate inventory ranks well below the average inventory of similar markets, ranking second lowest among the markets discussed in this analysis.

Demographic Summary

Within this section, the Hartford market has been compared to several markets hosting large, recently built arenas on the basis of a number of key demographic variables. The following is a summary of the key findings of the demographic analysis.

- The Hartford market’s CBSA and media market population is higher than the majority of markets currently hosting large minor league arenas, and is within the range of markets hosting NHL arenas built since 1995.
- Similarly, Hartford’s corporate inventory is strong relative to comparable minor league arena markets, and is within the range of the smaller market hosting NHL-only facilities.

4.0 Demographic Analysis

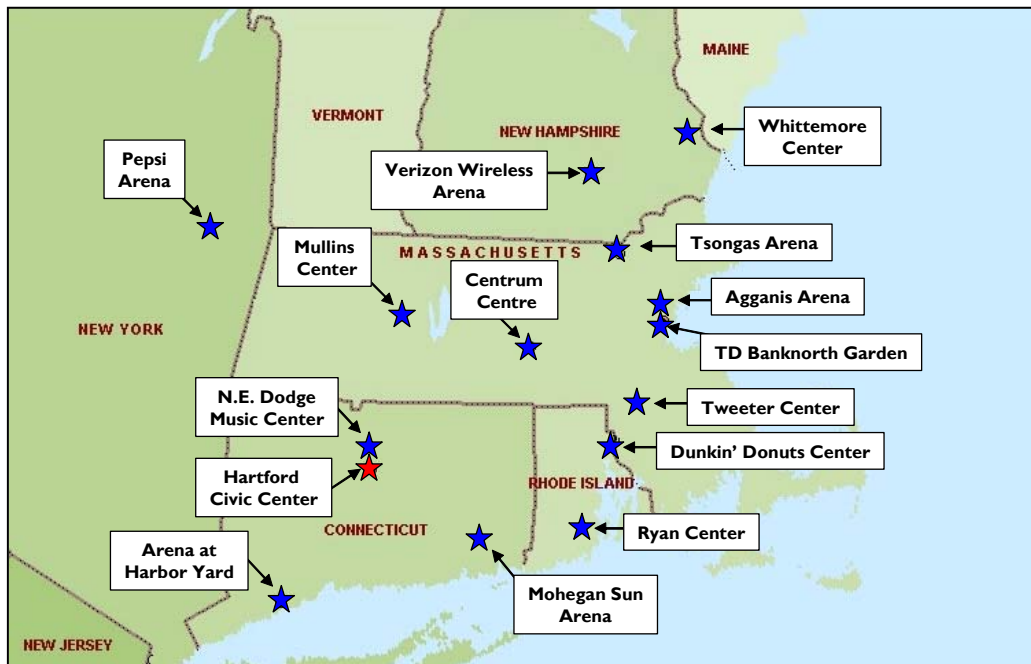
- The median age of Hartford-area residents is more than three years older than the national average, with a relatively high proportion of the population aged 55 or older.
- Hartford's median household income is among the highest of any comparable arena market.
- The presence of an older, wealthier population in the Hartford area could make it a strong market for club seats and other upscale amenities.
- The Hartford market's demographics are generally comparable to those of many markets hosting recently built NHL arenas.

5.0 Competitive Facility Analysis

5.0 Competitive Facility Analysis

Connecticut and the surrounding region are home to significant number of multi-purpose arena facilities or similar venues that offer a wide variety of sports and entertainment options. While the region has a strong population base from which to draw attendees, the number and type of facilities competing for events, spectators, attendees and participants within the regional marketplace affects the on-going viability of the HCC and the potential success of a new arena in Hartford. In evaluating the on-going viability of the HCC or a new arena in Hartford, it is helpful to obtain an understanding of the physical and operational characteristics of these competing facilities.

Concerts and other major touring events being routed through the New England/eastern New York region will typically make stops in the New York City and Boston markets, as these represent the region's largest metropolitan areas. The HCC competes with a number of regional venues for tours making additional stops before, between or after stops in New York and Boston. The following map illustrates the locations of several arenas throughout the New England/eastern New York region that currently compete with the HCC for spectator events and patrons.



It should be noted that facilities located in New York City have not been included in the analysis. Due to its large size and reputation as one of the nation's primary entertainment market, New York City is likely to capture a vast majority of touring events routed through the region. However, this typically does not preclude the Hartford market from capturing a portion of those events. Therefore, the New York City facilities are not likely to compete with the HCC or a new arena in Hartford for touring events.

5.0 Competitive Facility Analysis

The following table presents an overview of each facility discussed herein.

Overview of Regional Arenas

Facility	Location	Distance From HCC (in Miles)	Tenants	Year Opened	Concert Capacity
N.E. Dodge Music Center	Hartford, CT	2	n/a	1995	24,200
TD Banknorth Garden	Boston, MA	100	NBA, NHL	1995	19,600
Tweeter Center	Mansfield, MA	105	n/a	1985	19,000
Hartford Civic Center	Hartford, CT	n/a	AHL, NCAA	1975	16,500
Pepsi Arena	Albany, NY	110	AHL, af2, NCAA	1990	16,000
DCU Center	Worcester, MA	60	AHL	1982	15,000
Dunkin' Donuts Center	Providence, RI	85	AHL, NCAA	1978	14,514
Verizon Wireless Arena	Manchester, NH	130	AHL, af2	2001	11,000
Mullins Center	Amherst, MA	50	NCAA	1992	10,700
Mohegan Sun Arena	Uncasville, CT	45	WNBA	2001	10,000
Arena at Harbor Yard	Bridgeport, CT	60	AHL, NCAA	2001	10,000
Conte Forum	Chestnut Hill, MA	100	NCAA	1988	10,000
Agganis Arena	Boston, MA	100	NCAA	2005	8,000
Tsongas Arena	Lowell, MA	105	AHL, NCAA	1998	7,800
Whittemore Center	Durham, NH	155	NCAA	1995	7,300
Ryan Center	Kingston, RI	75	NCAA	2002	6,500

As shown in the table, a large number of sports and entertainment event facilities are currently operating in Connecticut and the surrounding region. Three facilities, including one indoor arena, the TD Banknorth Garden in Boston, have concert capacities larger than that of the HCC. The other two larger venues consist of outdoor amphitheaters operating on a seasonal basis. The remainder of this section presents information related to the physical and operational characteristics of these competitive venues, including the number and types of events hosted by each facility on an annual basis.

New England Dodge Music Center

Formerly known as the Meadows Music Theatre, the New England Dodge Music Center is located near downtown Hartford. The amphitheater pavilion was built in 1995 and has a total seating capacity of approximately 24,200 comprised of fixed seating for 6,200 with a grassy seating area for an additional 18,000 patrons. The venue is one of only a few amphitheaters in the nation with the flexibility to be converted into a fully-enclosable venue. Total construction costs approximated \$20.5 million of which 85 percent was public participation and 15 percent private funding. The venue is owned and operated by Live Nation, formerly known as Clear Channel Entertainment.



5.0 Competitive Facility Analysis

The Center focuses primarily on hosting concert events, with the majority of utilization occurring during the late spring, summer and early fall months. The facility occasionally hosts concerts during the winter, but capacity for those events is limited to the indoor capacity of 6,200 seats. Over the past three years, the Center has hosted an average of 17 concerts per year, including 14 utilizing the full venue and three using only the indoor configuration. Average attendance at these concerts has been approximately 13,000 per performance.

The venue incorporates 74 VIP boxes ranging in size from four to 12 seats. The luxury box suites are located in the mid-pavilion area and include private wait staff, VIP entrance and parking, private restrooms as well as other amenities. All VIP box holders have access to the pavilion's private VIP Bar & Grille Club. The average annual price for a four-seat luxury box is \$11,500, six-seat boxes lease for \$18,750, 10-seat boxes lease for \$45,000 and the 12-seat boxes have an average annual price of \$47,500. The prices include tickets to all events held at the Center.

TD Banknorth Garden

The TD Banknorth Garden is located in Boston, Massachusetts and was opened in 1995. The arena has a capacity of 19,600 for concerts, 18,500 for basketball and 17,500 for hockey and is home to the NBA Boston Celtics and the NHL Boston Bruins. The facility is owned by Delaware North Companies, Inc. and operated by New Boston Garden Corporation, a subsidiary of Delaware North Companies. The facility was developed by the Bruins, while the Celtics serve as a tenant.



In addition to tenant sports, the venue also accommodates a wide diversity of events such as ice shows, the circus, gymnastics, concerts, Disney shows, and pro-wrestling matches, among others. However, the venue does not host events which require dirt surfacing such as bull riding, dirt-bike races or monster truck competitions. A variety of private events are also held at the Garden annually, including graduations, sales and marketing seminars, receptions, charity dinners, annual meetings and conventions.

In a recent year, the Garden hosted a total of 191 events, consisting of 43 Bruins games, 43 Celtics games, 35 concert performances, 52 family show performances, 13 non-tenant sporting events and five miscellaneous events. The majority of the Garden's utilization typically occurs between October and April, with relatively little event utilization during the summer months.

5.0 Competitive Facility Analysis

The Garden incorporates a restaurant, a private club, 104 executive suites and 1,068 club seats. In addition, it is home to the Sports Museum of New England. The average annual suite price is approximately \$176,000 plus event tickets, while club seats are priced at approximately \$7,500 per year plus the cost of tickets. Garden management recently announced plans to renovate the facility's premium seating levels, including the development of a premium sports bar and an exclusive, upscale private club area, both of which are expected to be completed prior to the 2006-07 NBA and NHL seasons.

Tweeter Center for the Performing Arts

The Tweeter Center for the Performing Arts is located in Mansfield, Massachusetts. The amphitheatre pavilion was built in 1985 and has a total seating capacity of approximately 19,900 comprised of 7,000 reserved covered seats in the pavilion, 7,000 open air uncovered seats and general admission on the lawn for approximately 5,900 patrons. The venue is owned and operated by Live Nation.



The Center's operating season typically runs from May through September and includes national concert productions of numerous music artists, national festivals such as Lollapalooza and other festivals organized by local radio stations. Over the past three years, the Center has hosted an average of 34 concert performances per year, with average attendance of approximately 15,000 per performance. The venue draws much of its audience base from the Boston area due in part to the presence of a commuter rail between Boston and Mansfield.

The venue incorporates 90 VIP boxes with capacities of four, six or eight guests. Annual lease prices range from \$17,600 to \$38,000 depending on level of commitment, location of box and number of seats. The price includes tickets to all events, private wait staff, VIP entrance and parking, private restrooms and other amenities. The venue does not offer a VIP season seat program, similar to club seats, other than season ticket packages.

5.0 Competitive Facility Analysis

Pepsi Arena

Located in Albany, New York, the Pepsi Arena opened in 1989 and has a capacity of 16,000 for concerts, 14,924 for basketball and 13,892 for hockey. The facility is owned by Albany County and operated by SMG. The Arena's tenants are the AHL Albany River Rats, the af2 Albany Conquest and the Sienna College basketball program.



The arena was formerly the home of the NLL Albany Attack, who relocated to San Jose in 2003. The arena also lost its AFL team, the Firebirds, when the franchise moved to Indianapolis prior to the 2001 season. Soon thereafter, the af2 league awarded the Conquest franchise to Albany.

In addition to tenant games, the venue hosts numerous events such as concerts, family shows and non-tenant sporting events. In recent years, the facility has hosted major non-recurring collegiate sports events such as the NCAA Frozen Four hockey championship, the NCAA wrestling championship, the NCAA basketball Eastern Regional tournament and various conference tournaments. In a recent year, the facility hosted a total of 153 events, including 72 tenant sporting events, 25 concerts, 21 family shows, 18 non-tenant sports events and 17 miscellaneous events. The Arena's rental rate for trade shows, sporting events and other such events is a flat fee of \$6,500 plus event expenses. The concert rate is \$45,000 for the lower bowl only or \$65,000 for the full facility, which includes event expenses.

The Arena incorporates 25 luxury suites, each of which has a capacity of 16 seats. Suites are rented on 3-year leases with an average annual price of \$48,000. The venue does not offer club seating. The River Rats formerly offered 140 premium club seats, but the program was discontinued due to lack of demand.

DCU Center

Formerly known as the Centrum Centre, the DCU Center is located in Worcester, Massachusetts and was built in 1982. The Center includes an arena with a capacity of 15,000 for concerts, 14,000 for basketball and 12,500 for hockey, as well as a 59,000-square foot convention center that was added to the facility in 1997. The complex is owned by the City of Worcester and operated by SMG.



5.0 Competitive Facility Analysis

The Center is home to the AHL Worcester IceCats and hosted approximately 115 events in a recent year, including 41 regular season IceCats games. The 74 non-tenant events included 14 concerts, 25 family shows, seven motor sports events, 14 other sporting events and 14 miscellaneous events.

Premium seating at the Center is limited to two suites, each of which seats up to 36 guests. The suites are only offered to advertisers and sponsors of the facility and are generally not available to the general public.

Dunkin' Donuts Center

The Dunkin' Donuts Center opened in Providence, Rhode Island in 1978 and serves as the home of the AHL Providence Bruins and the Providence College basketball program. The facility has a seating capacity of 14,514 for concerts, 13,106 for basketball and 11,940 for ice events. The Center is owned by the Rhode Island Convention Center Authority and operated by SMG.



During a recent fiscal year, the Center hosted 60 tenant sporting events, including 42 Bruins games and 18 Providence College basketball games. The facility also hosted 45 non-tenant events, consisting of eight concerts, 22 family show performances, 13 non-tenant sports events and two graduations.

The Center does not currently offer any premium seating options. However, arena management recently began a major renovation of the facility, which will include the addition of 20 new luxury suites. Additional features of the renovation, which is scheduled for completion in 2008, will include new seats, a sound system and video scoreboard, redesigned concourse and lobby, concessions upgrades and the construction of a bridge connecting the arena to the Rhode Island Convention Center.

Verizon Wireless Arena

Verizon Wireless Arena opened in Manchester, New Hampshire in 2001. The arena seats 10,000 for sporting events and 11,000 for center stage concerts. The \$70 million facility is owned by the City of Manchester and operated by SMG.



5.0 Competitive Facility Analysis

The Arena is home to the AHL Manchester Monarchs and the af2 Manchester Wolves and occasionally hosts University of New Hampshire hockey games. The Arena also hosts a variety of events such as freestyle motocross, WWE, concerts, conventions and family shows. In a recent year, the facility hosted 127 events, including 43 Monarchs games, nine Wolves games, 24 concerts, 20 family show performances, 14 non-tenant sporting events, 10 community events and seven miscellaneous events.

The arena incorporates a total of 34 private suites located in the upper and lower concourses along the arena sidelines. The private suites have seating for up to 12 at an average price of \$37,500, which includes tickets to all Monarchs hockey games and tickets to all qualified concerts and other events; however, suite holders are required to purchase tickets for multiple showings of an event or concert. In addition, three VIP parking passes are provided per suite. The arena also offers two party suites, leased on an event by event basis, and a private club lounge.

In addition to suites, the arena incorporates approximately 600 club seats located in the lower bowl, priced at approximately \$1,600 per year. Club seat prices include tickets to all Monarchs home games, with the first right to purchase tickets to other events. Additional amenities include one preferred parking pass is provided for every four club seats purchased, in-seat food and beverage service and access to the Sam Adams Lounge.

William D. Mullins Memorial Center

The William D. Mullins Memorial Center is located in Amherst, Massachusetts on the campus of the University of Massachusetts-Amherst. The Center opened in February 1993 and hosts the University's men's and women's basketball and men's hockey programs. The facility has a capacity of



9,500 for basketball, 8,200 for hockey and up to 10,700 for concerts. The venue is owned by the University of Massachusetts and is privately managed by Global Spectrum. In addition to the main arena, the Mullins Center includes an Olympic-sized ice hockey rink for recreational skating and for use as a practice facility.

In a recent year, the arena hosted approximately 107 total events, including 49 University athletic events, five concerts, two family shows, three other sporting events, 24 conferences, five tradeshows and 19 other events such as convocations, commencements and cultural events. The Mullins Center has also hosted special events on a non-recurring basis, including the 2005 NCAA Men's Ice Hockey Northeast Regional.

5.0 Competitive Facility Analysis

The base rental structure for ticketed events is the greater of \$3,500 or an average of 12 percent of gross receipts after applicable taxes and facility charge, per day. The Mullins Center does not currently incorporate premium seating.

Mohegan Sun Arena

The Mohegan Sun Arena is located in Uncasville, Connecticut, 45 miles southeast of Hartford on a relatively isolated Native American reservation. The Arena opened in 2001 and is part of a large casino complex created in 1996 by the Mohegan Tribe of Connecticut, offering extensive gaming, entertainment, dining and shopping. The arena offers seating capacities of 9,477 for basketball, 7,500 for arena football and 10,000 for center stage events. Mohegan Sun also features over 100,000 square feet of flexible meeting and function space, accommodating up to 5,300 people. The arena is owned and operated by the Mohegan Tribal Gaming Authority.



The venue is the home to the WNBA's Connecticut Sun and was the former home of the AF2 Mohegan Wolves, who relocated to Manchester, New Hampshire after the 2003 season. While Arena management does not disclose detailed historical event information, the facility hosts a variety of events including an average of 40 to 50 annual concerts, as well as conventions and meetings, and major sporting events such as collegiate and professional basketball, tennis, bull riding and bowling as well as ballet and orchestras. The venue has also hosted Showtime Championship Boxing, ESPN2's Friday Night Fights, HBO's Boxing After Dark series, the 2004 Davis Cup tennis event and the 2005 WNBA All-Star Game.

The venue incorporates two suites, each of which has a capacity of 60 guests. The suites are typically reserved for tribal members or the performing artist. No publicly leased premium seating products are offered by the Arena.

Arena at Harbor Yard

The Arena at Harbor Yard opened in 2001 in Bridgeport, Connecticut. The \$57.3 million arena seats up to 10,000 for concerts 9,500 for basketball and 8,500 for hockey and ice shows, with an additional theater configuration seating 6,000 patrons. The Arena is owned by the City of Bridgeport and managed by Centerplate.



5.0 Competitive Facility Analysis

The Arena's tenants include AHL Bridgeport Sound Tigers and the Fairfield University men's and women's basketball programs. In addition to tenant sporting events, the Arena has hosted a number of other events such as the Ringling Bros. Barnum & Bailey Circus, ice skating shows, concerts, the Boston Pops orchestra, World Wrestling Entertainment, motor cross racing, the Republican State Convention, and various trade shows. The facility hosted approximately 114 events in a recent year, including 40 Tigers hockey games, 20 Fairfield basketball games, 12 concerts, 27 family shows, five motor sports events, seven other sporting events and three miscellaneous events.

The arena incorporates 33 executive suites, 13 loge boxes, 1,300 club seats and three party suites all with access to a private club lounge. The 33 executive suites have an average lease price of \$31,250 annually, which includes 10 to 19 tickets to all regular season Tigers home hockey games and all Fairfield University men's and women's basketball games. Suite holders receive tickets to other arena events, excluding concerts and playoff games; however, they are given the right of first refusal for all events for which tickets are not included. Suite amenities include VIP private entrance, complimentary parking, in-suite catering and wait service, wet bar and refrigerator, cable television and telephones.

The arena's 13 loge suites have an average annual lease price of \$6,750. Loge boxes include four to six season tickets for the Tigers and Fairfield University men's and women's basketball games as well as the first option to purchase tickets to all other events. Additional amenities include a drink rail and cushioned barstool seating, in-seat catering and wait service as well as a VIP private entrance and complimentary parking.

The 1,300 club seats have an average annual price of \$1,295 annually, which includes tickets to all Tigers and Fairfield University events, with the first right to purchase tickets for all other events. Additional amenities include cushioned seats with cup holders and VIP private entry and complimentary parking passes.

Conte Forum

Located on the Boston College campus in Chestnut Hill, Massachusetts, the Silvio O. Conte Forum is the home of the BC men's and women's basketball and men's and women's hockey programs. The facility is referred to as the Kelley Rink in its hockey configuration. The Forum opened in 1988 and has a seating capacity of 8,604 for basketball, 7,884 for hockey and 10,000 for concerts. The facility is owned and operated by the College.



5.0 Competitive Facility Analysis

According to Boston College representatives, approximately 90 percent of Conte Forum utilization consists of College athletic games and practices, intramurals and other events organized by organizations that are affiliated with the College. The facility typically hosts only one concert per year, a spring concert organized by the student union. Because the College does not actively pursue outside events, non-College utilization is consists of an average of two high school graduations per year and a limited number of other events by organizations that inquire with the College about using the facility.

The Forum offers premium seating in the form of 13 suites located on one end of the facility. The suites overlook the arena floor as well as the playing field of Alumni Stadium, the home of the BC football program. Each suite incorporates eight seats and has an annual lease price of \$40,000. The price includes tickets to all football, hockey and basketball home games as well as two parking passes for each event. The facility does not offer any club seating.

Harry Agganis Arena

Located within Boston University's new \$225 million John Hancock Student Village, Agganis Arena opened in 2005 as a new multi-purpose event center. The 290,000 square foot venue offers 6,300 fixed seats for hockey and ice shows, 7,200 for basketball games and is expandable to over 8,000 for center stage shows. The Arena is owned and operated by Boston University.



Agganis Arena hosts the University's hockey program and a portion of the men's and women's basketball teams' games. In a recent one-year period, the Arena hosted 29 University athletic events, including 19 hockey games, nine men's basketball games and one women's basketball game. In addition, the facility hosted 36 other events including 12 concerts, 12 family show performances, four non-University sporting events and eight miscellaneous events.

5.0 Competitive Facility Analysis

The arena incorporates 29 loge suites, including 20 four-seat boxes, eight six-seat boxes and one 12-seat box. The suite lease price is based on \$3,500 per year per seat in the suite, which includes regular season tickets for University hockey and basketball games, reserved VIP parking and priority rights to purchase tickets for other entertainment events. Loge suite holders have access to the Private Club Room located on the concourse level. Additional suite amenities include private elevator access, private suite entrance with nameplate recognition, upholstered fixed seating with drink rail and bar stools, catering and beverage service, refrigerator and wet bar, internet access and private telephone service.

The arena also incorporates 1,020 premium club seats, with annual prices varying depending on the privileges associated with the seat. Players Level seats are \$1,250 per seat, Varsity Level seats are \$1,500 per seat and Olympic Circle seats are \$5,000 for two-seats. All prices include regular season tickets for University hockey and basketball games, reserved Varsity Level parking and priority rights to purchase tickets for other events.

Paul Tsongas Arena

The Paul Tsongas Arena is located in downtown Lowell, Massachusetts adjacent to the University of Massachusetts-Lowell (UML) campus. The \$28 million Arena opened in 1998 and has a capacity of 6,500 for hockey, 7,000 for basketball and up to 7,800 for concerts. The Arena also maintains a lawn with a 3,500 person capacity for outdoor concerts, festivals, and special events, and offers 30,000 square feet of exhibit space. The facility is owned by the City of Lowell and is privately managed by SMG.

The Arena is home to the AHL Lowell Lock Monsters and the NCAA Division I UML River Hawks hockey team. The facility hosted 146 events in a recent year, including 44 Lock Monsters games, 24 UML hockey games, 19 concerts, 11 family show performances, six non-tenant sporting events, six community/religious events and 36 other events, primarily consisting of tradeshow and conferences. The 2006 World Men's Curling Championship was also held in the arena.



5.0 Competitive Facility Analysis

The facility does not incorporate any suites. Approximately 600 club seats are located at center ice and sell for a price of \$350 per season for UML hockey games. Club seat amenities include wide, padded seats with cupholders and one VIP parking pass for every two seats purchased, and the first option to purchase ticket to other arena events. Club seat season tickets can be purchased for Lock Monsters games at a cost of \$400 per season, but additional amenities are not included for Lock Monsters season ticket holders.

Whittemore Center Arena

The Whittemore Center Arena opened on the campus of the University of New Hampshire (UNH) in Durham in 1995. The Arena has a capacity of 6,100 for hockey, 6,400 for basketball and 7,300 for concerts. The facility is owned by UNH and privately operated by Global Spectrum.



The Arena is the home of UNH's men's and women's hockey teams and has hosted many events including hockey, basketball, other athletic events, concerts, ice shows, family shows, trade shows, conventions and many other events. In 2005, the Arena hosted the 2005 NCAA Women's Frozen Four hockey tournament. In a recent 12-month period, the Arena hosted a total of 124 events, including 34 UNH sporting events and 90 external events including four concerts, four family shows, nine high school sporting events, four trade shows, and 69 miscellaneous events such as a Republican Fundraising Dinner, a House Show and various community and campus events.

The facility features 19,500 square feet of column free exhibition space. In addition to exhibition space, the facility offers a Skybox Function Room which has banquet seating for 80, cocktail reception style for 175 and theater seating for 150. This room also has a private kitchen and two private restrooms as well as an in-house public address system.

The arena incorporates 14 sky boxes with an average annual price of \$15,000 for 6-seat boxes and \$20,000 for 8-seat boxes. Both sky box options include three to four parking passes and tickets to all UNH athletic events, with the first right to purchase all non-athletic events and championship tournaments. The sky boxes include amenities such as a refrigerator, in-box catering and a function room area with a television. Sky boxes are also offered on per event basis at prices ranging from \$600 to \$800 for men's ice hockey games and \$300 to \$400 for all other UNH athletic events.

5.0 Competitive Facility Analysis

The arena also offers 100 club seats, which can be leased for an annual fee of \$1,700. The club seat lease price includes tickets to UNH regular season home athletic events, complimentary parking, access to upscale food and beverage service and first right of refusal for tickets to all other arena events.

Thomas M. Ryan Center

Opened in 2002, the Thomas M. Ryan Center is a 200,000 square foot multi-purpose facility located on the campus of the University of Rhode Island (URI) in Kingston. The Center has a capacity of 7,700 for basketball or 6,500 for concerts. The facility is owned by URI and managed by Global Spectrum.



The Ryan Center serves as the home for URI men's and women's basketball teams and also hosts other university events. The arena hosted approximately 71 total events in a recent fiscal year, including 35 URI sporting events, six concerts, 11 family shows, two tradeshows and 17 miscellaneous other events such as meetings, banquets and receptions. The venue does not host ice events, as the 2,500 seat Boss Arena serves as the home of the University's men's and women's club ice hockey teams.

The Ryan Center offers eight fully furnished hospitality suites that overlook both the Meade Stadium football field and the Ryan Center basketball court and are available to lease on a per game/event basis. Suites for URI Football and URI Women's Basketball home contests are \$250 per game. Suite rentals for all other events including URI men's basketball and concerts are \$400 per event. Tickets must be purchased in addition to the suite rental fee. A minimum of 10 and maximum of 20 tickets to each suite must be purchased.

The facility also offers an Alumni Room for pre-and post-game events. The lounge is available as a function room for parties for up to 125 when events are not occupying the arena and is open to priority seat holders with food and beverage service during basketball games.

5.0 Competitive Facility Analysis

Summary

The following table summarizes key characteristics of the potentially competitive venues including their location, year opened, seating capacities, utilization, premium seating and facility management.

Summary of Competitive Facilities

	N.E. Dodge Music Center	TD Banknorth Garden	Tweeter Center	Pepsi Arena	DCU Center	Dunkin' Donuts Center	Verizon Wireless Arena	Mullins Center
Location	Hartford, CT	Boston, MA	Mansfield, MA	Albany, NY	Worcester, MA	Providence, RI	Manchester, NH	Amherst, MA
Year Opened	1995	1995	1985	1989	1982	1978	2001	1993
Seating Capacity								
Concert	24,200	19,600	19,900	16,000	15,000	14,514	11,000	10,700
Basketball	n/a	18,500	n/a	14,924	14,000	13,106	10,000	9,500
Hockey	n/a	17,500	n/a	13,892	12,400	11,940	10,000	8,200
Utilization								
Tenants	none	NBA, NHL	none	AHL, af2, NCAA	AHL	AHL, NCAA	AHL, AF2	NCAA
Tenant Events	0	86	0	72	41	60	52	49
Non-Tenant Events	17	105	34	81	74	45	75	58
Total Events	17	191	34	153	115	105	127	107
Premium Seats								
Number of Suites	74	104	90	25	0	20	34	0
Average Annual Fee	\$14,000	\$176,000	\$27,800	\$48,000	n/a	TBD	\$37,500	n/a
Number of Club Seats	0	1,068	0	0	0	0	600	0
Average Annual Fee	n/a	\$7,500	n/a	n/a	n/a	n/a	\$1,600	n/a
Facility Management								
Owner	Live Nation	Delaware North Companies	Live Nation	Albany County	City of Worcester	RI Conv. Ctr. Authority	City of Manchester	University of Massachusetts
Operator	Live Nation	New Boston Garden Corporation	Live Nation	SMG	SMG	SMG	SMG	Global Spectrum

	Mohegan Sun Arena	Arena at Harbor Yard	Conte Forum	Agganis Arena	Tsongas Arena	Whittemore Center Arena	Ryan Center	Hartford Civic Center
Location	Uncasville, CT	Bridgeport, CT	Chestnut Hill, MA	Boston, MA	Lowell, MA	Durham, NH	Kingston, RI	Hartford, CT
Year Opened	2001	2001	1988	2005	1998	1995	2002	1975
Seating Capacity								
Concert	10,000	10,000	10,000	8,000	7,800	7,300	6,500	16,500
Basketball	9,477	9,500	8,604	7,200	7,000	6,400	7,700	15,214
Hockey	7,500	8,500	7,884	6,300	6,500	6,100	n/a	14,660
Utilization								
Tenants	WNBA	AHL, NCAA	NCAA	NCAA	AHL, NCAA	NCAA	NCAA	AHL, NCAA
Tenant Events	18	60	81	29	68	34	35	67
Non-Tenant Events	NA	54	6	36	78	90	36	99
Total Events	NA	114	87	65	146	124	71	166
Premium Seats								
Number of Suites	0	33	13	29	0	14	8	46
Average Annual Fee	n/a	\$31,250	\$40,000	\$16,900	n/a	\$17,500	\$250-400/event	\$41,100
Number of Club Seats	0	1,300	0	1,020	600	100	0	302
Average Annual Fee	n/a	\$1,295	n/a	\$1,500	\$350	\$1,700	n/a	\$6,000
Facility Management								
Owner	Mohegan Tribe	City of Bridgeport	Boston College	Boston University	City of Lowell	University of New Hampshire	University of Rhode Island	City of Hartford
Operator	Mohegan Tribe	Centerplate	Boston College	Boston University	SMG	Global Spectrum	Global Spectrum	Madison Square Garden

There is a significant amount of competition in the region with approximately 15 major venues hosting various events such as concerts, sporting events, ice shows, family shows and tenant sporting events at the collegiate, minor league and professional level.

5.0 Competitive Facility Analysis

Capacities of the facilities analyzed herein range from a low of 6,500 at the University of Rhode Island's Ryan Center to a high of 24,200 at the New England Dodge Music Center, providing event promoters with a wide range of venues to suite the needs of a specific concert or event. Several competitive venues are operated by a private management entity such as SMG, Global Spectrum or Live Nation, which often assists the venue in booking touring events.

Event levels among competitive arenas vary significantly, from a 191 at the TD Banknorth Garden to a low of 17 at the New England Dodge Music Center, which has a narrow event focus and a limited operating season. The following table provides additional detail regarding the annual event totals of the competitive facilities.

Annual Event Levels at Competitive Facilities

	N.E. Dodge Music Center	TD Banknorth Garden	Tweeter Center	Pepsi Arena	DCU Center	Dunkin' Donuts Center	Verizon Wireless Arena	Mullins Center		
Location	Hartford, CT	Boston, MA	Mansfield, MA	Albany, NY	Worcester, MA	Providence, RI	Manchester, NH	Amherst, MA		
Events										
Tenant Hockey	--	43	--	43	41	42	43	--		
Tenant Football	--	--	--	9	--	--	9	--		
Tenant Basketball	--	43	--	--	--	--	--	--		
Collegiate Tenant	--	--	--	20	--	18	--	49		
Concerts	17	35	34	25	14	8	24	5		
Family Shows	--	52	--	21	25	22	20	2		
Other Sporting Events	--	13	--	18	21	13	14	3		
Other	--	5	--	17	14	2	17	48		
Tenant Events	0	86	0	72	41	60	52	49		
Non-Tenant Events	17	105	34	81	74	45	75	58		
Total	17	191	34	153	115	105	127	107		

	Mohegan Sun Arena	Arena at Harbor Yard	Conte Forum	Agganis Arena	Tsongas Arena	Whittemore Center Arena	Ryan Center	Average	HCC 3-Year Average
Location	Uncasville, CT	Bridgeport, CT	Chestnut Hill, MA	Boston, MA	Lowell, MA	Durham, NH	Kingston, RI		
Events									
Tenant Hockey	--	40	--	--	44	--	--	42	46
Tenant Football	--	--	--	--	--	--	--	9	--
Tenant Basketball	18	--	--	--	--	--	--	31	--
Collegiate Tenant	--	20	81	29	24	34	35	34	21
Concerts	45	12	1	12	19	4	6	17	9
Family Shows	--	27	--	12	11	4	11	19	30
Other Sporting Events	--	12	--	4	6	9	--	11	11
Other	--	3	5	8	42	73	19	21	49
Tenant Events	18	60	81	29	68	34	35	46	67
Non-Tenant Events	45	54	6	36	78	90	36	56	99
Total	63	114	87	65	146	124	71	101	166

Source: CSL research and facility interviews.

As shown, the competitive facilities host an average of 107 events per year, including 51 tenant sporting events and 56 other events. The average competitive facility hosts 17 concerts annually, ranging from a low of one at Boston College's Conte Forum to a high of 45 at the Mohegan Sun Arena. Annual family show performances at competitive venues range from a low of zero at several venues to a high of 52 at the TD Banknorth Garden. The wide disparity in concert and family show levels at competitive venues is due in part to the extent to which each facility attempts to attract these events. However, the ability of a facility to attract these events is also based on market size, facility size and amenities, relationships between arena management and event promoters and other such factors.

5.0 Competitive Facility Analysis

Within this section, a number of competitive arenas and other event venues have been discussed. Based on this analysis, the HCC operates in a highly competitive regional event market, with several arenas potentially competing for touring events in the Connecticut region. However, it should be noted that the region is densely populated, which provides a strong base of potential event attendees to support the large number of competing venues in the region.

6.0 Comparable Facility Analysis

6.0 Comparable Facility Analysis

In evaluating the current and future operations of the HCC, it is helpful to compare the current physical and operational characteristics of the Center with those of more modern arenas developed in other markets in recent years. Not only can this analysis identify areas in which the HCC may be in need of improvement to sustain its long term market viability, but it can also assist in the planning activities associated with new arena development should the Authority consider that option in the future.

Within this section, information related to the physical and operational characteristics of a number of arenas opened since 1995 are analyzed. The arenas discussed herein include facilities with capacities of at least 15,000 hosting only minor league sports tenants as well as arenas with NHL tenants. NHL facilities that also host an NBA franchise have been excluded from the analysis, as these arenas are typically located in significantly larger markets and do not exhibit comparable operating characteristics in comparison with NHL-only arenas.

The minor league arenas included in the analysis consist of arenas with maximum concert capacities of at least 15,000 built since 1995 that do not have NHL or NBA tenants. The NHL facilities represent all NHL-only arenas opened since 1995.

The intent of this analysis is to provide comparisons of the HCC's characteristics with those of more modern arenas hosting each type of tenant in order to gain an understanding of the amenities that would need to be incorporated into a renovated HCC or a new arena in Hartford to bring the facility up to the level of new, state-of-the-art venues. The analysis is also intended to provide project representatives with information regarding the facility characteristics that would likely be necessary to attract an NHL franchise back to Hartford. The following table summarizes the arenas discussed in this section.

6.0 Comparable Facility Analysis

Comparable Arena Overview

Arena	Location	Tenants	Market Population	Year Opened	Concert Capacity
<i>Minor League</i>					
BOK Center	Tulsa, OK	CHL, af2	888,000	2008	18,041
Sprint Center	Kansas City, MO	To be determined	1,934,400	2007	18,954
Wells Fargo Arena	Des Moines, IA	AHL	512,400	2005	15,654
Veterans Memorial Coliseum	Jacksonville, FL	WPHL	1,243,100	2003	18,000
Save Mart Center	Fresno, CA	ECHL, NCAA	866,500	2003	16,182
Qwest Center	Omaha, NE	NCAA, NCAA	806,100	2003	17,000
Ford Center	Oklahoma City, OK	CHL, af2	1,150,800	2002	16,000
Alltel Arena	N. Little Rock, AR	af2, NBDL	636,900	1999	19,000
Bi-Lo Center	Greenville, SC	ECHL	586,800	1998	15,000
Minor League Average			958,333		17,100
<i>NHL Only</i>					
Glendale Arena	Glendale, AZ	Phoenix Coyotes	3,730,600	2003	17,500
Xcel Energy Center	St. Paul, MN	Minnesota Wild	3,138,300	2000	18,064
Nationwide Arena	Columbus, OH	Columbus Blue Jackets	1,701,300	2000	18,137
RBC Center	Raleigh, NC	Carolina Hurricanes	922,300	1999	21,000
BankAtlantic Center	Sunrise, FL	Florida Panthers	5,379,500	1998	19,088
Bell Centre	Montreal, PQ	Montreal Canadiens	3,635,700	1996	21,631
Scotiabank Place	Ottawa, ON	Ottawa Senators	1,148,800	1996	18,500
St. Pete Times Forum	Tampa, FL	Tampa Bay Lightning	2,592,800	1996	19,758
Gaylord Entertainment Center	Nashville, TN	Nashville Predators	1,398,200	1996	17,500
HSBC Arena	Buffalo, NY	Buffalo Sabres	1,156,300	1996	18,500
General Motors Place	Vancouver, BC	Vancouver Canucks	2,208,300	1995	19,193
NHL Only Average			2,238,133		19,000

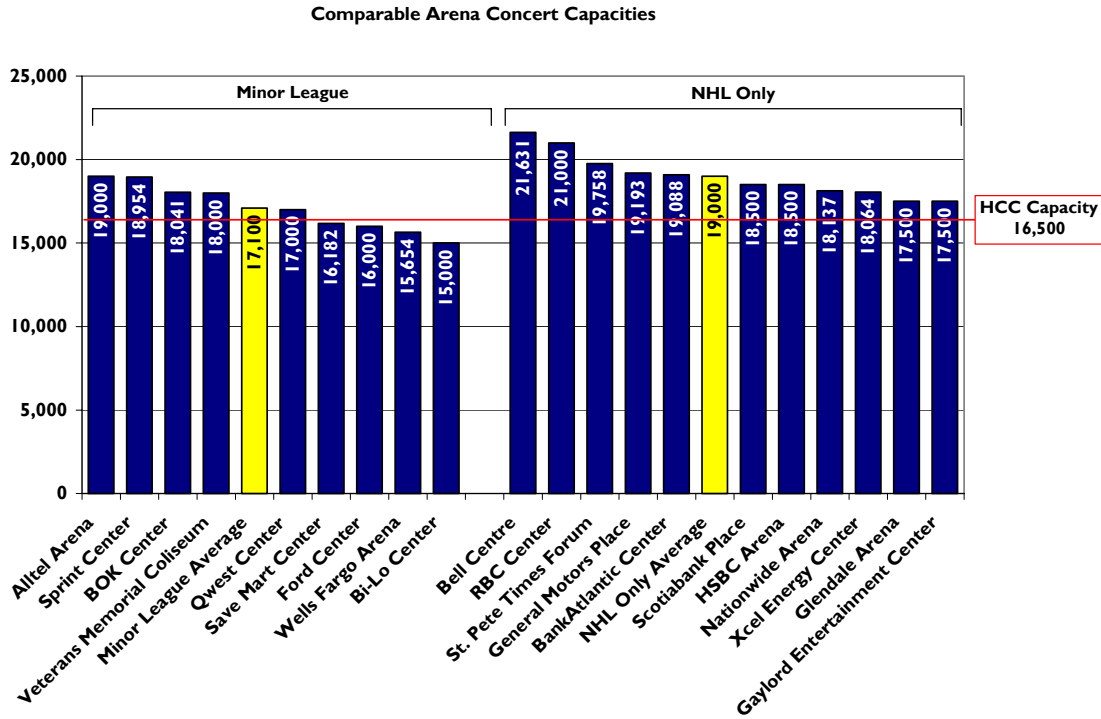
Source: CSL research, Claritas, Statistics Canada

As shown, a total of 20 arenas are included in the analysis presented herein, including nine minor league arenas and 11 arenas with an NHL tenant. The remainder of this section provides information related to capacity, square footage, premium seating, event levels and other key characteristics of each of these arenas.

Capacity

The capacity of an arena plays a key role in the types of tenant and non-tenant events the facility can attract. In order to host franchises in major sports leagues such as the NHL or NBA, an arena must have a capacity large enough to accommodate the relatively high demand for tickets for those teams. Conversely, arenas hosting only minor league tenants typically do not require such large capacities to accommodate demand for tenant events. In these cases, the appropriate capacity is often based primarily on the number and types of concerts and other major non-tenant events the arena hosts. The following chart compares the concert capacities of each comparable arena.

6.0 Comparable Facility Analysis



As shown, the HCC's concert capacity is near the average of the minor league arenas included in the analysis, but is smaller than each of the NHL arenas opened since 1995. A larger capacity may be required in order for a new or renovated facility in Hartford to attract an NHL franchise.

Premium Seating

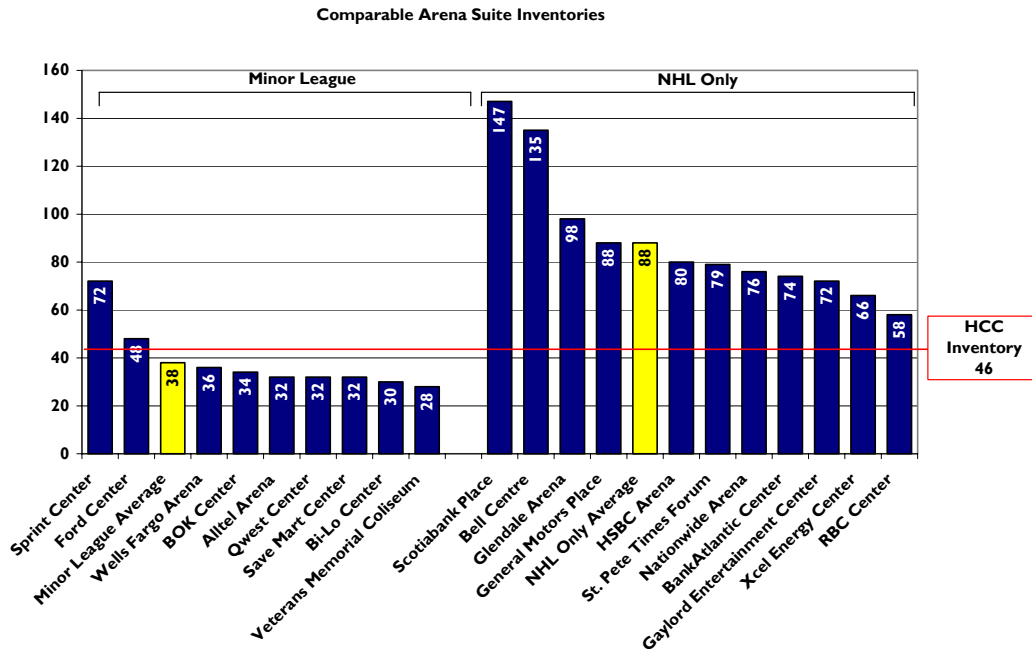
Premium seating represents a major revenue source for many arenas. Offerings such as suites and club seats command a premium price in comparison to general tickets and provide an option for corporations and individuals who desire a more upscale environment.

Many recently built arenas at the minor league, professional and collegiate levels have capitalized on the popularity of premium seating by incorporating higher premium seating inventories with more upscale offerings than are offered at older facilities. The following is a discussion of premium seating offerings and revenues at comparable arenas.

6.0 Comparable Facility Analysis

Private Suites

Private suites typically consist of private seating and entertaining areas located above the lower level of seating, which offer an unobstructed view of the playing surface. Typical amenities incorporated into private suites include high-quality seats (typically between 10 to 20 seats in each suite), tickets to all or some arena events, VIP parking passes, private restrooms, a wetbar and an upscale, catered food and beverage menu. The following chart compares the suite inventories of the comparable arenas.



As shown, the HCC's current suite inventory of 46 is higher than the majority of comparable minor league arenas. It should also be noted that the Center's suites have been refurbished in recent years, which helped bring the level of amenities associated with the suites up to the level of suites in newer facilities.

While the HCC's suite inventory is higher than most minor league arenas, it is lower than the inventories typically found in recently built NHL facilities. Unless a significant number of high quality suites can be added to the HCC as part of a renovation, it is unlikely that the facility can provide the inventory of suites necessary to generate premium seating levels on par with modern NHL venues.

6.0 Comparable Facility Analysis

The following table provides additional information on suites at comparable arenas, including average annual prices and potential annual revenue levels.

Potential Suite Revenue at Comparable Arenas

Arena	Suite Inventory	Average Annual Fee	Potential Annual Revenue
<i>Minor League</i>			
Sprint Center ⁽¹⁾	72	\$125,000	\$9,000,000
Wells Fargo Arena	36	68,000	2,448,000
Qwest Center	32	60,000	1,920,000
Save Mart Center	32	55,000	1,760,000
BOK Center	34	50,000	1,700,000
Bi-Lo Center	30	50,000	1,500,000
Veterans Memorial Coliseum	28	50,000	1,400,000
Ford Center	48	28,000	1,344,000
Alltel Arena	32	27,400	877,000
Minor League Average	38		\$2,439,000
Average Excl. Sprint Center	34		\$1,619,000
<i>NHL Only</i>			
Bell Centre	135	\$113,000	\$15,255,000
Scotiabank Place	147	100,000	14,700,000
BankAtlantic Center	74	142,000	10,508,000
St. Pete Times Forum	79	116,000	9,164,000
Glendale Arena	98	90,000	8,820,000
Gaylord Entertainment Center	72	122,000	8,784,000
General Motors Place	88	96,000	8,448,000
Nationwide Arena	76	104,000	7,904,000
Xcel Energy Center	66	108,000	7,128,000
RBC Center	58	113,000	6,554,000
HSBC Arena	80	69,000	5,520,000
NHL Only Average	88		\$9,344,000

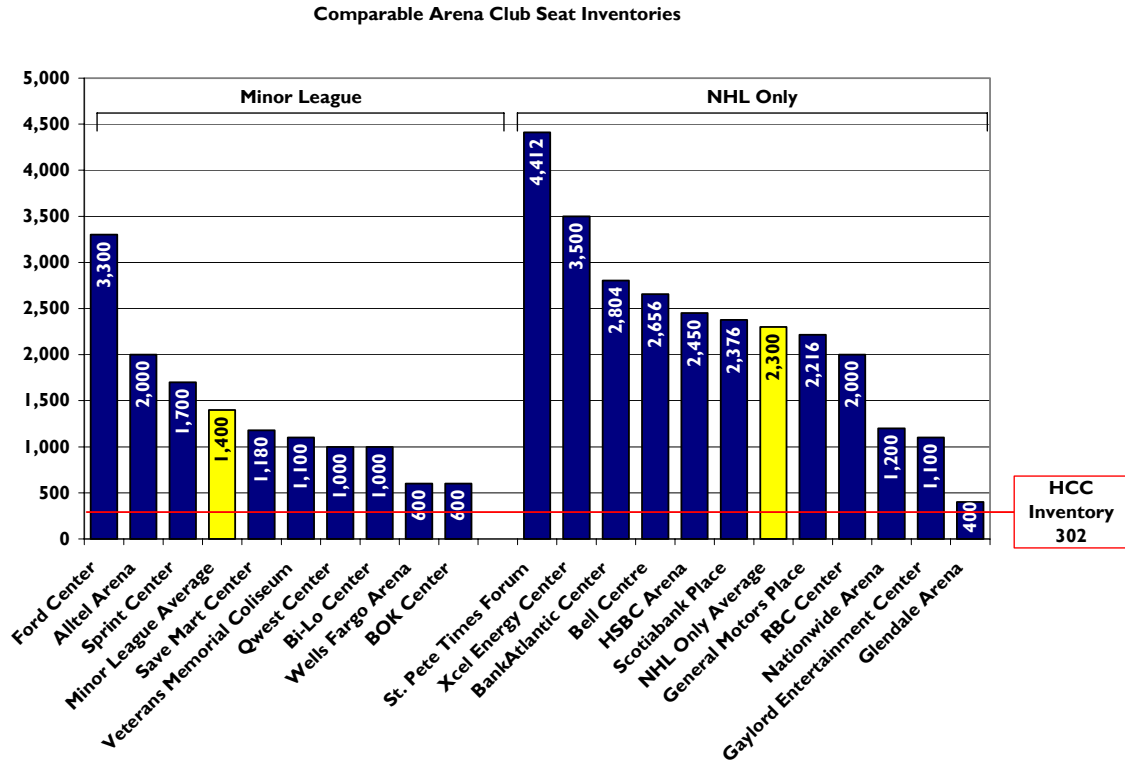
(1) The Sprint Center does not currently have an NHL or NBA tenant, but its suite price is based on the assumption that a major franchise will be playing in the new arena when it opens.

As shown, arenas with NHL tenants have significantly greater potential gross suite level than arenas with only minor league tenants due to higher inventories and pricing structures. However, it should be noted that the NHL franchises typically retain the majority of gross suite revenues from their respective arenas, while minor league arenas typically retain the majority of their suite revenues.

Club Seats

Club seats are defined as seats in an exclusive area within the seating bowl or a separate level overlooking the playing surface. Club seats are typically wider and more comfortable than general seating areas, and typically include access to a private club within the arena, VIP parking and tickets to tenant athletic events. The following is a summary of the club seat inventories of each comparable arena.

6.0 Comparable Facility Analysis



The HCC's inventory of 302 club seats is lower than that of any of the comparable arenas. In addition, the club seats at the HCC are located near the top of the arena, while club seats at comparable arenas are typically located at the top of the lower bowl or within the lower bowl. As a result, the sightlines from the club seating areas at the HCC are generally not up to the standards of more modern arenas.

The following table summarizes the average annual price and potential annual club seat revenue at the comparable arenas.

6.0 Comparable Facility Analysis

Potential Club Seat Revenue at Comparable Arenas

Arena	Club Seat Inventory	Average Annual Fee	Potential Annual Revenue
<i>Minor League</i>			
Ford Center	3,300	\$800	\$2,640,000
Save Mart Center	1,180	1,500	1,770,000
Qwest Center	1,000	1,700	1,700,000
Bi-Lo Center	1,000	1,650	1,650,000
Wells Fargo Arena	600	1,850	1,110,000
BOK Center	600	1,500	900,000
Alltel Arena	2,000	350	700,000
Veterans Memorial Coliseum	1,100	300	330,000
Sprint Center ⁽¹⁾	1,700	TBD	TBD
Minor League Average	1,400		\$1,350,000
<i>NHL Only</i>			
St. Pete Times Forum	4,412	\$4,200	\$18,530,000
Xcel Energy Center	3,500	3,550	12,425,000
Bell Centre	2,656	4,600	12,218,000
General Motors Place	2,216	5,260	11,656,000
BankAtlantic Center	2,804	3,590	10,066,000
Scotiabank Place	2,376	3,800	9,029,000
HSBC Arena	2,450	2,967	7,269,000
RBC Center	2,000	3,140	6,280,000
Nationwide Arena	1,200	3,560	4,272,000
Gaylord Entertainment Center	1,100	3,075	3,383,000
Glendale Arena	400	4,950	1,980,000
NHL Only Average	2,300		\$8,828,000

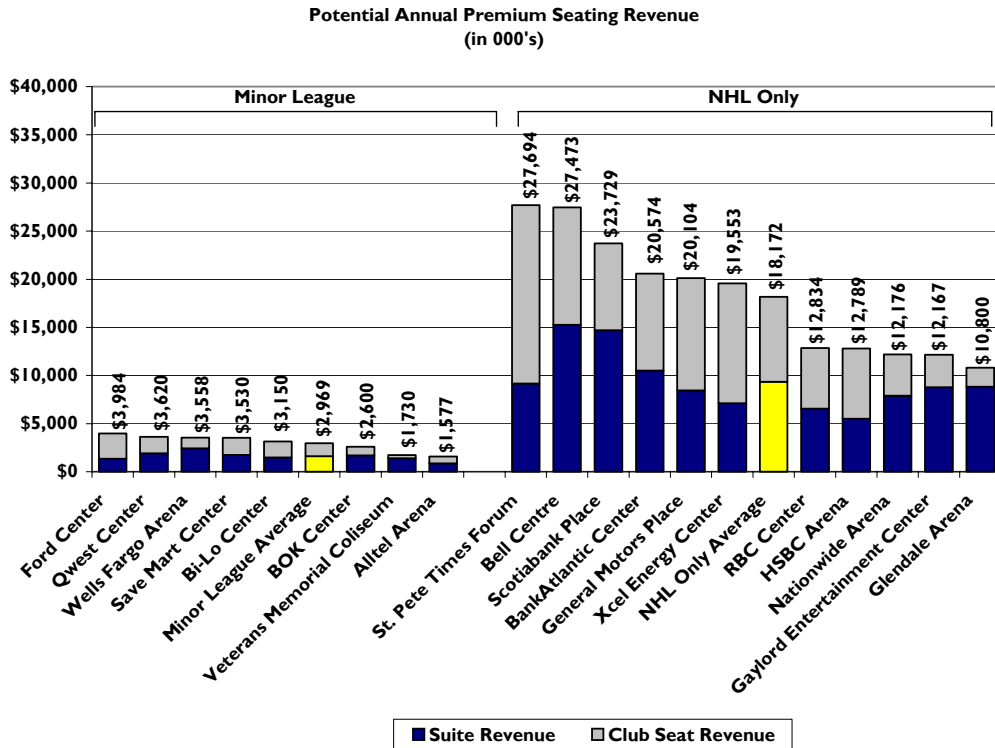
(1) Club seat prices at the Sprint Center are yet to be determined.

As is the case with suites, arenas with NHL tenants typically have significantly higher levels of potential annual club seat revenue compared to arenas with only minor league tenants. However, club seat revenue at major league arenas is often allocated among more franchises and other entities compared to minor league arenas.

Potential Premium Seating Revenue

The following chart summarizes the total potential revenue from suites and club seats at the comparable arenas discussed herein. The Sprint Center has been excluded from the chart, as club seat prices and potential revenues have yet to be determined.

6.0 Comparable Facility Analysis



As shown, the average comparable minor league arena has the potential to generate approximately \$3.0 million in annual gross premium seating revenue, compared to average potential revenue of \$18.2 million at NHL arenas. The results of this analysis highlight one of the key differences in the potential operations and profitability of a new or renovated arena that continues to host only minor league and collegiate tenants as opposed to an arena that attracts a major league franchise to Hartford.

Naming Rights

Many arenas and other public assembly facilities generate significant revenues through the sale of facility naming rights. Under a naming rights agreement, a corporation typically makes a specified annual payment in exchange for the corporation's name being attached to the facility. In addition, the corporate partner often receives added amenities, such as a private suite, event tickets, arena signage and broadcast advertising. The following table summarizes the annual naming rights revenues received by comparable arenas for whose naming rights terms have been made public.

6.0 Comparable Facility Analysis

**Naming Rights Agreements at Comparable Arenas
Sorted by Average Annual Value**

Arena	Location	Total Value	Term	Annual Average
<i>Minor League</i>				
Qwest Center	Omaha, NE	14,000,000	15	933,000
Wells Fargo Arena	Des Moines, IA	11,500,000	20	575,000
BOK Center	Tulsa, OK	11,000,000	20	550,000
Ford Center	Oklahoma City, OK	8,100,000	15	540,000
Alltel Arena	Little Rock, AR	7,000,000	15	467,000
Bi-Lo Center	Greenville, SC	3,000,000	10	300,000
Minor League Average		\$9,100,000	16	\$560,800
<i>NHL Only</i>				
Gaylord Entertainment Center	Nashville, TN	80,000,000	20	4,000,000
Xcel Energy Center	St. Paul, MN	75,000,000	25	3,000,000
St. Pete Times Forum	Tampa, FL	33,000,000	12	2,750,000
Bell Centre	Montreal, PQ	45,600,000	20	2,280,000
General Motors Place	Vancouver, BC	19,000,000	20	950,000
HSBC Arena	Buffalo, NY	24,000,000	30	800,000
NHL Only Average		\$46,100,000	21	\$2,296,700

Arenas with major professional sports tenants typically procure significantly larger naming rights revenues compared to facilities with no major league tenants due to factors such as the increased national exposure generated by a major sports franchise playing in the arena and the size of the markets in which NHL facilities are located.

The majority of naming rights agreements are associated with new building, although several arenas have attracted a naming rights partner several years after the opening of the facility. The HCC could potentially procure a naming rights agreement, but a new arena in Hartford would be more likely to draw interest from potential naming rights partners and would likely receive significantly larger naming rights payments.

Construction Cost/Funding

Among the primary considerations in the potential development of a new arena are the construction costs and associated funding mechanisms to be used to construct the facility. In order to provide an understanding of several recent arena development projects, the following table summarizes the total construction costs and the portion of costs covered by public and private sector revenue streams. All dollar figures are stated in 2006 dollars and have been adjusted to reflect the estimated project cost if the facility were built in Hartford based on the relative building cost indices of each market.

6.0 Comparable Facility Analysis

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

Facility	Location	Year Opened	Total Cost	Adjusted Cost (1)	Amount		Percentage	
					Private	Public	Private	Public
<i>Minor League</i>								
Ford Center	Oklahoma City, OK	2002	\$88.0	\$151.7	\$0.0	\$151.7	0%	100%
Wells Fargo Arena (2)	Des Moines, IA	2004	217.0	293.1	0.0	293.1	0%	100%
Veterans Memorial Coliseum	Jacksonville, FL	2003	130.0	210.3	0.0	210.3	0%	100%
Qwest Center (2)	Omaha, NE	2003	291.0	430.6	111.0	319.6	26%	74%
Sprint Center	Kansas City, MO	2007	276.0	282.9	93.4	189.6	33%	67%
Bi-Lo Center	Greenville, SC	1998	63.0	163.4	85.6	77.8	52%	48%
Minor League Average			\$177.5	\$255.3	\$48.3	\$207.0	19%	81%
<i>NHL-Only</i>								
Gaylord Entertainment Center	Nashville, TN	1996	\$157.6	\$395.3	\$0.0	\$395.3	0%	100%
Glendale Arena	Glendale, AZ	2003	207.0	310.8	40.4	270.4	13%	87%
BankAtlantic Center	Sunrise, FL	1998	217.7	473.1	99.3	373.7	21%	79%
Xcel Energy Center	St. Paul, MN	2000	170.0	253.3	65.9	187.4	26%	74%
RBC Center	Raleigh, NC	1999	176.3	406.3	130.0	276.3	32%	68%
St. Pete Times Forum	Tampa, FL	1996	153.0	382.9	164.6	218.2	43%	57%
HSBC Arena	Buffalo, NY	1996	127.5	272.8	155.5	117.3	57%	43%
Nationwide Arena	Columbus, OH	2000	166.0	287.4	258.6	28.7	90%	10%
NHL Only Average			\$171.9	\$347.7	\$114.3	\$233.4	35%	65%
Average - All Arenas			\$174.3	\$308.1	\$86.0	\$222.1	28%	72%

(1) Adjusted to 2006 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.

(2) Includes an arena and convention center.

As shown, the average comparable arena was constructed at a cost of approximately \$308.1 million in 2006 dollars, adjusted to reflect the Hartford building cost index. An average of 72 percent of arena construction costs, or \$222.1 million per arena, were funded by the public sector.

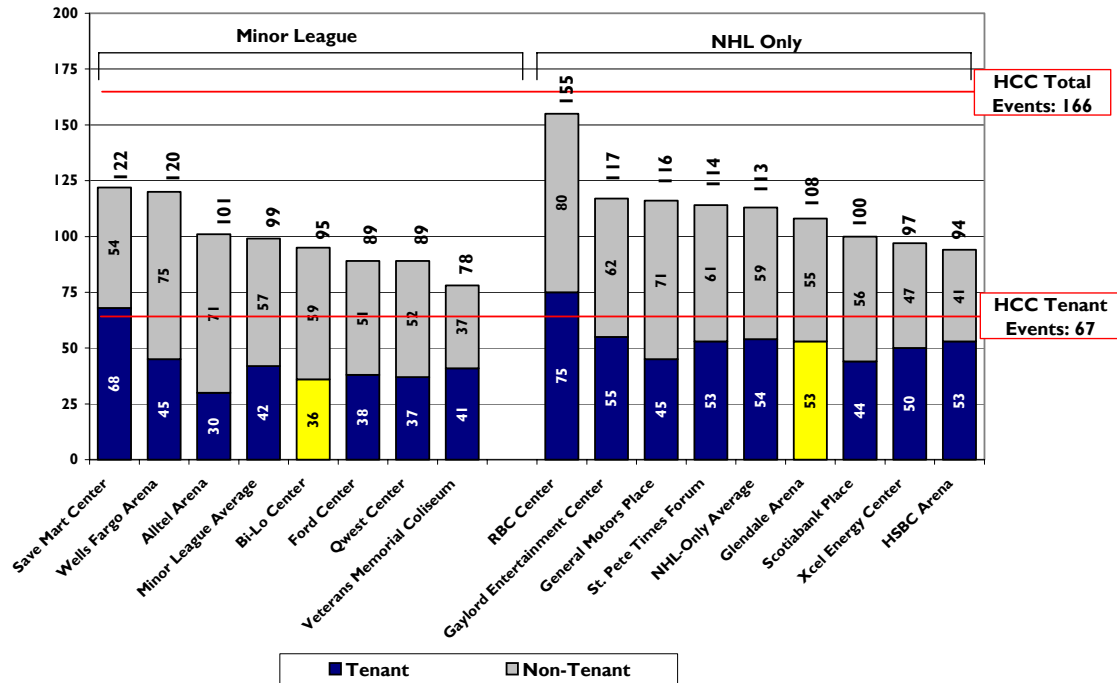
Arenas with NHL tenants typically used a higher percentage of private funding to cover construction costs. NHL franchises typically have a greater ability than minor league franchises to make significant contributions toward arena funding. In addition, NHL franchises typically retain higher levels of arena operating revenues than minor league franchises. In order to capture these revenue streams, NHL franchises may be more willing to invest in the construction of the venue.

Event Levels

The number and types of events hosted by an arena depend on a number of variables, including tenant franchises, market size, level of competition for events and other such factors. The following table summarizes annual tenant and non-tenant event levels at comparable arenas. Because the Sprint Center and BOK Center have not yet opened, they have been excluded from the chart. In addition, event lists were not available for the Bell Centre, BankAtlantic Center and Nationwide Arena.

6.0 Comparable Facility Analysis

Annual Event Levels at Comparable Arenas



The HCC's historical event levels are relatively strong in comparison to events held at comparable minor league arenas and facilities hosting NHL franchises. The following chart provides additional detail related to event levels at comparable arenas.

Comparable Arena Event Performances

	Tenant Sports	Concerts	Family Shows	Non-Tenant Sports	Other	Total Non-Tenant	Total All Events
Hartford Civic Center (3-Yr. Ave.)	67	9	30	11	49	99	166
<i>Minor League</i>							
Save Mart Center	68	15	5	23	11	54	122
Wells Fargo Arena	45	30	20	18	7	75	120
Alltel Arena	30	18	15	14	24	71	101
Bi-Lo Center	36	18	14	18	9	59	95
Ford Center	38	17	17	14	3	51	89
Qwest Center	37	27	19	3	3	52	89
Veterans Memorial Coliseum	41	21	8	4	4	37	78
Minor League Average	42	21	14	13	9	57	99
<i>NHL-Only</i>							
RBC Center	75	11	30	19	20	80	155
Gaylord Entertainment Center	55	20	21	13	8	62	117
General Motors Place	45	25	16	5	25	71	116
St. Pete Times Forum	53	23	22	8	8	61	114
Glendale Arena	53	25	0	28	2	55	108
Scotiabank Place	44	33	16	6	1	56	100
Xcel Energy Center	50	18	4	23	2	47	97
HSBC Arena	53	9	20	10	2	41	94
NHL-Only Average	54	21	16	14	9	59	113

6.0 Comparable Facility Analysis

As noted previously, the HCC's historical event levels are relatively strong in comparison to event levels at comparable minor league and NHL-only arenas. Specifically, the HCC hosts higher than average levels of tenant sports events annually due to the presence of minor league hockey and college basketball tenants. In addition, the Center hosts a relatively high number of miscellaneous events such as graduations, conventions, trade shows and other such events. The HCC's high level of these miscellaneous events is due in part to the presence of the Center's Exhibition Hall, which helps it attract more flat floor shows than the typical comparable arena.

While the HCC's event levels are near or above the comparable minor league and NHL-only arenas for the majority of event types, the Center's historical concert levels are significantly lower than the average among the comparable venues. Additional discussion of the HCC's historical concert levels, as well as the potential to host additional concerts at a new facility, can be found in the Utilization Analysis presented in Section 9.0.

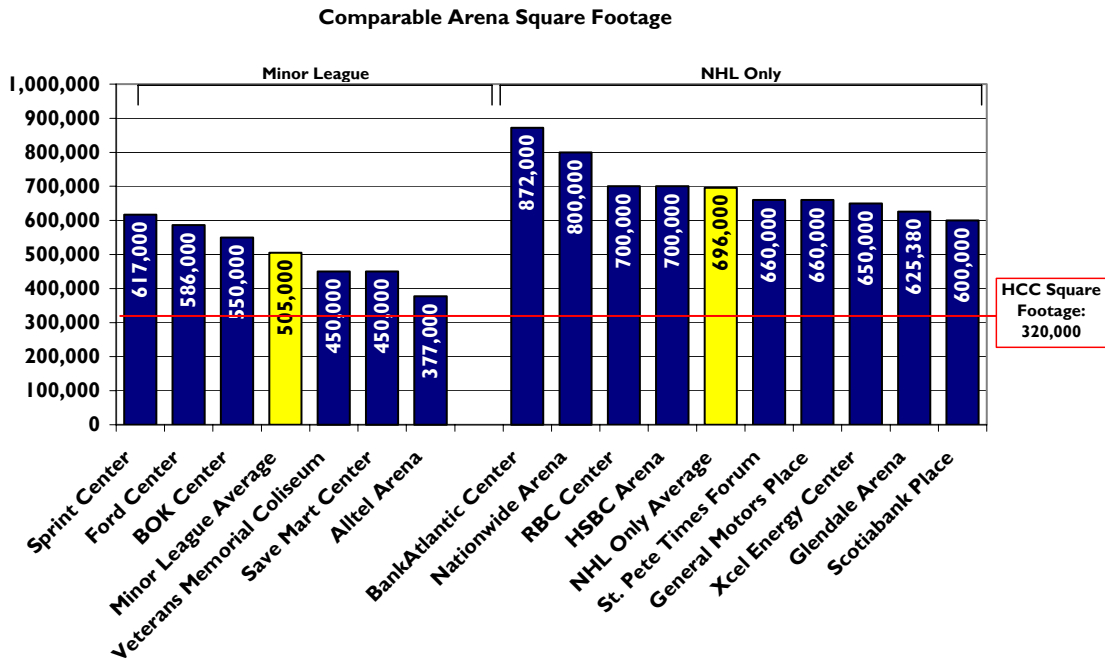
Square Footage

Many state-of-the-art arenas occupy larger footprints incorporate more square footage in proportion to capacity compared to older facilities. The additional space is necessary to accommodate several of the amenities typically found in modern arenas, including:

- Wider concourses;
- Plazas and grand entry areas;
- Suites, clubs and other premium spaces;
- Additional and larger locker rooms, team areas and dressing rooms;
- Additional move-in and storage space;
- Retail stores; and,
- Other such amenities.

To illustrate the size of modern arenas in terms of total square footage incorporated into the facilities, the following chart compares the total square footage of several comparable arenas. It should be noted that the Qwest Center and Wells Fargo Arena have been excluded from the exhibit, as both facilities are part of large convention center developments.

6.0 Comparable Facility Analysis



As shown, the HCC encompasses fewer square feet than any of the comparable arenas included in the analysis despite the presence of approximately 69,000 square feet of dedicated exhibit space at the HCC. The average comparable minor league arena incorporates approximately 185,000 more square feet than the HCC, while the average comparable NHL arena incorporates more than twice the square footage of the HCC.

The footprint occupied by the HCC is currently constrained by its location bound by Ann, Church, Trumbull and Asylum Streets, which could limit the extent to which the amenities listed above can be incorporated into the Center through a renovation.

Other Characteristics

In addition to the capacity, square footage and premium seating characteristics discussed in this section, recently built state-of-the-art arenas typically incorporate a number of amenities and features that are not often found in older buildings such as the HCC.

- Wider concourses;
- Additional restrooms;
- Additional concessions offerings and points of sale;
- Additional back of house/storage space;
- Improved move-in-move out capabilities;
- LED ribbon boards and other signage opportunities; and,
- Other such amenities.

6.0 Comparable Facility Analysis

While some amenities, such as improved concessions areas, additional signage and other such amenities could potentially be addressed through a renovation, the space constraints associated with the HCC's current footprint may limit the ability of the site to accommodate an arena with wider concourses, additional storage space, improved move-in/move-out capabilities and other amenities requiring additional space.

Summary

Based on comparisons with recently built minor league and NHL-only arenas, the HCC appears to be successful in attracting a strong level of events. However, the facility lacks many of the amenities associated with more modern arenas constructed in other markets in recent years. The Center's suite inventory is similar to the inventories found in many minor league arenas, but is significantly lower than the inventory typically incorporated into new NHL arenas. Similarly, the Center has a relatively small inventory of club seats, and their location does not offer the ideal sightlines offered by club seats at comparable venues.

A renovation of the HCC may be able to address some of the Center's relative shortcomings, such as making cosmetic improvements to public areas, improving signage and other advertising opportunities and other such improvements. However, in order to add enough premium seating to bring the facility up to the standards of current NHL facilities, a much larger reconstruction of the building would likely need to take place. The limited amount of land available at the current facility site may not allow the facility to be expanded to the extent necessary to accommodate the features of a modern NHL venue. Therefore, a new arena would be required to attract the NHL back to Hartford.

7.0 NHL Overview

7.0 NHL Overview

According to project representatives, recent discussions have arisen regarding the potential desire among community leaders to attract an NHL franchise back to Hartford. The purpose of this section is to present a variety of information related to the present structure and operations of the NHL and its franchises, and to assist project representatives in understanding the steps that would need to be taken to attempt to attract an NHL franchise to Hartford.

League History

The NHL was organized in 1917, with the original teams including the Montreal Canadiens, Montreal Wanderers, Ottawa Senators and the Toronto Arenas. The NHL was the second professional sports league established in North America, after only Major League Baseball.

The Boston Bruins became the first US team to join the NHL in 1924. The Bruins were soon followed by teams from Chicago, Detroit, Pittsburgh and two franchises in New York City. However, many of these franchises failed to survive. In fact, from 1942 until 1967, the NHL consisted of just six franchises:

- Boston Bruins,
- Detroit Redwings,
- Chicago Blackhawks,
- Montreal Canadiens,
- New York Rangers, and
- Toronto Maple Leafs.

In 1967, the NHL began an expansion process that added new divisions and increased the playoff structure to allow more teams to compete for the Stanley Cup. That year the NHL received fourteen applications from cities interested in hosting an expansion franchise. The following table summarizes the expansion teams added between 1967 and 1980.

7.0 NHL Overview

Summary of NHL Expansion from 1967 to 1990

Expansion Team	Year Entered League	Current Team
Philadelphia Flyers	1967	Philadelphia Flyers
Los Angeles Kings	1967	Los Angeles Kings
Minnesota North Stars	1967	Dallas Stars
Pittsburgh Penguins	1967	Pittsburgh Penguins
St. Louis Blues	1967	St. Louis Blues
California/Oakland Seals	1967	Defunct
Buffalo Sabres	1970	Buffalo Sabres
Vancouver Canucks	1970	Vancouver Canucks
Atlanta Flames	1972	Calgary Flames
New York Islanders	1972	New York Islanders
Kansas City Scouts	1974	New Jersey Devils
Washington Capitals	1974	Washington Capitals
Edmonton Oilers	1979	Edmonton Oilers
Hartford Whalers	1979	Carolina Hurricanes
Quebec Nordiques	1979	Colorado Avalanche
Winnipeg Jets	1979	Phoenix Coyotes

The NHL did not expand further until 1991, when the San Jose Sharks became the second NHL team in California. The NHL then began to enter into southern and western states through expansion to Florida and the relocation of franchises from Minneapolis to Dallas, Quebec to Denver and Hartford to Raleigh. The following table lists the NHL expansion teams added since 1991.

**Summary of NHL Expansion
1991 to Present**

Expansion Team	Year Entered League
San Jose Sharks	1991
Ottawa Senators	1992
Tampa Bay Lightning	1992
Anaheim Mighty Ducks	1993
Florida Panthers	1993
Nashville Predators	1998
Atlanta Thrashers	1999
Columbus Blue Jackets	2000
Minnesota Wild	2000

As shown, eight teams were added to the League between 1991 and 2000, with no expansion taking place since 2000. At this time, the League is not believed to be considering additional expansion in the near future.

7.0 NHL Overview

League Structure

The NHL has historically lagged behind the other major professional leagues in terms of popularity with US audiences. Throughout the 1990's, the League made a strong effort to increase the popularity of the NHL in the US through franchise expansions and relocation, particularly in the southern and western regions of the US. The League's efforts to increase its exposure and popularity has led to the placement of expansion franchises in San Jose, Anaheim, Tampa, Miami, Nashville, Atlanta, Columbus, and St. Paul, as well as the relocation of teams to Denver, Dallas, Raleigh, and Phoenix.

Today, the NHL consists of 30 franchises, with six franchises in Canada and the remaining 24 in the United States. The League is comprised of two conferences with three divisions in each conference, as summarized in the following table.

NHL Conference Alignment

Eastern Conference		
<i>Northeast Division</i>	<i>Atlantic Division</i>	<i>Southeast Division</i>
Boston Bruins	New Jersey Devils	Atlanta Thrashers
Buffalo Sabres	New York Islanders	Carolina Hurricanes
Montreal Canadiens	New York Rangers	Florida Panthers
Ottawa Senators	Philadelphia Flyers	Tampa Bay Lightning
Toronto Maple Leafs	Pittsburgh Penguins	Washington Capitals
Western Conference		
<i>Central Division</i>	<i>Northwest Division</i>	<i>Pacific Division</i>
Chicago Blackhawks	Calgary Flames	Anaheim Mighty Ducks
Columbus Blue Jackets	Colorado Avalanche	Dallas Stars
Detroit Red Wings	Edmonton Oilers	Los Angeles Kings
Nashville Predators	Minnesota Wild	Phoenix Coyotes
St. Louis Blues	Vancouver Canucks	San Jose Sharks

The League's regular season consists of 82 games (41 home and 41 away), while the pre-season typically includes two to three home games. The NHL post-season includes the top eight teams from each conference. The four rounds of post-season (including the Stanley Cup Finals) are each comprised of best of seven series.

7.0 NHL Overview

Labor Agreement

Through the 2003-04 season, the NHL CBA included a rookie salary cap and a restricted form of free agency. Unlike the NBA and NFL, no overall limit existed on salaries that each NHL club could pay its players. Following expiration of the CBA at the end of the 2003-04 season, the NHL owners implemented a lockout in hopes of negotiating a CBA with a salary cap, revenue sharing and other components to ensure the long term stability of the League's low-revenue franchises. The 10-month lockout resulted in the cancellation of the entire 2004-05 season.

In July 2005, the NHL and its Players Association reached an agreement on a new CBA, which included the following key provisions:

- Implementation of a salary cap limiting total player compensation to no more than 54 percent of League revenue, resulting in a cap of \$39.0 million per franchise in 2005/06 and an estimated cap of \$44.0 million per team in 2006/07;
- A salary floor require each franchise to maintain team payroll above a specified level, estimated to be approximately \$28.0 million 2006/07;
- A 24 percent rollback on all existing player contracts;
- Loss of all player salaries for the 2004-05 season;
- A revenue sharing component to assist low-revenue franchises;
- Various rule changes intended to increase scoring; and,
- A six-year term expiring after the 2010-11 season.

League Revenues

Historically, revenue sharing among NHL franchises was limited to national broadcasting and expansion proceeds. However, unlike the other sports leagues, the level of revenue generated by these categories did not comprise the most significant portion of a team's revenue base. This arrangement led to growing revenue disparities among NHL franchises, as franchises with lower local revenues were unable to compete financially with franchises drawing higher levels of local revenue.

The new CBA established in 2005 helped address the revenue disparity among franchises. The CBA implemented an expanded revenue sharing program allowing teams ranked in the bottom 15 in League revenues and located in markets with fewer than 2.5 million television households to receive payouts from a central fund.

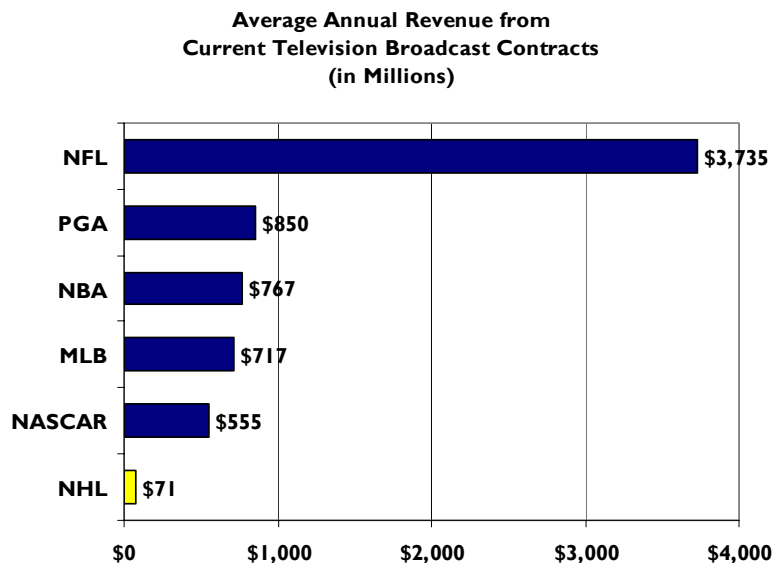
7.0 NHL Overview

In 2004, the NHL agreed to new broadcast deals with NBC and ESPN. The NBC agreement allowed the network to carry seven regular season and six playoff games, in addition to games three through seven of the Stanley Cup Finals. Rather than pay a fee for NHL rights, NBC agreed to a revenue sharing agreement with the League, with NBC retaining enough income to cover production expenses and the League and network splitting additional revenues. The ESPN agreement was a one year, \$60 million deal with a two-year options for \$70 million per year. However, after the lockout in 2004-05, ESPN elected to terminate its broadcast agreement.

In August 2005, Comcast's Outdoor Life Network and the NHL reached an agreement for OLN to carry 58 regular season games, the All-Star Game and various playoff games. The agreement is for \$65 and \$70 million in years one and two with a \$72.5 million option for year three and additional options for another three seasons.

The League's Canadian television rights are held by CBC (air) and TSN (cable) under a five year contract set to expire following the 2006/07 season. Under the terms of the agreement, CBC paid approximately C\$300 million, or approximately C\$60 million per year, while TSN paid approximately C\$100 million, or approximately C\$20 million per season.

In total, the League receives approximately C\$80 million per year from its Canadian television contract, or approximately \$71.4 in U.S. dollars. The combined U.S. and Canadian rights generated approximately \$106.4 million in guaranteed revenue in 2005/06, not including revenue sharing proceeds from the NBC contract. This guaranteed revenue is significantly lower than the revenue received by the other major North American sports leagues for their most recently signed television contracts, as summarized in the following chart.



7.0 NHL Overview

According to recent estimates, total League revenues are anticipated to exceed \$2.1 billion in 2006/07. This represents a 17 percent increase over the \$1.8 billion estimate developed for the new CBA. This increase in overall revenue will result in an increase in the salary cap from approximately \$39.0 million per team in 2005/06 to an estimated \$44.0 million per team in 2006/07.

Facility Characteristics

The sports facilities construction boom of the 1990's and early 2000's resulted in a number of NHL franchises playing in new arenas. The exhibit below provides a summary of existing NHL facility characteristics.

NHL Facilities
Sorted by Most Recently Built

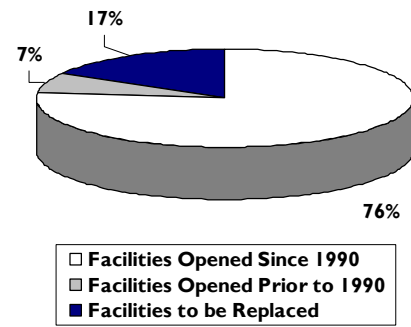
Team	Facility	Type of Facility	Year Opened	Hockey Capacity
Phoenix Coyotes	Glendale Arena	NHL	2003	17,500
Dallas Stars	American Airlines Center	NBA/NHL	2001	19,200
Minnesota Wild	Xcel Energy Center	NHL	2000	18,064
Columbus Blue Jackets	Nationwide Arena	NHL	2000	18,137
Colorado Avalanche	Pepsi Center	NBA/NHL	1999	19,300
Carolina Hurricanes	RBC Center	NHL	1999	21,000
Toronto Maple Leafs	Air Canada Center	NBA/NHL	1999	19,800
Los Angeles Kings	Staples Center	NBA/NHL	1999	18,997
Atlanta Thrashers	Philips Arena	NBA/NHL	1999	20,300
Florida Panthers	BankAtlantic Center	NHL	1998	19,088
Washington Capitals	MCI Center	NBA/NHL	1997	20,500
Tampa Bay Lightning	St. Pete Times Forum	NHL	1996	19,758
Montreal Canadiens	Bell Centre	NHL	1996	21,631
Philadelphia Flyers	Wachovia Center	NBA/NHL	1996	20,444
Buffalo Sabres	HSBC Center	NHL	1996	18,500
Nashville Predators	Gaylord Entertainment Center	NHL	1996	17,500
Ottawa Senators	Scotiabank Place	NHL	1996	18,500
Boston Bruins	TD Banknorth Garden	NBA/NHL	1995	18,854
Vancouver Canucks	General Motors Place	NHL	1995	19,193
St. Louis Blues	Sawis Center	NHL	1994	19,267
Chicago Blackhawks	United Center	NBA/NHL	1994	21,711
San Jose Sharks	HP Pavilion	NHL	1993	17,483
Anaheim Mighty Ducks	Arrowhead Pond	NHL	1993	17,300
Calgary Flames	Pengrowth Saddledome	NHL	1983	20,240
New Jersey Devils	Continental Airlines Arena	NBA/NHL	1981	20,000
Detroit Red Wings	Joe Louis Sports Arena	NHL	1979	19,275
Edmonton Oilers	Rexall Place	NHL	1974	17,503
New York Islanders	Nassau Coliseum	NHL	1972	16,295
New York Rangers	Madison Square Garden	NBA/NHL	1968	19,763
Pittsburgh Penguins	Mellon Arena	NHL	1960	18,000
Average				19,175

Teams considering the development of new or renovated arenas are highlighted in blue.

Teams with arenas opened prior to 1990 with no plans for a new or renovated facility are highlighted in gray.

7.0 NHL Overview

As shown in the previous exhibit, the average NHL arena has a total seating capacity of approximately 19,200. Of the 30 NHL franchises, 11 play in arenas shared with an NBA tenant. As summarized in the pie chart to the right, 23 teams, or 77 percent of current franchises, play in arenas built since 1990. Of the remaining seven teams, four are currently planning or considering the development of new or renovated facilities. The following is a summary of the arena situations of these four teams:



- *New Jersey Devils* – New arena is currently under construction in Newark.
- *Detroit Red Wings* – Considering renovations to Joe Louis arena or the development of a new arena.
- *New York Islanders* – Currently in the planning stages of a major renovation of Nassau Coliseum.
- *New York Rangers* – Considering a major renovation of Madison Square Garden or the development of a new arena.
- *Pittsburgh Penguins* – Despite ongoing efforts, have not received legislative approval for any potential funding mechanisms for a new arena.

Securing an NHL Franchise

The Hartford market could potentially attract an NHL franchise in one of two ways: the relocation of an existing franchise or the awarding of an expansion franchise. As noted in the discussion of NHL arenas presented earlier in this section, the majority of NHL franchises play in relatively new arenas and are unlikely to relocate due to the presence of long-term lease agreements with their respective arenas. Of the franchises playing in older venues, several have no plans to seek a new venue or already have plans in place to develop new or renovated facilities.

Currently, the Pittsburgh Penguins appear to have the most unstable facility situation among the League's franchises. The franchise has been put up for sale by team ownership and could potentially be a relocation candidate if new ownership elects to relocate the franchise rather than continue to pursue arena development in Pittsburgh.

After a period of rapid expansion in the 1990's the NHL has not added an expansion franchise since 2000 and is not believed to be planning any future expansions at the present time. Therefore, it is unlikely that Hartford would receive an NHL expansion franchise in the foreseeable future.

7.0 NHL Overview

Should the League decide to expand, or should an existing franchise become available, several steps will need to be taken in order to attract a franchise to Hartford:

- Commit to developing a new, state-of-the-art arena;
- Establish a detailed financing plan for the facility, which will likely require significant public funding;
- Identify an ownership group with financial wherewithal to operate a franchise and contribute to facility funding;
- Franchise will likely require control of facility operations and a majority of arena-related revenue sources; and,
- Apply for an expansion franchise per NHL league rules if an existing team is not available or proves too costly.

Should a franchise become available, the league will likely consider several markets as potential destinations for the franchise. For example, Oklahoma City is home to a large, state-of-the-art arena and Kansas City is currently developing an NHL/NBA caliber facility. Both markets have shown interest in attempting to attract the NHL to their communities. In addition, markets such as Las Vegas, Houston and Portland have indicated an interest in attracting an NHL franchise. In deciding between potential franchise markets, factors likely to be considered by the League will likely include:

- Does the market provide for the long-term viability of the club in terms of revenue and fan support?
- What are the characteristics of the team's home facility and, more importantly, what are the terms of the proposed lease between the team and arena operator or public sector?
- What are the financing sources associated with the development of the arena and the extent to which the team will be expected to participate?
- How will the addition of a specific market impact the League's media, licensing, and sponsorship contracts?
- How will the addition of the team impact the structure of the team in terms of geographical considerations?
- How will the proposed market impact League operations (i.e. team travel)?
- What is the make-up of the potential ownership entity and their past experience operating a professional sports franchise?
- How great will the level of debt be as well as the sources of funding for the acquisition of the team?

7.0 NHL Overview

NHL Overview Summary

Within this section, a variety of information related to the current state of the NHL has been presented. In addition, a discussion of the steps necessary to attract an NHL franchise to Hartford was presented. The following is a summary of the key findings of the NHL overview.

- After a period of rapid expansion and numerous franchise relocations throughout the 1990's, the League's franchise roster has remained stable since 2000.
- 23 of the 30 NHL franchises play in arenas built since 1990. Several other franchises are planning the development of new or renovated facilities.
- No NHL franchises are known to be actively seeking a relocation market at this time. In addition, the NHL has no immediate plans for future expansion.
- If an expansion or relocated franchise becomes available in the future, Hartford will need to develop a new state-of-the-art arena to have a chance to attract a franchise.
- The presence of a new arena in Hartford would not guarantee that the market would receive an NHL franchise if one becomes available, as several other markets with suitable arenas could also attempt to attract the franchise.

Additional information related to the potential operations of an NHL franchise in Hartford can be found in the Utilization Analysis and the Financial Analysis presented in subsequent sections.

8.0 Market Survey Results

8.0 Market Survey Results

In order to provide additional insight as to the potential demand for premium seating, season tickets, sponsorship packages and other potential offerings at the HCC or a new arena in Hartford, internet-based surveys of Hartford area organizations were conducted to gather feedback on the existing HCC and the potential new arena.

Invitations to participate in the survey were sent to all members of the Metro Hartford Alliance's database of representatives of local organizations via email, with 228 recipients completing surveys in June of 2006. Approximately 25 percent of survey respondents were representatives of non-corporate entities, such as local governments, educational institutions, convention and visitors bureaus and other such entities, which typically do not represent the primary market for arena seating and sponsorships. The remainder of survey respondents consisted of representatives of local corporations, with approximately 20 percent of respondents representing multiple responses from a single company.

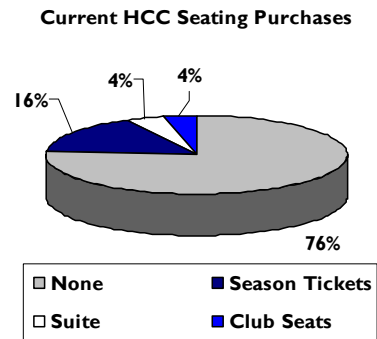
Topics discussed in the corporate surveys included:

- Seating currently purchased at the HCC;
- General opinions of the existing HCC;
- Interest in purchasing seating at a renovated HCC;
- Interest in purchasing seating at a new arena in Hartford;
- Impact of an NHL franchise on interest levels;
- Interest in purchasing sponsorship packages; and,
- Other such topics.

The results of the surveys provide specific information related to the demand for seating and sponsorship options within the Hartford market. The purpose of this section is to provide a summary of the key findings of the corporate survey analysis.

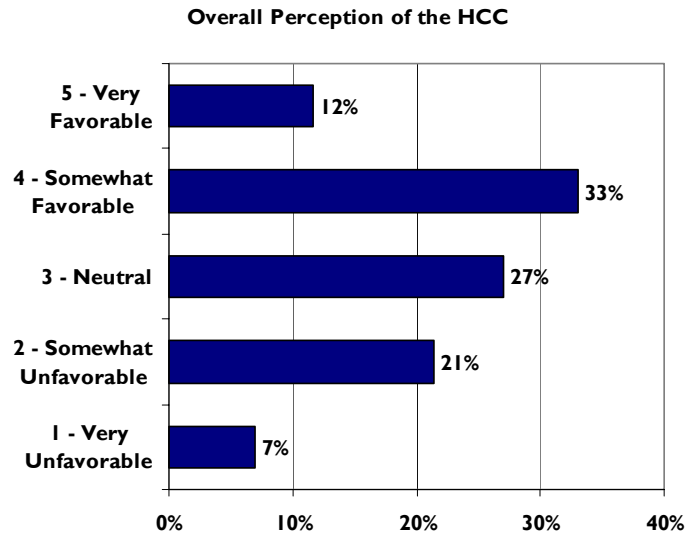
General Topics

Survey respondents were initially asked what seating, if any, they currently purchase at the HCC. As summarized in the chart to the right, 24 percent of survey respondents currently purchase seating, including four percent leasing a suite, four percent purchasing club seat memberships and 16 percent purchasing season tickets to one or more of the Center's tenant sports teams.



8.0 Market Survey Results

In order to gain an understanding of current opinions regarding respondents' experiences at the HCC, survey participants were asked to rate their overall perception of the facility on a scale of one to five, with one being "Very Unfavorable" and five being "Very Favorable". The following chart summarizes their responses.



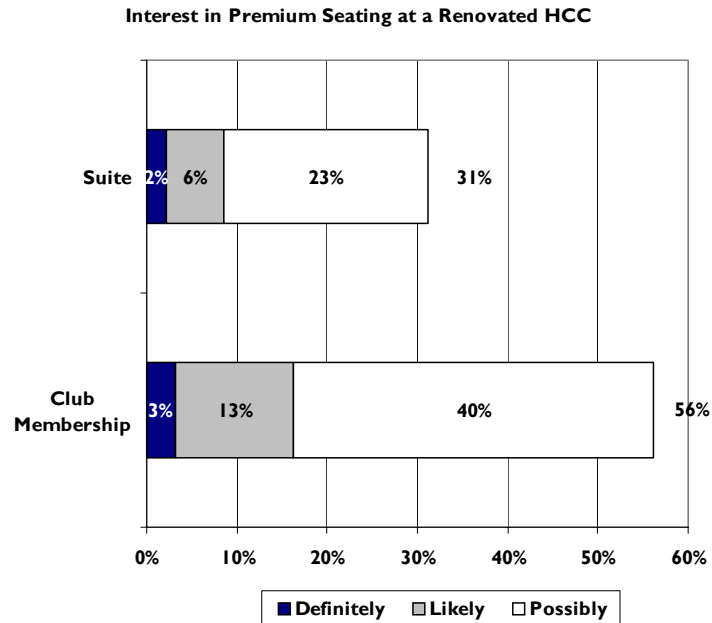
As shown, approximately 45 percent of respondents have a favorable perception of the HCC, while 28 percent have an unfavorable perception and 27 percent are neutral.

HCC Seating

Following the introductory questions, it was explained that the HCC could be renovated in the future to ensure the ongoing viability of the facility. The renovation was described to include improvements to the concourses, general seating areas, restrooms, concessions stands and other public areas, as well as to the suites and club seats. A renovated Civic Center was assumed to continue to host UConn men's and women's basketball and Wolf Pack hockey.

Respondents who do not currently purchase a suite or club seats at the HCC were asked to indicate their interest in purchasing those concepts at a renovated HCC. The following chart summarizes the percentage of survey respondents with a positive interest in leasing a suite assuming an annual price of \$50,000 to \$60,000 or purchasing a club membership at an annual price of \$3,000 to \$4,000.

8.0 Market Survey Results



Approximately 31 percent of survey respondents indicated a positive interest in leasing a suite at a renovated HCC, while 56 percent indicated a positive interest in purchasing a club membership.

New Arena Seating

The next section of the corporate survey included questions regarding potential premium seating concepts at a new arena in Hartford. A new arena was described as incorporating the amenities typically found in modern arenas, including increased seat comfort, wider concourses, additional restrooms and concessions and merchandise points of sale and other such amenities. It was explained that a new arena would continue to host UCONN basketball games currently held at the Civic Center, and could also attract an NHL franchise to Hartford.

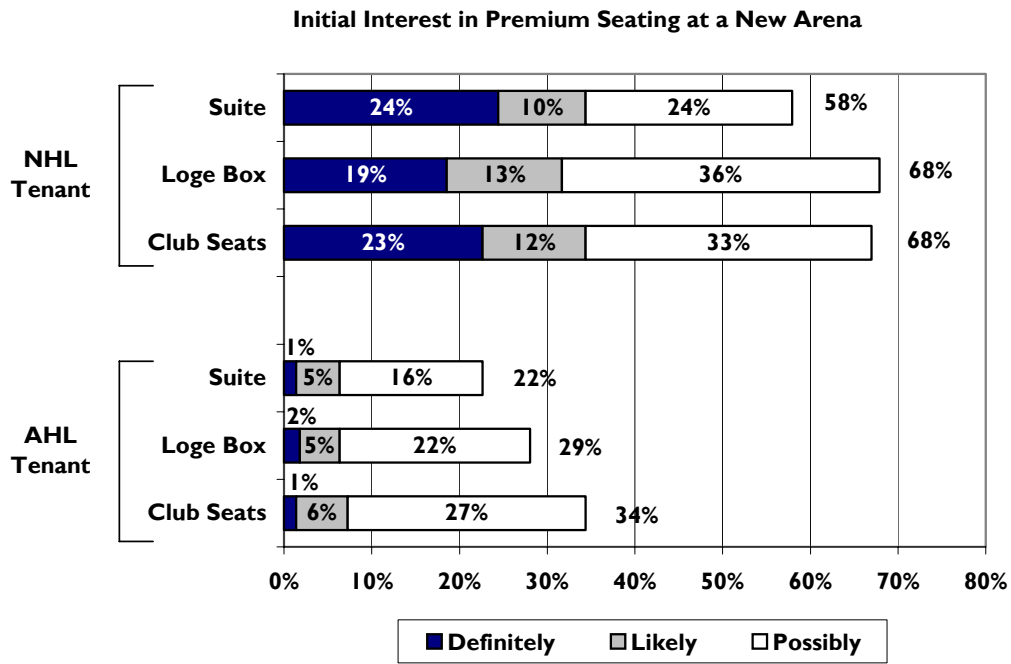
Three potential premium seating concepts were tested, as described below:

- *Private Suites* were described as being located at the top of the lower bowl at prime locations of the arena with improved sightlines to the arena floor as compared to the suites at the existing HCC. Suites could accommodate 12 to 16 persons and might include amenities such as preferred parking, a private restroom, a television, optional in-suite catering service, etc. Suite prices are assumed to include tickets to all public events held at the arena, including concerts, family shows, UConn basketball games and an NHL team if a franchise is awarded to the new arena.

8.0 Market Survey Results

- Loge Boxes* were described as being similar to private suites, but smaller and not offering lounge space behind the seating area. The loge boxes would likely be constructed in prime locations of the arena with excellent sightlines, likely directly below the private suites. Loge boxes were described as incorporating approximately six seats, with amenities including private restrooms, waiter/waitress service with premium food and beverage options and access to a private lounge or club area. Loge box prices tested in the survey were assumed to include four tickets to all public events held at the arena
- Club Seats* were described as offering direct access to a club lounge, which would have a view of the arena floor. Club seats would include padded chair backs and would be wider and provide more legroom relative to standard arena seating. The club seats would be located along the sidelines and would be closer to the arena floor than the Nextel Club seats at the existing HCC, offering improved sightlines. Amenities that may be offered to club seat holders include preferred parking, private restrooms and in-seat waiter/waitress service with standard and upscale food and beverage selections.

After each concept was introduced, survey respondents were asked to indicate their initial interest in leasing the concept prior to the introduction of annual price points. In order to gauge the impact of the arena attracting an NHL franchise or continuing to host an AHL hockey tenant, respondents were asked to state their interest assuming both potential tenant scenarios. The following chart summarizes the percentage of survey respondents indicating an initial interest in each seating concept.



8.0 Market Survey Results

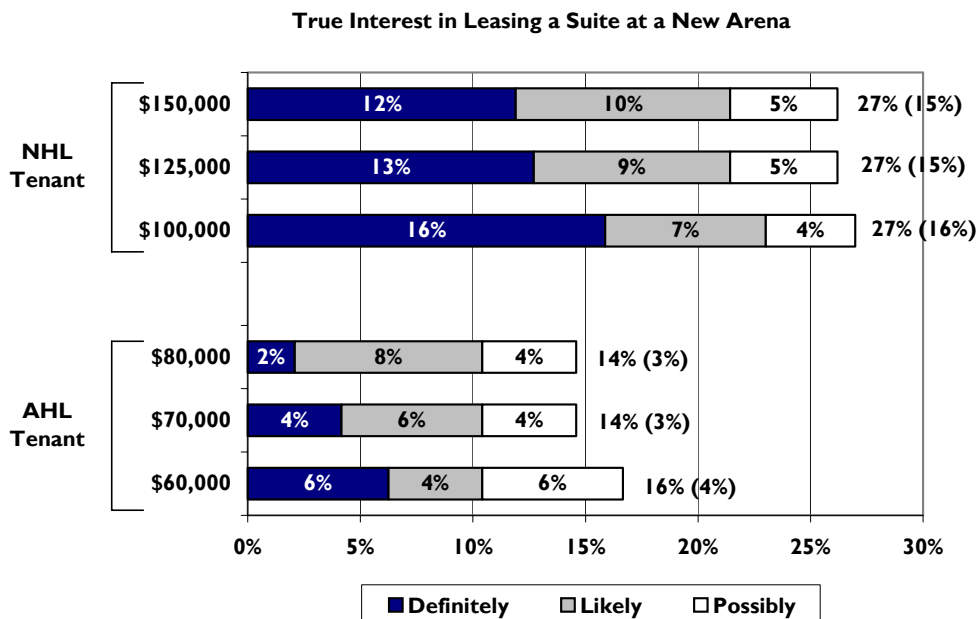
As shown, survey respondents indicated relatively strong demand for premium seating at a new arena with an NHL tenant, as approximately 58 percent of respondents indicated an interest in leasing a suite and 68 percent indicated an interest in the loge box and club seat concepts.

Initial interest for new arena premium seating was lower under a scenario in which the arena is home to an AHL tenant rather than an NHL tenant. Specifically, 22 percent of respondents indicated a positive interest in leasing a suite, 29 percent indicated an interest in a loge box and 34 percent indicated an interest in purchasing club seats assuming an AHL tenant scenario.

After respondents indicated their initial level of interest in each concept, those respondents who indicated a positive interest in a concept were asked to indicate their interest at a number of potential annual price points. Once all three concepts had been tested, respondents were asked to indicate which concept represents their “true interest”, or the concept they would be most likely to lease if all three were available.

Suite Interest

The following chart summarizes interest in leasing a suite at each potential price point tested, excluding respondents whose “true interest” was in a concept other than suite. Two sets of percentages are shown in the chart. The first set of percentages is the percentage of survey participants with an initial interest in a suite who continued to indicate a positive interest at the given price point. The second set of percentages is the percentage of *all* survey respondents who indicated a positive interest in leasing a suite at the specified price point.



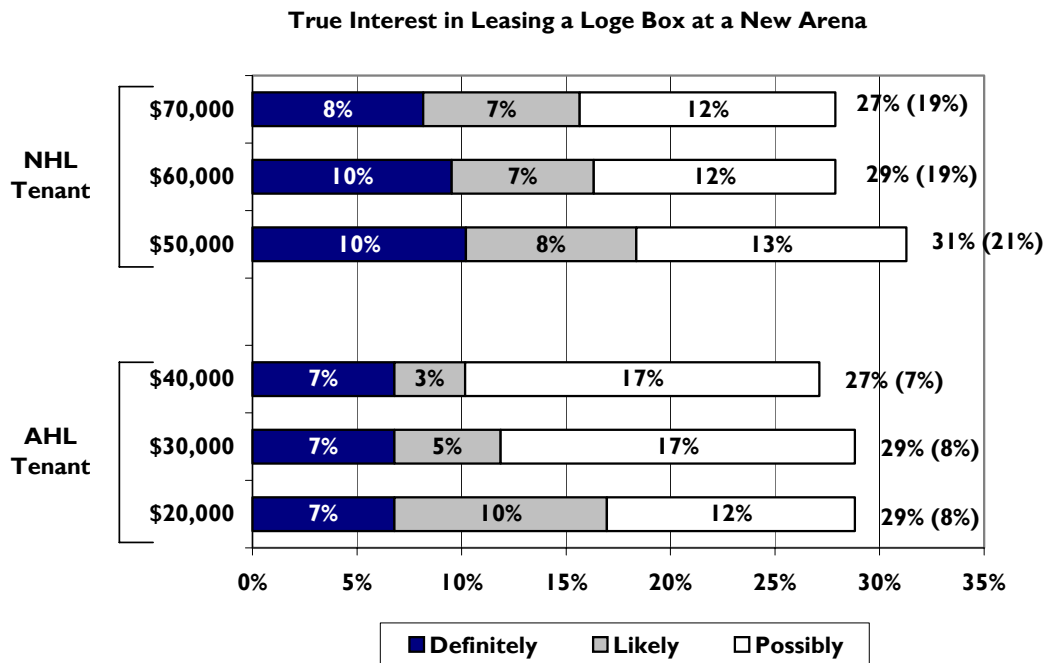
8.0 Market Survey Results

As shown, approximately 27 percent of respondents with an initial interest in leasing a suite at an arena with an NHL tenant indicated a true interest in leasing a suite at each of the price points tested. This represents approximately 15 to 16 percent of all survey respondents.

If the arena is home to an AHL franchise, approximately 14 to 16 percent of respondents with an initial interest in a suite indicated a true interest in a suite at the prices tested, representing approximately three to four percent of all survey respondents.

Loge Box Interest

The following chart summarizes the percent of survey respondents indicating a true interest in leasing a loge box at a new arena under each potential hockey tenant scenario.

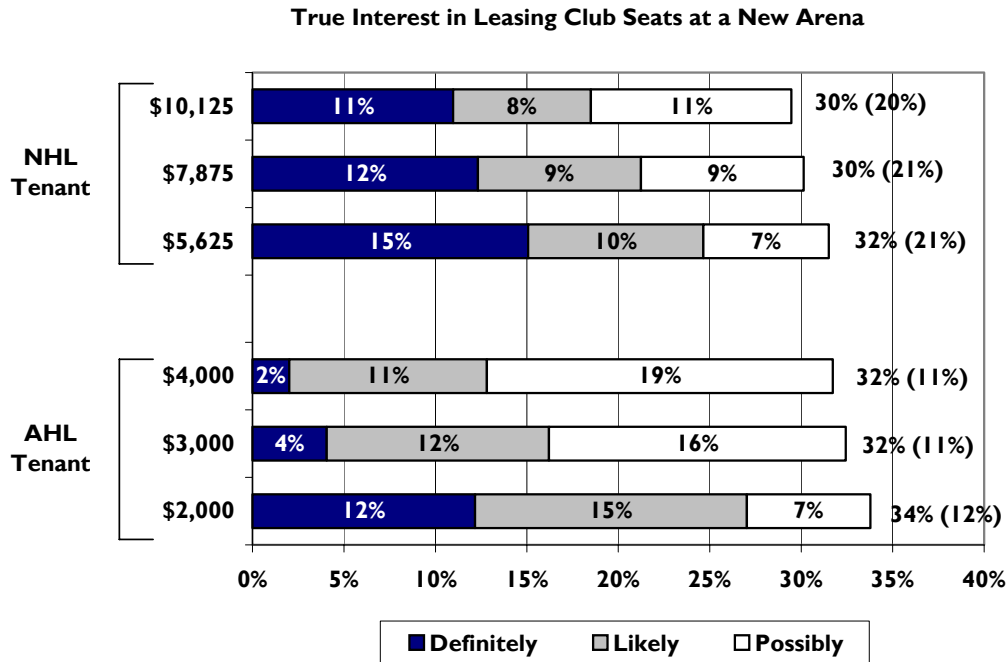


As shown, approximately 27 to 31 percent of respondents with an initial interest in the loge box concept indicated a true interest in leasing a loge box assuming an NHL tenant at the prices tested. This represents approximately 19 to 21 percent of all survey respondents.

Approximately 27 to 29 percent of respondents with an initial interest in leasing a loge box assuming an AHL tenant indicated a true interest in the concept at the prices tested, representing seven to eight percent of all survey respondents.

8.0 Market Survey Results

The following chart summarizes the percentage of survey respondents indicating a true interest in leasing club seats at a new arena in Hartford.



Assuming an NHL franchise plays at the arena, approximately 30 to 32 percent of survey respondents with an initial interest in the suite concept indicated that leasing a suite would be their true interest at the prices tested. This represents approximately 20 to 21 percent of all survey respondents.

If the arena is home to an AHL franchise rather than an NHL team, approximately 32 to 34 percent of survey respondents with an initial interest in club seats indicated a true interest in leasing club seats at the prices tested. This represents approximately 11 to 12 percent of all survey respondents.

Summary

This section presented a summary of the results of the surveys of Hartford area corporations, including perceptions of the HCC and demand for premium seating at the HCC or a new arena in Hartford. The following are the key findings of the corporate survey analysis. The results of additional survey topics can be found in Appendix B following this report.

8.0 Market Survey Results

- Of the 288 survey participants, approximately eight percent currently purchase premium seating at the HCC, with an additional 16 percent currently owning non-premium season tickets for at least one HCC tenant.
- The majority of respondents have favorable to neutral perceptions of the HCC. Relatively few respondents indicated a strong favorable or unfavorable perception of the facility.
- Approximately 31 percent of survey respondents who do not currently lease a suite at HCC indicated a potential interest in leasing a suite if the building is renovated, while 56 percent of respondents who do not currently purchase HCC club seats indicated an interest in leasing club seats if the Center is renovated. However, it should be noted that relatively few respondents (two and three percent, respectively) indicated a “definite” interest in leasing a suite or club seats at a renovated HCC.
- Based on initial interest levels, strong demand exists for suites, loge boxes and club seats at a new arena if the facility is able to attract an NHL tenant. Demand is significantly lower if the new arena hosts an AHL franchise rather than an NHL team.
- The difference in demand for loge boxes and club seats under NHL and AHL tenant scenarios is less pronounced than the difference in demand for suites under the two tenant scenarios.
- Based on the results of the surveys, respondents would be more likely to lease a suite in the new arena if it is home to an NHL franchise. If no NHL franchise can be attracted to the facility, respondents would be more likely to purchase less expensive premium seating options such as loge boxes and club seats rather than committing to a suite lease.

9.0 Utilization Analysis

9.0 Utilization Analysis

The purpose of this section is to estimate the potential on-going viability of the HCC in terms of maintaining future event and attendance levels and to develop estimates related to the potential event and attendance levels that could be achieved by a new arena in Hartford. A variety of factors have been analyzed in order to gauge the future event potential of the Hartford market. Event levels and physical characteristics of comparable arenas discussed previously were used as benchmarks to gain an understanding of the types and number of events typically hosted by comparable arenas. In addition, a number of potentially competitive regional facilities were analyzed in Section 4.0 to gauge the level of competition present in the Hartford region and to identify strengths and niches that may give a renovated or new arena an advantage over the competition in attracting events. Finally, interviews with local, regional, and national event promoters and organizers were conducted to obtain opinions on the existing HCC and the development options being considered, and to gauge interest in continuing to utilize HCC or a new venue in Hartford.

This information, along with knowledge of potential event markets, industry trends, and previous experience was used to estimate the number of events and attendance levels that could be held at the HCC in future years, as well as the potential impact of a new facility on future event levels.

Potential Events

In order to estimate the on-going ability of the HCC to attract events and the potential demand a new arena in Hartford, interviews were held with a number of local, regional, and national event promoters. These conversations provide an understanding of the potential attractiveness of the Hartford assuming the continued operations of the HCC or the development of a new arena. Using this information and opinions gathered through this process, as well historical event information from the HCC and arenas in comparable markets, estimates have been made regarding event and attendance levels for future years of HCC operations or for a new arena in Hartford.

9.0 Utilization Analysis

Tenant Hockey

The HCC currently serves as the home of the Hartford Wolf Pack, the AHL affiliate of the New York Rangers. The Wolf Pack has played at the HCC since the 1997-98 season, when the franchise was purchased by MSG and relocated from Binghamton, New York. The Wolf Pack was brought to the HCC to replace the NHL Hartford Whalers, who had played at the Center since 1975. Based on discussions with project representatives, the HCC could continue to host an AHL tenant, while a new arena in Hartford could host an AHL franchise or attempt to attract an NHL franchise.

American Hockey League (AHL)

The AHL is currently the highest level of minor league hockey in the U.S., consisting of players who are one tier below the NHL level. The following table summarizes the current AHL markets and arenas.

Summary of AHL Markets and Facilities

Team	City	Market Population	Arena	Capacity	Average Attendance (1)
Chicago Wolves	Rosemont, IL	9,433,600	Allstate Arena	17,000	8,383
Philadelphia Phantoms	Philadelphia, PA	5,816,300	Wachovia Spectrum	17,380	7,463
Toronto Marlies	Toronto, ON	5,304,100	Ricoh Coliseum	9,200	4,362
Houston Aeros	Houston, TX	5,239,500	Toyota Center	17,800	5,611
Lowell Lock Monsters	Lowell, MA	4,450,500	Paul Tsongas Arena	7,800	3,889
Cleveland Barons	Cleveland, OH	2,136,700	Quicken Loans Arena	20,000	3,979
San Antonio Rampage	San Antonio, TX	1,863,800	AT&T Center	13,400	4,649
Norfolk Admirals	Norfolk, VA	1,645,200	Scope Arena	8,846	4,131
Providence Bruins	Providence, RI	1,641,300	Dunkin Donuts Center	11,940	7,283
Milwaukee Admirals	Milwaukee, WI	1,518,800	Bradley Center	17,800	4,935
Hartford Wolf Pack	Hartford, CT	1,192,100	Hartford Civic Center	14,660	5,234
Rochester Americans	Rochester, NY	1,043,300	Blue Cross Arena	12,500	7,620
Bridgeport Sound Tigers	Bridgeport, CT	906,500	Arena at Harbor Yard	10,000	4,655
Albany River Rats	Albany, NY	848,400	Pepsi Arena	14,000	3,728
Omaha Ak-Sar-Ben Knights	Omaha, NE	806,100	Omaha Civic Auditorium	8,900	3,271
Grand Rapids Griffins	Grand Rapids, MI	770,800	Van Andel Arena	10,835	6,645
Hamilton Bulldogs	Hamilton, ON	714,900	Copps Coliseum	17,500	5,342
Manitoba Moose	Winnipeg, MB	706,900	MTS Centre	15,000	7,873
Springfield Falcons	Springfield, MA	693,600	MassMutual Center	7,442	3,631
Syracuse Crunch	Syracuse, NY	656,900	Onondaga County War Memorial	6,200	5,404
Wilkes-Barre/Scranton Penguins	Wilkes-Barre, PA	549,400	Wachovia Arena	8,600	8,209
Hershey Bears	Hershey, PA	522,000	Giant Center	10,500	7,589
Portland Pirates	Portland, ME	513,400	Cumberland County Civic Center	6,746	4,428
Iowa Stars	Des Moines, IA	512,400	Wells Fargo Arena	17,000	5,156
Manchester Monarchs	Manchester, NH	399,800	Verizon Wireless Arena	10,019	8,935
Peoria Rivermen	Peoria, IL	366,000	Peoria Civic Center Arena	9,500	4,780
Binghamton Senators	Binghamton, NY	250,500	Broome County Vets. Mem. Arena	4,643	4,346
Average		1,870,500		12,000	5,600

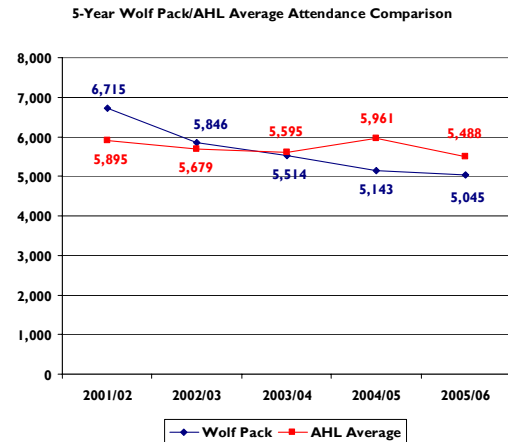
Sources: Official AHL website; Sales & Marketing Management

(1) Represents average per-game attendance over the past three full seasons.

Hartford ranks as the 11th largest among the 27 market currently hosting an AHL franchise. The HCC's maximum hockey capacity of 14,660 is approximately 2,700 seats larger than the average AHL arena, although the Center's hockey capacity can be reduced to 9,819 by curtaining off a portion of the seating bowl. The Wolf Pack has drawn average attendance of approximately 5,200 per game over the past three seasons, approximately 400 below the League average.

9.0 Utilization Analysis

The chart to the right summarizes average attendance for the Wolf Pack and for the AHL as a whole over the past five seasons. As shown in the chart, Wolf Pack attendance has declined steadily over the past five seasons, from approximately 6,700 fans per game in 2001/02 to approximately 5,000 per game in the 2005/06 season. The Wolf Pack's average attendance was above the League-wide average in 2001/02 and 2002/03 before dropping slightly lower than the League average in 2003/04. Wolf Pack attendance has been significantly lower than the League average in each of the past two seasons.



It should be noted that the AHL attendance figures discussed herein represent attendance reported to the League by the individual franchises. Reported attendance typically varies from paid or actual attendance due to differences in the attendance reporting practices of the various franchises. For example, while the Wolf Pack's reported attendance has averaged approximately 5,200 over the past three years, actual paid attendance has averaged approximately 4,400 over the past three seasons.

It is assumed that Wolf Pack attendance will likely continue to remain similar to historical levels in future years at the HCC. A renovation of the HCC could result in higher attendance levels for the Wolf Pack due to the higher level of amenities that could be incorporated into the facility. These amenities could improve fans' experience at Wolf Pack games, leading to additional season ticket sales and repeat ticket purchases. This attendance increase could be more significant if a new arena is constructed due to the novelty associated with the arena and the higher level of amenities that could be incorporated into a new facility as opposed to a renovated HCC.

In order to assess potential future attendance levels for the Wolf Pack playing at the HCC or in a new arena in Hartford, a penetration analysis was conducted comparing the population of each current AHL market with the average attendance of each franchise over the past three seasons. The following table summarizes the results of the attendance penetration analysis.

9.0 Utilization Analysis

AHL Attendance Penetration

Team	City	Market Population	3-Year Average Attendance	Ratio of Average Attendance to Population
Manchester Monarchs	Manchester, NH	399,800	8,935	2.23%
Binghamton Senators	Binghamton, NY	250,500	4,346	1.74%
Wilkes-Barre/Scranton Penguins	Wilkes-Barre, PA	549,400	8,209	1.49%
Hershey Bears	Hershey, PA	522,000	7,589	1.45%
Peoria Rivermen	Peoria, IL	366,000	4,780	1.31%
Manitoba Moose	Winnipeg, MB	706,900	7,873	1.11%
Iowa Stars	Des Moines, IA	512,400	5,156	1.01%
Portland Pirates	Portland, ME	513,400	4,428	0.86%
Grand Rapids Griffins	Grand Rapids, MI	770,800	6,645	0.86%
Syracuse Crunch	Syracuse, NY	656,900	5,404	0.82%
Hamilton Bulldogs	Hamilton, ON	714,900	5,342	0.75%
Rochester Americans	Rochester, NY	1,043,300	7,620	0.73%
Springfield Falcons	Springfield, MA	693,600	3,631	0.52%
Bridgeport Sound Tigers	Bridgeport, CT	906,500	4,655	0.51%
Providence Bruins	Providence, RI	1,641,300	7,283	0.44%
Albany River Rats	Albany, NY	848,400	3,728	0.44%
Hartford Wolf Pack	Hartford, CT	1,192,100	5,234	0.44%
Omaha Ak-Sar-Ben Knights	Omaha, NE	806,100	3,271	0.41%
Milwaukee Admirals	Milwaukee, WI	1,518,800	4,935	0.32%
Norfolk Admirals	Norfolk, VA	1,645,200	4,131	0.25%
San Antonio Rampage	San Antonio, TX	1,863,800	4,649	0.25%
Cleveland Barons	Cleveland, OH	2,136,700	3,979	0.19%
Philadelphia Phantoms	Philadelphia, PA	5,816,300	7,463	0.13%
Houston Aeros	Houston, TX	5,239,500	5,611	0.11%
Chicago Wolves	Rosemont, IL	9,433,600	8,383	0.09%
Lowell Lock Monsters	Lowell, MA	4,450,500	3,889	0.09%
Toronto Marlies	Toronto, ON	5,304,100	4,362	0.08%
Average (Excluding Hartford)		1,896,600	5,600	0.70%
Average (Similar Markets ⁽¹⁾)		901,100	4,800	0.52%
Hartford w/Ave. Penetration (All Markets)		1,192,100	8,300	0.70%
Hartford w/Ave. Penetration (Similar Markets)		1,192,100	6,200	0.52%

Sources: Official AHL website; Sales & Marketing Management

(1) Markets with populations between 800,000 and 1,500,000.

As shown, the average AHL franchise penetrated its market's population at a rate of 0.70 percent per game over the past three seasons. Applying this ratio to the Hartford market population of 1.2 million would result in average attendance of approximately 8,300 per game. Narrowing the focus of the analysis to markets with populations of 800,000 to 1.5 million, the markets most similar to Hartford, the average penetration ratio in these markets is approximately 0.52 percent of market population. This penetration ratio would result in average attendance of approximately 6,200 per game for the Hartford franchise.

9.0 Utilization Analysis

As an additional means of estimating the attendance change that could result from the Wolf Pack playing in an improved or new arena, an analysis was conducted to determine the attendance increase experienced by the four AHL franchises that have relocated to new arenas since 2000 after playing previous seasons at an older facility in the same market. The following table summarizes this analysis.

Impact of New Arena on Attendance - AHL Franchises

Team	Arena	Year Opened	Average Att. at Former Facility (1)	Average Att. at New Facility (2)	Percent Change
St. John's Maple Leafs	Mile One Stadium	2001	3,232	4,951	53%
Hershey Bears	Giant Center	2002	6,273	7,629	22%
Manitoba Moose	MTS Centre	2004	6,998	8,353	19%
Houston Aeros	Toyota Center	2003	5,277	5,611	6%
Average Attendance Increase					25%
Hartford Assuming Average Increase			5,234	6,500	25%

(1) Attendance per game during last three seasons at former facility.

(2) Attendance per game during first three seasons at new facility.

As shown, the average AHL franchise experienced a 25 percent attendance increase in the three years following the opening of a new arena. If the Wolf Pack were to achieve a similar attendance increase, the team would draw approximately 6,500 fans per game.

It should be noted that the attendance figures discussed herein are the attendance levels reported to the AHL by each of the League's teams. Reported attendance often consists of tickets distributed, including complimentary tickets, and is often inflated to some extent by each franchise. While the Wolf Pack's average reported attendance over the past three seasons has approximated 5,200 fans per game, the actual paid attendance as provided by the HCC and MSG has averaged approximately 3,800 per game. In estimating future attendance levels for the Wolf Pack, we have relied upon the attendance as reported by the HCC rather than the attendance figures reported to the League.

Based on this analysis, it is estimated that the Wolf Pack could experience a sustainable attendance increase at new arena due to the enhanced amenities and improved fan experience compared to the present HCC and the novelty associated with a new facility. For purposes of this analysis, a new arena in Hartford is assumed to increase historical Wolf Pack attendance by approximately 25 percent, approximating the average increase experienced by other AHL franchises moving to new arenas in recent years. This would result in average attendance of approximately 4,800 per game, or 279,000 over the course of 43 home games.

9.0 Utilization Analysis

Attendance at Wolf Pack games at the HCC is assumed to remain similar to historical levels in future years. Therefore, it has been assumed that the team will continue to draw approximately 3,800 fans per game, or approximately 163,400 per season playing at the HCC.

National Hockey League (NHL)

As discussed in Section 7.0, the NHL was established in 1917 and is the highest level of North American hockey. The League's franchises are located in major markets throughout the U.S. and Canada, as summarized in the following table.

Summary of NHL Markets and Facilities

Team	City	Market Population	Arena	Hockey Capacity	Average Attendance (1)
New Jersey Devils	E. Rutherford, NJ	18,768,200	Continental Airlines Arena	20,000	13,592
New York Islanders	Uniondale, NY	18,768,200	Nassau Coliseum	16,295	12,394
New York Rangers	New York, NY	18,768,200	Madison Square Garden	19,763	17,270
Anaheim Mighty Ducks	Anaheim, CA	13,104,000	Arrowhead Pond	17,300	12,108
Los Angeles Kings	Los Angeles, CA	13,104,000	Staples Center	18,997	15,334
Chicago Blackhawks	Chicago, IL	9,433,600	United Center	21,711	10,690
Philadelphia Flyers	Philadelphia, PA	5,816,300	Wachovia Center	20,444	18,586
Dallas Stars	Dallas, TX	5,786,900	American Airlines Center	19,200	17,161
Florida Panthers	Sunrise, FL	5,379,500	BankAtlantic Center	19,088	11,035
Toronto Maple Leafs	Toronto, ON	5,304,100	Air Canada Center	19,800	18,660
Washington Capitals	Washington, DC	5,239,100	MCI Center	20,500	13,552
Atlanta Thrashers	Atlanta, GA	4,765,800	Philips Arena	20,300	12,102
Detroit Red Wings	Detroit, MI	4,496,100	Joe Louis Sports Arena	19,275	19,678
Boston Bruins	Boston, MA	4,450,500	TD Banknorth Garden	18,854	14,254
Phoenix Coyotes	Glendale, AZ	3,730,600	Glendale Arena	17,500	11,691
Montreal Canadiens	Montreal, PQ	3,635,700	Bell Centre	21,631	18,826
Minnesota Wild	Minneapolis, MN	3,138,300	Xcel Energy Center	18,064	18,834
St. Louis Blues	St. Louis, MO	2,755,700	Savvis Center	19,267	16,418
Tampa Bay Lightning	Tampa, FL	2,592,800	St. Pete Times Forum	19,758	14,028
Pittsburgh Penguins	Pittsburgh, PA	2,402,500	Mellon Arena	18,000	12,236
Colorado Avalanche	Denver, CO	2,350,600	Pepsi Center	19,300	17,336
Vancouver Canucks	Vancouver, BC	2,208,300	General Motors Place	19,193	17,641
San Jose Sharks	San Jose, CA	1,764,100	HP Pavilion	17,483	16,181
Columbus Blue Jackets	Columbus, OH	1,701,300	Nationwide Arena	18,137	17,172
Nashville Predators	Nashville, TN	1,398,200	Gaylord Entertainment Center	17,500	11,084
New Franchise	Hartford, CT	1,192,100	New Arena	n/a	n/a
Buffalo Sabres	Buffalo, NY	1,156,300	HSBC Center	18,500	13,696
Ottawa Senators	Ottawa, ON	1,148,800	Scotiabank Place	18,500	15,922
Calgary Flames	Calgary, AB	1,060,300	Pengrowth Saddledome	20,240	15,152
Edmonton Oilers	Edmonton, AB	1,016,000	Rexall Place	17,503	16,751
Carolina Hurricanes	Raleigh, NC	922,300	RBC Center	21,000	12,970
Average (Excluding Hartford)		5,538,900		19,100	15,100

Sources: Sales & Marketing Management; Sports Business Journal

(1) Represents average per-game attendance over the 2001/02, 2002/03 and 2003/04 seasons.

As shown in the exhibit, Hartford would rank as the 26th largest NHL market in terms of population, and would be larger than only two U.S. markets currently hosting NHL franchises (Buffalo and Raleigh). The average NHL arena has a capacity of approximately 19,100, while the average franchise drew attendance of approximately 15,100 per game over the last three seasons prior to the lockout of 2004/05. Attendance from these seasons may provide a better indicator of the League's long-term attendance trends, as 2005/06 attendance levels were likely impacted to some extent by the cancellation of the 2004/05 season.

9.0 Utilization Analysis

In order to estimate potential attendance levels for an NHL franchise in Hartford, a penetration analysis was conducted comparing average attendance levels over the past three pre-lockout seasons to the population of each franchise's host market. The following table summarizes the results of the NHL attendance penetration analysis.

NHL Attendance Penetration				
Team	City	Market Population	3-Year Average Attendance ⁽¹⁾	Ratio of Average Attendance to Population
Edmonton Oilers	Edmonton, AB	1,016,000	16,751	1.65%
Calgary Flames	Calgary, AB	1,060,300	15,152	1.43%
Carolina Hurricanes	Raleigh, NC	922,300	12,970	1.41%
Ottawa Senators	Ottawa, ON	1,148,800	15,922	1.39%
Buffalo Sabres	Buffalo, NY	1,156,300	13,696	1.18%
Columbus Blue Jackets	Columbus, OH	1,701,300	17,172	1.01%
San Jose Sharks	San Jose, CA	1,764,100	16,181	0.92%
Vancouver Canucks	Vancouver, BC	2,208,300	17,641	0.80%
Nashville Predators	Nashville, TN	1,398,200	11,084	0.79%
Colorado Avalanche	Denver, CO	2,350,600	17,336	0.74%
Minnesota Wild	Minneapolis, MN	3,138,300	18,834	0.60%
St. Louis Blues	St. Louis, MO	2,755,700	16,418	0.60%
Tampa Bay Lightning	Tampa, FL	2,592,800	14,028	0.54%
Montreal Canadiens	Montreal, PQ	3,635,700	18,826	0.52%
Pittsburgh Penguins	Pittsburgh, PA	2,402,500	12,236	0.51%
Detroit Red Wings	Detroit, MI	4,496,100	19,678	0.44%
Toronto Maple Leafs	Toronto, ON	5,304,100	18,660	0.35%
Boston Bruins	Boston, MA	4,450,500	14,254	0.32%
Philadelphia Flyers	Philadelphia, PA	5,816,300	18,586	0.32%
Phoenix Coyotes	Glendale, AZ	3,730,600	11,691	0.31%
Dallas Stars	Dallas, TX	5,786,900	17,161	0.30%
Washington Capitals	Washington, DC	5,239,100	13,552	0.26%
Atlanta Thrashers	Atlanta, GA	4,765,800	12,102	0.25%
Florida Panthers	Sunrise, FL	5,379,500	11,035	0.21%
Los Angeles Kings	Los Angeles, CA	13,104,000	15,334	0.12%
Chicago Blackhawks	Chicago, IL	9,433,600	10,690	0.11%
Anaheim Mighty Ducks	Anaheim, CA	13,104,000	12,108	0.09%
New York Rangers	New York, NY	18,768,200	17,270	0.09%
New Jersey Devils	E. Rutherford, NJ	18,768,200	13,592	0.07%
New York Islanders	Uniondale, NY	18,768,200	12,394	0.07%
Average		5,538,900	15,100	0.58%
Average (Similar Markets ⁽²⁾)		1,270,900	14,900	1.22%
Hartford w/Ave. Penetration (All Markets)		1,192,100	6,900	0.58%
Hartford w/Ave. Penetration (Similar Markets)		1,192,100	14,600	1.22%

Sources: Sales & Marketing Management; Sports Business Journal

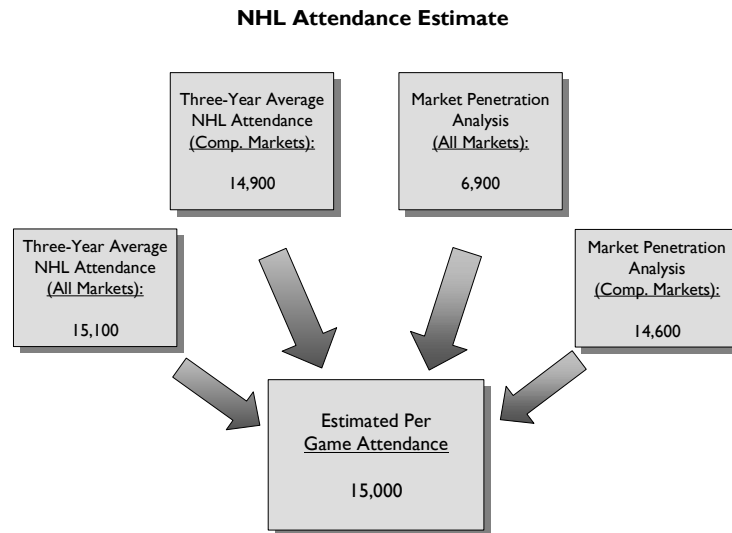
(1) Average attendance during the 2001/02, 2002/03 and 2003/04 seasons.

(2) Markets with populations under 2.0 million

As shown, the average NHL franchise penetrated its market's population at a rate of 0.58 percent per game over the past three seasons. Applying this ratio to the Hartford market population of 1.2 million would result in average attendance of approximately 6,900 per game. Narrowing the focus of the analysis to markets with populations of less than 2.0 million, the markets most similar to Hartford, the average penetration ratio in these markets is approximately 1.22 percent of market population. This penetration ratio would result in average attendance of approximately 14,600 per game for the Hartford franchise.

9.0 Utilization Analysis

Based on the analyses conducted herein, the following exhibit summarizes the estimated attendance for a new NHL franchise playing in Hartford.



For purposes of this analysis, an NHL franchise in Hartford is estimated to draw average attendance of approximately 15,000 per game. This attendance level would be near the League-wide average attendance over the past three pre-lockout seasons, as well as the average attendance drawn by franchises in markets with populations similar to the Hartford market over the same period.

Tenant Hockey Summary

Based on the results of the comparable facility analysis presented in Section 6.0, the HCC lacks many of the amenities and features associated with state-of-the-art NHL arenas. The Center's seating capacity and premium seating inventories are significantly lower than those of the majority of recently built NHL facilities. Due to the space limitations associated with the Center's current location, it is unlikely that the building's footprint could accommodate an arena that would meet the criteria of an NHL franchise. Therefore, for purposes of this analysis, it is assumed that the HCC would continue to host the AHL Wolf Pack as its hockey tenant, but would not be capable of hosting an NHL franchise.

If a new arena is built in Hartford with features and amenities that are similar to the characteristics of modern NHL arenas, the facility could attempt to attract an expansion or relocated NHL franchise. However, as noted in the NHL analysis presented in Section 7.0, it is unclear whether any franchises will be available in the foreseeable future. Should a franchise become available, a number of markets with large, modern arenas would likely compete with Hartford to attract the franchise.

9.0 Utilization Analysis

For purposes of this analysis, two operating scenarios have been developed for a new arena in Hartford to reflect the potential impact of an NHL franchise rather than an AHL franchise serving as the building's hockey tenant. The following exhibit summarizes the estimated event and attendance levels of a hockey franchise playing at a new arena in Hartford.

Summary of Tenant Hockey Event Assumptions											
HCC 2-Year Average			On-Going HCC			New Arena (AHL)			New Arena (NHL)		
Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
46	3,800	174,800	43	3,800	163,400	43	4,800	206,400	45	15,000	675,000

Tenant Football

Arena football has grown in popularity in recent years and represents an additional potential tenant for a renovated HCC or new arena in Hartford. Three predominant arena football leagues have operated in the U.S. in recent years: the Arena Football League (AFL), Arena Football 2 (af2) and the National Indoor Football League (NIFL). In addition, United Indoor Football (UIF) began playing in 2005, with several former NIFL franchises joining the new league.

The AFL and af2 are the most stable indoor football leagues in terms of league management structure, franchise stability and other such indicators. The AFL originally formed in 1987. The HCC was home to an AFL franchise, the New England Sea Wolves, for the 1999 and 2000 seasons, drawing average attendance of approximately 7,400 per game in 1999 and 6,100 per game in 2000. Following the 2000 season, the team relocated to Toronto and has since folded.

The AFL currently consists of 19 teams located in major markets throughout the country. AFL franchises generally play in large arenas in major markets, as summarized in the following table.

9.0 Utilization Analysis

Summary of AFL Markets and Facilities

Team	City	Market Population	Arena	Capacity	Average Attendance (1)
New York Dragons	Uniondale, NY	18,768,200	Nassau Coliseum	16,295	11,200
Los Angeles Avengers	Los Angeles, CA	13,104,000	Staples Center	18,000	12,000
Chicago Rush	Rosemont, IL	9,433,600	Allstate Arena	17,000	14,300
Philadelphia Soul	Philadelphia, PA	5,816,300	Wachovia Center	18,168	16,100
Dallas Desperados	Dallas, TX	5,786,900	American Airlines Center	18,000	11,500
Georgia Force	Atlanta, GA	4,765,800	Philips Arena	18,750	11,500
Arizona Rattlers	Phoenix, AZ	3,730,600	US Airways Center	16,000	11,500
Tampa Bay Storm	Tampa, FL	2,592,800	St. Pete Times Forum	23,000	14,900
Colorado Crush	Denver, CO	2,350,600	Pepsi Center	18,100	14,600
Kansas City Brigade	Kansas City, MO	1,934,400	Kemper Arena	17,655	15,200
Orlando Predators	Orlando, FL	1,894,000	TD Waterhouse Centre	17,200	13,400
San Jose SabreCats	San Jose, CA	1,764,100	HP Pavilion	17,160	13,200
Columbus Destroyers	Columbus, OH	1,701,300	Nationwide Arena	18,500	14,500
Las Vegas Gladiators	Las Vegas, NV	1,667,200	Thomas & Mack Center	13,000	9,900
Austin Wranglers	Austin, TX	1,415,300	Erwin Events Center	16,000	11,200
Nashville Kats	Nashville, TN	1,398,200	Gaylord Entertainment Center	16,121	10,400
New Orleans VooDoo (2)	New Orleans, LA	1,321,400	New Orleans Arena	16,500	15,300
New Franchise	Hartford, CT	1,192,100	Renovated/New Arena	n/a	n/a
Utah Blaze	Salt Lake City, UT	1,023,400	Delta Center	14,000	14,800
Grand Rapids Rampage	Grand Rapids, MI	770,800	Van Andel Arena	10,835	7,000
Average (excluding Hartford)		4,456,400		17,000	12,700

Sources: Official AFL Website; Sales & Marketing Management

(1) Attendance figures represent average attendance over the past three seasons.

(2) The VooDoo did not play the 2006 season due to Hurricane Damage to New Orleans Arena.

Hartford would be the third smallest market hosting an AFL franchise, ahead of only Grand Rapids and Salt Lake City. Many of the League's markets also host NFL franchises, often under common ownership groups. Capacities of AFL arenas range from a low of 10,835 at Van Andel Arena in Grand Rapids to a high of 23,000 at the St. Pete Times Forum in Tampa. The average AFL franchise has drawn average attendance of approximately 12,700 over the past three seasons.

In 2000, the AFL developed the af2 league as a means of introducing arena football to mid-sized markets. The league included 15 teams in its inaugural season and expanded rapidly in its first two years, increasing to a total of 34 teams by the 2002 season. Since that time, several teams have folded or relocated as the league continues to attempt to identify markets capable of supporting af2 franchises. In 2006, af2 includes 22 franchises, as summarized in the following table.

9.0 Utilization Analysis

Summary of af2 Markets and Facilities

Team	City	Market Population	Arena	Capacity	Average Attendance (1)
Everett Hawks	Everett, WA	3,200,900	Everett Events Center	8,300	(2)
Memphis Xplorers	Southaven, MS	1,256,500	DeSoto County Civic Center	10,000	3,400
Louisville Fire	Louisville, KY	1,203,800	Freedom Hall	17,200	8,300
New Franchise	Hartford, CT	1,192,100	Renovated/New Arena	n/a	n/a
Oklahoma Yard Dawgz	Oklahoma City, OK	1,150,800	Ford Center	18,200	8,900
Birmingham Steeldogs	Birmingham, AL	1,082,900	Birmingham-Jefferson Civic Center	16,850	6,100
Tulsa Talons	Tulsa, OK	888,000	Tulsa Convention Center	7,096	5,300
Central Valley Coyotes	Fresno, CA	866,500	Selland Arena	9,500	2,900
Albany Conquest	Albany, NY	848,400	Pepsi Arena	14,000	5,500
Bakersfield Blitz	Bakersfield, CA	730,100	Centennial Garden	8,700	4,400
Rio Grande Valley Dorados	Hidalgo, TX	666,000	Dodge Arena	5,500	5,100
Stockton Lightning	Stockton, CA	650,100	Stockton Arena	10,000	(2)
Arkansas Twisters	N. Little Rock, AR	636,900	Alltel Arena	16,058	7,600
Wilkes-Barre/Scranton Pioneers	Wilkes-Barre, PA	549,400	First Union Arena	8,300	4,900
Florida Firecats	Esteros, FL	518,300	Germain Arena	7,082	4,100
Spokane Shock	Spokane, WA	436,600	Spokane Arena	10,000	(2)
Manchester Wolves	Manchester, NH	399,800	Verizon Wireless Arena	10,000	7,300
Bossier City Battlewings	Bossier City, LA	380,100	CenturyTel Center	12,400	3,000
Quad City Steamwheelers	Davenport, IA	374,900	MARK of the Quad Cities	9,200	5,900
Green Bay Blizzard	Green Bay, WI	295,900	Resch Center	8,800	3,400
Amarillo Dusters	Amarillo, TX	237,200	Amarillo Civic Center	4,870	3,900
Macon Knights	Macon, GA	228,100	Macon Coliseum	7,182	3,100
South Georgia Wildcats	Albany, GA	162,400	Albany Civic Center	6,300	6,800
Average (excluding Hartford)		762,000		10,300	5,300

Sources: Official af2 Website; Sales & Marketing Management

(1) Attendance figures represent average attendance over the past three seasons.

(2) The Everett, Stockton and Spokane franchises began playing in the 2006 season.

As shown, af2's markets range from relatively small markets such as Albany and Macon, Georgia to larger metropolitan areas such as Seattle (Everett) and Memphis (Southaven). Hartford would rank as the fourth largest af2 market. The majority of the league's franchises play in small to mid-sized arenas, with a few playing in large facilities with capacities in excess of 16,000.

Tenant Football Summary

Based on conversations with representatives of AFL, the League is not aggressively pursuing expansion markets at this time, but is open to considering proposals from interested ownership groups. However, the Hartford market would be unlikely to be considered for a future franchise, as the League plans to focus future expansion efforts on the top 25 U.S. media markets.

Because the AFL would be unlikely to place a franchise in Hartford, the af2 league is assumed to be the most likely source of a tenant football franchise for a new arena in Hartford. As a means of estimating potential attendance levels for an af2 franchise in Hartford, a penetration analysis was conducted to determine the extent to which existing af2 franchises penetrated the populations within their host markets over the past three seasons. The following table summarizes the results of the af2 penetration analysis.

9.0 Utilization Analysis

af2 Attendance Penetration

Team	City	Market Population	Average Attendance	Ratio of Average Attendance to Population
South Georgia Wildcats	Albany, GA	162,400	6,800	4.19%
Manchester Wolves	Manchester, NH	399,800	7,300	1.83%
Amarillo Dusters	Amarillo, TX	237,200	3,900	1.64%
Quad City Steamwheelers	Davenport, IA	374,900	5,900	1.57%
Macon Knights	Macon, GA	228,100	3,100	1.36%
Arkansas Twisters	N. Little Rock, AR	636,900	7,600	1.19%
Green Bay Blizzard	Green Bay, WI	295,900	3,400	1.15%
Wilkes-Barre/Scranton Pioneers	Wilkes-Barre, PA	549,400	4,900	0.89%
Florida Firecats	Esteros, FL	518,300	4,100	0.79%
Bossier City Battlewings	Bossier City, LA	380,100	3,000	0.79%
Oklahoma Yard Dawgz	Oklahoma City, OK	1,150,800	8,900	0.77%
Rio Grande Valley Dorados	Hidalgo, TX	666,000	5,100	0.77%
Louisville Fire	Louisville, KY	1,203,800	8,300	0.69%
Albany Conquest	Albany, NY	848,400	5,500	0.65%
Bakersfield Blitz	Bakersfield, CA	730,100	4,400	0.60%
Tulsa Talons	Tulsa, OK	888,000	5,300	0.60%
Birmingham Steeldogs	Birmingham, AL	1,082,900	6,100	0.56%
Central Valley Coyotes	Fresno, CA	866,500	2,900	0.33%
Memphis Xplorers	Southaven, MS	1,256,500	3,400	0.27%
Average		656,600	5,300	1.09%
Average (Similar Markets ⁽¹⁾)		1,042,400	5,800	0.55%
Hartford w/Ave. Penetration (All Markets)		1,192,100	13,000	1.09%
Hartford w/Ave. Penetration (Similar Markets)		1,192,100	6,600	0.55%

(1) Markets with populations between 800,000 and above.
Sources: Official af2 Website; Sales & Marketing Management

As shown, the average franchise has penetrated its market's population at a rate of 1.09 percent per game over the past three seasons. This penetration ratio would result in average attendance of 13,000 for a franchise in Hartford. However, because Hartford would be one of the largest af2 markets, it is unlikely that a franchise in Hartford would be able to achieve the penetration ratios experienced in the League's smaller markets. Narrowing the analysis to franchises playing in markets with populations of at least 800,000 results in an average penetration ratio of 0.55 percent of total population. Applying this ratio to the Hartford market's penetration would result in average attendance of approximately 6,600 per game. In comparison, average league-wide attendance has averaged 5,300 per game over the past three years.

For purposes of this analysis, it is estimated that an af2 franchise in Hartford could draw an average attendance of approximately 6,000 per game over a seven game home schedule.

Summary of Tenant Football Event Assumptions								
HCC 2-Year Average			On-Going HCC			New Arena		
Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
n/a	n/a	n/a	n/a	n/a	n/a	7	6,000	42,000

9.0 Utilization Analysis

Tenant Lacrosse

The National Lacrosse League (NLL) originally formed in 1987 as the Major Indoor Lacrosse League. The present day NLL consists of 11 franchises, with a 12th franchise expected to join the League in 2007. The League's franchises are located in major markets throughout the U.S. and Canada. Many teams play in NHL arenas, as the indoor lacrosse game is played on a field the size of a hockey rink and utilizes the hockey dashboards. The following table summarizes the NLL's current franchises, markets and facilities.

Summary of NLL Markets and Facilities

Team	City	Market Population	Arena	Capacity	Average Attendance (1)
Chicago Shamrox	Hoffman Estates, IL	9,433,600	Sears Centre	9,700	(2)
Philadelphia Wings	Philadelphia, PA	5,816,300	Wachovia Center	18,168	12,400
Toronto Rock	Toronto, ON	5,304,100	Air Canada Centre	18,092	16,900
Arizona Sting	Glendale, AZ	3,730,600	Glendale Arena	17,500	6,300
Minnesota Swarm	St. Paul, MN	3,138,300	Xcel Energy Center	18,064	9,300
Colorado Mammoth	Denver, CO	2,350,600	Pepsi Center	18,100	17,100
Portland Lumberjax	Portland, OR	2,082,000	Rose Garden	21,538	8,000
San Jose Stealth	San Jose, CA	1,764,100	HP Pavilion	17,160	5,500
New Franchise	Hartford, CT	1,192,100	HCC/New Arena	n/a	n/a
Buffalo Bandits	Buffalo, NY	1,156,300	HSBC Arena	18,500	10,400
Calgary Roughnecks	Calgary, AB	1,060,300	Pengrowth Saddledome	20,240	10,700
Rochester Knighthawks	Rochester, NY	1,043,300	Blue Cross Arena	12,500	9,200
Edmonton Rush	Edmonton, AB	1,016,000	Rexall Place	17,503	10,400
Average (excluding Hartford)		3,158,000		17,300	10,600

Sources: NLL Front Office; Sales & Marketing Management

(1) Attendance figures represent average attendance over the past three seasons.

(2) The Shamrox will join the League for the 2007 season.

As shown, capacities of NLL arenas range from 9,700 to 21,538 with an average capacity of 17,300. However, many franchises block off certain seating sections, particularly upper level seats, to reduce the capacities of their arenas. The average NLL franchise has drawn attendance of approximately 10,600 per game over the past three seasons.

According to NLL representatives, the League has a strong interest in placing a franchise in the Hartford market, but has been unable to identify an ownership group with an interest in placing a franchise in the HCC. League representatives indicated that the presence of a new arena could help spur an investment group to bring an NLL franchise to Hartford.

In order to estimate the attendance levels that could be achieved by a NLL franchise in Hartford, a market penetration analysis was conducted, as summarized in the following table.

9.0 Utilization Analysis

NLL Attendance Penetration

Team	City	Market Population	Average Attendance	Ratio of Average Attendance to Population
Edmonton Rush	Edmonton, AB	1,016,000	10,400	1.02%
Calgary Roughnecks	Calgary, AB	1,060,300	10,700	1.01%
Buffalo Bandits	Buffalo, NY	1,156,300	10,400	0.90%
Rochester Knighthawks	Rochester, NY	1,043,300	9,200	0.88%
Colorado Mammoth	Denver, CO	2,350,600	17,100	0.73%
Portland Lumberjax	Portland, OR	2,082,000	8,000	0.38%
Toronto Rock	Toronto, ON	5,304,100	16,900	0.32%
San Jose Stealth	San Jose, CA	1,764,100	5,500	0.31%
Minnesota Swarm	St. Paul, MN	3,138,300	9,300	0.30%
Philadelphia Wings	Philadelphia, PA	5,816,300	12,400	0.21%
Arizona Sting	Glendale, AZ	3,730,600	6,300	0.17%
Average		2,587,400	10,600	0.57%
Average (Similar Markets ⁽¹⁾)		1,069,000	10,200	0.95%
Hartford w/Ave. Penetration (All Markets)		1,192,100	6,800	0.57%
Hartford w/Ave. Penetration (Similar Markets)		1,192,100	11,400	0.95%

(1) Markets with populations between 800,000 and 1,500,000.

Sources: NLL Front Office; Sales & Marketing Management

The average NLL market has penetrated its respective market's population at a rate of 0.57 percent per game over the past three seasons. Narrowing the analysis to markets with populations between 800,000 and 1.5 million, the markets most similar to Hartford, results in an average penetration ratio of approximately 0.95 percent. Applying this ratio to the Hartford market population of 1.2 million would result in average attendance of approximately 11,400, slightly higher than the overall League average.

For purposes of this analysis, an NLL franchise playing at a new arena in Hartford is estimated to draw attendance of approximately 10,000 per game, or 80,000 over the course of an eight-game home schedule. This level of attendance would be near the League average, and would be similar to attendance levels achieved in similar sized markets such as Buffalo, Calgary, Rochester and Edmonton. The HCC is not assumed to be able to attract an NLL tenant, as League representatives indicated a new arena would likely be necessary to make the market more attractive to potential ownership groups.

Summary of Tenant Lacrosse Event Assumptions								
HCC 2-Year Average			On-Going HCC			New Arena		
Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
n/a	n/a	n/a	n/a	n/a	n/a	8	10,000	80,000

9.0 Utilization Analysis

Tenant Basketball

The University of Connecticut men's and women's basketball teams currently serve as tenants of the HCC. In addition to UCONN basketball, several minor basketball leagues currently operating in the U.S. could represent an additional potential source of a tenant basketball franchise for the HCC or a new arena in Hartford. The following is an analysis of potential basketball tenants for both facilities.

University of Connecticut

The University of Connecticut men's and women's basketball program have played home games at the HCC since its opening in 1975. Both programs have enjoyed a great deal of on court success in recent years, developing strong followings and drawing relatively high attendance levels at the HCC. Over the past three years, the HCC has hosted an average of 22 UCONN basketball games per year, with average attendance of approximately 13,500 per game.

According to project representatives, the University plans to continue to utilize the HCC in the future, and would be interested in becoming a tenant of a new arena if one is developed. Event and attendance levels at the HCC are likely to remain similar to current levels, regardless of whether improvements are made, as attendance at several games per year approaches the basketball capacity of the facility. Unless capacity can be expanded as part of a renovation, the University will have limited ability to increase its attendance levels.

A new arena could potentially allow the University to draw additional attendance at basketball games if it has a larger capacity than the current HCC. However, the capacity of the new facility will likely depend on whether the facility is designed with the capability to attract an NHL franchise. Assuming Hartford builds a larger arena with a capacity similar to recently-built NHL venues, the increased capacity could lead to increased attendance at UCONN basketball games.

9.0 Utilization Analysis

National Basketball Developmental League

The NBDL was established by the National Basketball Association (NBA) in 2001 to serve as the NBA's official developmental league. Until 2005, the NBDL consisted of six franchises located exclusively in the southeastern U.S. However, the League completed a major realignment of its franchises prior to the 2005-06 season, including the relocation of existing franchises to Tulsa, Austin, Fort Worth and Albuquerque, and the addition of an expansion team in Little Rock. The League will add seven new markets in 2006-07, including the relocation of the existing Roanoke franchise and the addition of six expansion franchises, for a total of 14 franchises playing the 2006-07 season. Several of the 2006 expansion franchises were formerly affiliated with the Continental Basketball Association. Each of the new franchises will be located in the western U.S.

According to League representatives, additional expansion is planned in the near future, with an initial focus on identifying new markets in the regions in which the most recent expansions have taken place, the majority of which are located west of the Mississippi River. The League's long-term goal is to expand nationwide, including the Northeast, Great Lakes and Midwest regions, as the League establishes direct affiliations between NBA and NBDL franchises. Therefore, the ability of the Hartford market to attract an NBDL franchise in the future is dependent on the timing and scope of future League expansions.

United States Basketball League

The USBL is playing its 21st season in 2006. The league's structure consists of an Eastern Division comprised of four franchises located in the northeast U.S. and a Midwest Division with four franchises located in the central region of the country. Representatives of the USBL indicated that the League is not currently aggressively pursuing expansion markets. Furthermore, League representatives indicated that they would be unlikely to place a team in an arena with a capacity in excess of 10,000 seats, as the League prefers to play smaller venues with lower gameday and operating expenses. Therefore, based on conversations with League representatives, the USBL does not represent a likely source of a tenant franchise for a renovated HCC or a new arena in Hartford.

9.0 Utilization Analysis

American Basketball Association

The original ABA was formed in 1967 and operated through the 1975-76 season, competing with the NBA as the top professional basketball leagues in the country. In 2000, a new incarnation of the ABA was formed, with eight teams playing the inaugural 2000-01 season. The league fielded seven teams in 2001-02 before suspending operations for the 2002-03 season. In 2003, the league returned under new ownership, with seven teams playing during the 2003-04 season. Since that time, the League has focused on rapid expansion throughout the U.S, with 53 teams currently slated to play the 2006-07 season.

The majority of ABA franchises play in relatively small facilities such as high school or small collegiate gymnasiums or arenas with limited seating capacities in order to minimize facility-related expenses. While the Hartford market could potentially attract an ABA franchise, a franchise is unlikely to play in a large, modern facility such as a renovated HCC or a new arena.

International Basketball League

The IBL played its inaugural season in 2005, with 20 franchises located primarily in the Great Lakes region and the west coast. In 2006, the League expanded to 24 teams, and plans additional expansion for 2007. The IBL is similar to the ABA in that both seek to minimize facility-related costs by playing in small arenas and gymnasiums. Therefore, the IBL is unlikely to represent a potential source of a tenant franchise for a renovated or new facility in Hartford.

Continental Basketball Association

The CBA was originally formed in 1946 and was known as the Eastern Basketball Association until 1978, when it expanded nationally and became the CBA. The league was comprised of eight franchises in 2005-06, with franchises located throughout the Great Lakes, Upper Midwest and Northwest regions. Following the completion of the 2005-06 season, four of the League's western division teams withdrew from the CBA to join the NBDL. In response, the CBA recently announced plans to expand to four new markets, including San Jose, California; Great Falls, Montana; Reno, Nevada; and Spokane, Washington.

The league plans additional expansion in the future, with a goal of establishing geographic "pods", allowing teams reduce travel expenses by relying primarily on bus transportation. At the present time, it is unclear which regions of the country will be slated for future franchises.

9.0 Utilization Analysis

Tenant Basketball Summary

Several minor basketball leagues are currently operating in the U.S. However, minor league basketball leagues and franchises have demonstrated a high degree of instability in recent years. In addition, few minor league basketball franchises play in large, modern arenas, instead focusing on selecting smaller venues with lower gameday costs. In addition, a minor league basketball franchise could face scheduling conflicts with existing tenants and events. Based on these factors, a tenant basketball franchise has not been included in the assumptions related to a renovated HCC or a new arena in Hartford.

It is assumed that the University of Connecticut will continue to host games at the HCC in future years. If a new arena is developed, the University is assumed to become a tenant of the new venue. The following table summarizes the estimates related to UConn basketball games at a new arena in Hartford.

Summary of UCONN Basketball Event Assumptions								
HCC 2-Year Average			On-Going HCC			New Arena		
Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
21	14,000	287,000	21	14,000	294,000	21	15,000	315,000

Concerts

Concerts often represent the most visible and profitable events held at an arena. However, the HCC has struggled to attract the level of concert activity associated with the majority of the recently-built arenas discussed in the Comparable Facility Analysis. In order to assess the ability of the Hartford market to attract additional concert events to the HCC or a new facility, interviews were conducted with a number of promoters familiar with the region's event and facility market. The following is a summary of the key findings resulting from these interviews.

- Promoters generally indicated that they have had positive experiences bringing events to the HCC.
- The capacity of the existing HCC is generally considered to be appropriate for the Hartford market.
- Competition from other concert venues in the region is a significant factor in the relatively low levels of concerts playing at the HCC on an annual basis.
- Arenas and theaters operated by regional casinos are considered the primary competitors with the HCC, as these facilities often make highly competitive offers to event promoters, using concerts as a loss leader to attract visitors to their casinos.

9.0 Utilization Analysis

- Promoters indicated that renovating HCC or developing a new arena would not necessarily result in the market attracting significantly more annual concert events, as the casino facilities would likely continue to offer more attractive rental terms to concert promoters.

Because concert promoters have generally been satisfied with the existing HCC, concert levels in future years are likely to remain similar to historical event levels. Renovations to the facility would not likely result in significantly higher annual concert levels, as competition is the primary factor limiting the Center’s current ability to attract concerts. Concert attendance could increase slightly if improvements are made to the building’s patron amenities, but these increases are not assumed to be significant.

If a new arena is developed, the facility could offer a number of revenue generating amenities that could result in more profitable concert events. However, it is likely that regional casino-related concert venues would be able to continue to offer more attractive rental arrangements than the new facility. Therefore, while a new arena could result in an increase in concert activity in Hartford, a new arena would be unlikely to draw concert levels on par with the comparable arenas discussed previously.

The following table summarizes the estimates related to concert event and attendance levels at a new arena in Hartford. For comparison purposes, average annual concert activity at the HCC over the past three years has also been included in the table.

Summary of Concert Event Assumptions								
HCC 2-Year Average			On-Going HCC			New Arena		
Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
8	8,900	66,750	8	8,900	71,200	10	10,000	100,000

Family Shows

Family shows are events that cater to spectators of all ages and include a wide variety of events including shows such as Sesame Street Live, Smuckers Stars on Ice, Disney on Ice, Nickelodeon shows and circuses. The majority of major touring family shows make regular stops at the HCC, including Disney on Ice, the Ringling Brothers Circus, Sesame Street Live and several others. The following is a summary of opinions related to the HCC and a potential new arena in Hartford through interviews with various family show promoters.

9.0 Utilization Analysis

- Family show promoters generally had positive opinions of Hartford as a family show market, and of the HCC as a host for family show events.
- A few weaknesses of the building were identified by promoters including difficulties associated with ingress and egress and a lack of back-of-house and technical amenities found in more modern arenas.
- The lack of amenities for production crews makes the facility somewhat difficult to play. However, because the market is strong, promoters plan to continue to play the Center despite its limitations.
- A new arena would likely alleviate some of the issues associated with the HCC, but would not necessarily result in additional events coming to Hartford, since most major family shows already come to the market regularly.
- A new arena could improve attendance at family shows somewhat, but promoters indicated that patrons typically attend family shows primarily to see the event and do not require a high level of amenities.

Based on the results of the promoter surveys and analyses of family show event levels at comparable facilities, family show utilization is estimated to remain relatively similar to historical levels regardless of whether a new facility is developed. However, on-going event levels are assumed to be slightly lower than the average number of events hosted over the past two years, as the historical family show event level is inflated by a non-recurring event that played the HCC in 2003/04.

Summary of Family Show Event Assumptions								
HCC 2-Year Average			On-Going HCC			New Arena		
Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
32	3,300	103,950	28	3,300	92,400	28	3,500	98,000

Non-Tenant Sports

In addition to the minor league tenant sports discussed previously, the proposed arena could host a number of other sports events. Examples of other sports events typically held at minor league arenas include high school and collegiate games, wrestling, rodeos, motorsports and exhibition games by major league sports franchises. While events such as wrestling and exhibition games are generally one-time performances, other events such as rodeos and motorsports events often play several consecutive performances at each tour stop. As with family shows, the other sports event estimates herein are based on the total number of event performances.

9.0 Utilization Analysis

The HCC currently hosts a relatively limited number of non-tenant sports events. The Big East Conference holds its women's basketball tournament at the HCC annually, accounting for four event days per year. Other non-tenant sports events utilizing the HCC on a regular basis include the Doc Hurley Classic high school basketball event, the Harlem Globetrotters and monster truck shows.

The Big East Conference tournament is contractually obligated to remain at the HCC through 2009. According to the Conference representatives, discussion regarding future tournaments in 2010 and beyond will likely begin in 2007. Conference officials have generally been satisfied with the HCC and will consider extending the tournament's contract with Hartford regardless of whether a new facility is built. While consideration may be given to other cities due to geographic location and other such issues, a renovation of the HCC or the development of a new arena would be unlikely to impact the Conference's decisions related to the future of the tournament.

Representatives of touring sports event promoters indicated that scheduling is a major challenge associated with holding events at the HCC. The Wolf Pack and UConn basketball often fill the prime weekend dates favored by these promoters, particularly during the winter months when their tours are on the road.

Promoters also indicated that load-in is difficult due to the configuration of the truck entry doors and the entrance to the floor area. This is of particular concern to promoters of events such as rodeo and motorsports events, which use several truckloads of dirt for their event configurations.

A renovation of the HCC is unlikely to be able to adequately address the load-in problems encountered by sports event promoters due to the space constraints of the Center's location. In addition, the majority of attractive dates will likely continue to be booked by the facility's tenants, major family show tours and other such events. Therefore, the HCC is not assumed to increase its non-tenant sports levels through a renovation.

A new arena would likely ease the inconveniences associated with move-in at the HCC, as it would likely be designed with additional entry doors and more back-of-house space. However, assuming the arena continues to host hockey and UConn basketball tenants as well as major touring events, scheduling difficulties may continue to limit the ability of the Hartford market to accommodate all of the events that would come to the market if dates were available. Therefore, non-tenant sports event levels at a new arena are assumed to be relatively similar to historical event levels at the HCC.

Summary of Non-Tenant Sports Event Assumptions								
HCC 2-Year Average			On-Going HCC			New Arena		
Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
11	8,700	91,350	11	8,700	95,700	12	9,000	108,000

9.0 Utilization Analysis

Flat Floor Events

Prior to the opening of the Connecticut Expo Center and the Connecticut Convention Center, the HCC served as the Hartford market's primary convention and exhibition facility. However, the Expo Center and the Convention Center both offer more space and a higher level of amenities than the HCC Exhibition Hall. As a result, the HCC has lost several flat floor events since the opening of the new venues. Specifically, the HCC hosted 13 trade/public shows and conventions in 2005/06, down from in 2003/04.

The HCC is likely to retain the majority of flat floor events that are still utilizing the facility. Organizers of those events generally indicated that they have strong relationships with HCC management, and that the facility works well for their events. Conversely, organizers of events for which the HCC did not meet the needs of their events have likely already relocated their events to the newer facilities in the market.

If a new arena is developed, the ability of the facility to continue to host flat floor events will depend on whether the arena offers dedicated space for these events. Because the arena floor will be utilized primarily for spectator events, its ability to host flat floor events will likely be limited. For purposes of this analysis, a new arena is not assumed to offer any dedicated flat floor space, as the space offered at the Expo Center and the Convention Center are considered adequate to meet demand in the Hartford market. Therefore, a new arena is not assumed to hold a significant number of flat floor events.

Summary of Flat Floor Event Assumptions								
HCC 2-Year Average			On-Going HCC			New Arena		
Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
35	2,500	87,500	15	2,500	37,500	5	1,000	5,000

Other Events

Along with the spectator and flat floor events discussed to this point, the HCC hosts a variety of miscellaneous events such as meetings, exams, receptions, graduations, dance competitions and other activities. The majority of these events are held in the Exhibition Hall, with the main arena hosting relatively few miscellaneous events. Over the past two years, the HCC has hosted an average of 21 of these events on an annual basis, including 18 in 2004/05. For purposes of this analysis, it is assumed that a new arena is assumed to hold fewer of these events, as it is not assumed to incorporate any dedicated flat floor space.

Summary of Other Event Assumptions								
HCC 2-Year Average			On-Going HCC			New Arena		
Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance	Events	Average Attendance	Total Attendance
21	1,700	34,850	21	1,700	35,700	5	5,000	25,000

9.0 Utilization Analysis

Arena Market Program Summary

Based on the market analysis performed in this section, estimates of event activity related to a new arena in Hartford have been developed. The following table compares these estimates to the HCC's historical event and attendance levels.

Summary of Event Estimates

Event Type	Historical HCC ⁽¹⁾			On-Going HCC			New Arena		
	Events	Average Attendance	Annual Attendance	Events	Average Attendance	Annual Attendance	Events	Average Attendance	Annual Attendance
<i>Tenant Hockey</i>									
Wolf Pack	46	3,800	173,000	43	3,800	163,000	43	4,800	206,000
NHL Assumptions	n/a	n/a	n/a	n/a	n/a	n/a	45	15,000	675,000
<i>Other Events</i>									
af2 Football	n/a	n/a	n/a	n/a	n/a	n/a	7	6,000	42,000
NLL Lacrosse	n/a	n/a	n/a	n/a	n/a	n/a	8	10,000	80,000
UConn Basketball	21	14,000	288,000	21	14,000	294,000	21	15,000	315,000
Concerts	8	8,900	67,000	8	8,900	71,000	10	10,000	100,000
Family Shows	32	3,300	105,000	28	3,300	92,000	28	3,500	98,000
Non-Tenant Sports	11	8,700	91,000	11	8,700	96,000	12	9,000	108,000
Flat Floor Events	35	2,500	86,000	15	2,500	38,000	5	1,000	5,000
Other Events	21	1,700	34,000	21	1,700	36,000	5	5,000	25,000
Total - AHL Tenant	172		844,000	147		790,000	139		979,000
Total - NHL Tenant	n/a		n/a	n/a		n/a	141		1,448,000

Note: Attendance figures are paid attendance with the exception of flat floor and other events

As shown, event and attendance levels at the HCC are estimated to decrease in future years, due primarily to a continued loss of flat floor events to the new, larger competitive flat floor venues in the Hartford market.

A new arena in Hartford is estimated to host 139 to 141 annual events. Because the arena is not assumed to offer any dedicated flat floor space, it is assumed to host significantly fewer flat floor and miscellaneous events as compared to the HCC. If the new arena hosts an AHL tenant, total annual attendance at arena events is estimated to approximate 979,000 per year. The inclusion of an NHL franchise in the event estimates is assumed to increase annual attendance to approximately 1.4 million.

10.0 Financial Analysis

10.0 Financial Analysis

The intent of this section is to develop estimates related to the potential financial operating results that could be achieved by a new arena, and to compare those estimates to historical and estimated future HCC operating results.

Two financial scenarios have been developed to illustrate the potential impact of an NHL franchise playing at a new arena compared to the continued presence of an AHL franchise. Both scenarios also assume the presence of af2 and NLL tenant franchises. Estimates related to future HCC operations assume that the facility will continue to host Wolf Pack hockey and UCONN basketball.

The remainder of this section will outline the preliminary estimates of revenues allocated to the arena from the various event types discussed in Section 9.0, as well as the potential annual operating expenses of the proposed arena. These revenue and expense estimates will be compared to existing and estimated future HCC operations to provide an understanding of the potential incremental revenues and expenses associated with new arena development.

Financial Estimates

A number of factors were considered in developing on-going operating assumptions for the HCC and for the proposed arena, including historical HCC operating results, operating information collected from comparable facilities, information collected through interviews with potential arena users and other industry data. The following is a summary of the key assumptions and estimates related to the potential financial performance of each potential development and tenant scenario.

On-Going HCC Operations

The following table summarizes the primary underlying assumptions used to estimate the financials of the HCC in future years of operations.

10.0 Financial Analysis

Summary of Key Operating Assumptions - On-Going HCC

Event Type	Annual Events	Ave Pd Attendance	No-Show/Comp Factor	Actual Attendance	Direct Event Revenue	Per Capita Spending			
						Tickets	Concessions	Catering	Merchandise
Tenant Hockey (AHL)	43	3,800	6%	3,572	\$1,900	\$15.00	\$7.00	\$25.00	\$0.50
UCONN Basketball	21	14,000	13%	12,180	26,125	\$15.00	\$4.75	\$25.00	\$0.40
Concerts	8	8,900	-5%	9,345	19,200	\$40.00	\$4.75	\$25.00	\$4.25
Family Shows	28	3,300	-26%	4,158	1,400	\$20.00	\$3.25	\$25.00	\$2.25
Other Sports	11	8,700	17%	7,221	9,900	\$15.00	\$5.75	\$25.00	\$3.10
Flat Floor	15	1,000	-146%	2,460	7,400	\$1.00	\$2.01	\$0.00	\$0.05
Other Events	21	50	-3300%	1,700	3,600	\$0.00	\$0.45	\$0.00	\$0.00

Premium Seating

Suites:	
Quantity	46
Tickets per suite	11
Sold	32
Average Price	\$41,100

Club Seats:	
Quantity	302
Memberships	75.5
Sold	61
Average Price	\$6,000

Corporate Revenue

Annual Naming Rights	\$0
Annual Advertising	\$921,000

Management Fee

Annual Management Fee	\$1,153,000
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The assumptions related to on-going HCC operations are generally similar to historical spending levels and lease terms. It is assumed that the Wolf Pack will continue to pay minimal rent to cover event expenses, while UCONN is assumed to pay \$50,000 per game per the terms of their lease agreement. However, after accounting for event expenses covered by the HCC, the facility is estimated to receive net revenue of approximately \$26,125 per game. Similarly, the direct event revenues assumed for other events are net of non-reimbursed event expenses. Based on these assumption, the following table summarizes the estimated future financials of the HCC in comparison to the Center's 2004/05 financial results.

Estimated Financial Operating Results On-Going HCC Operations

	HCC 2004/05	On-Going HCC
Revenues		
Direct Event Revenues	\$1,451,000	\$1,419,000
CT Ticket Surcharge	870,000	1,038,000
Premium Seating	1,862,000	1,861,000
Naming Rights	0	0
Food & Beverage	2,273,000	2,302,000
Merchandise	99,000	113,000
Sponsorship & Signage	921,000	921,000
Other	585,000	585,000
Total revenues	\$8,061,000	\$8,239,000
Expenses		
Facility	\$2,532,000	\$3,000,000
General & administrative	3,435,000	3,500,000
Management Fee	1,153,000	956,000
Total expenses	\$7,120,000	\$7,456,000
Operating Income (Loss)	\$941,000	\$783,000

10.0 Financial Analysis

As shown, due to anticipated increase in facility repair and maintenance costs and other operating expenses, net operating revenues are anticipated to experience declines over the next several years. In addition, operating revenues may also decrease in the long term due to a potential gradual loss of events over time.

New Arena – AHL Tenant

The following table summarizes the assumptions underlying the estimates related to the potential financial performance of a new arena in Hartford assuming the presence of an AHL tenant hockey franchise, as well as af2, NLL and UCONN tenants.

Summary of Key Operating Assumptions - New Arena - No NHL Tenant

Event Type	Annual Events	Ave Pd Attendance	No-Show/Comp Factor	Actual Attendance	Direct Event Revenue	Per Capita Spending			
						Tickets	Concessions	Catering	Merchandise
Tenant Hockey (AHL)	43	4,800	5%	4,560	2,500	\$15.00	\$6.00	\$25.00	\$1.50
Tenant Football	7	6,000	5%	5,700	30,000	\$15.00	\$6.00	\$25.00	\$1.50
Tenant Lacrosse	8	10,000	5%	9,500	30,000	\$22.00	\$6.00	\$25.00	\$1.50
UCONN Basketball	21	15,000	10%	13,500	30,000	\$15.00	\$5.00	\$25.00	\$1.50
Concerts	10	10,000	-10%	11,000	25,000	\$40.00	\$7.00	\$25.00	\$7.00
Family Shows	28	3,500	-20%	4,200	15,000	\$20.00	\$2.00	\$25.00	\$4.00
Other Sports	12	9,000	10%	8,100	10,000	\$15.00	\$3.50	\$25.00	\$2.50
Flat Floor	5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other Events	5	5,000	0%	5,000	5,000	\$1.00	\$2.00	\$0.00	\$0.00

Premium Seating

Suites:	
Quantity	50
Tickets per suite	16
Sold	45
Average Price	\$70,000

Club Seats:	
Quantity	1,000
Sold	850
Average Price	\$1,750

Corporate Revenue

Annual Naming Rights	\$750,000
Annual Advertising	\$1,250,000

The revenue allocations for a new arena with no NHL tenant are assumed to be relatively similar to the current operations of the HCC. It is assumed that the arena would receive rent and/or reimbursement for event expense from each tenant, and would retain all revenue and merchandise commissions, non-event specific advertising revenue, premium seating revenue and other such revenue streams.

Based on these assumptions, the following table summarizes the estimated financials for a new arena in Hartford with no NHL tenant.

10.0 Financial Analysis

Estimated Financial Operating Results New Arena - No NHL Tenant

	HCC 2004/05	New Arena AHL Tenant
Revenues		
Direct Event Revenues	\$1,451,000	\$2,028,000
CT Ticket Surcharge	870,000	1,389,000
Premium Seating	1,862,000	4,638,000
Naming Rights	0	750,000
Food & Beverage	2,273,000	2,460,000
Merchandise	99,000	297,000
Sponsorship & Signage	921,000	1,250,000
Other	585,000	600,000
Total revenues	\$8,061,000	\$13,412,000
Expenses		
Facility	\$2,532,000	\$4,500,000
General & administrative	3,435,000	6,000,000
Management Fee	1,153,000	1,500,000
Total expenses	\$7,120,000	\$12,000,000
Operating Income (Loss)	\$941,000	\$1,412,000

As shown, a new arena with no NHL tenant is estimated to generate approximately \$13.4 million in annual revenues and incur \$12.0 million in annual operating expenses, resulting in an annual operating profit of approximately \$1.4 million.

New Arena – NHL Tenant

The operations of an NHL arena typically differ significantly from the operations of minor league venues. In most cases, the NHL franchise is responsible for the operations of the arena, retaining all NHL and non-NHL event revenue as well as revenue from naming rights, advertising and other non-event specific revenue streams.

For purposes of this analysis, it is assumed that the NHL franchise would operate the building and retain all arena revenues. The team is also assumed to be responsible for all arena operating expenses. The following is a summary of the assumptions utilized in estimating the financial operations of an NHL franchise and facility in Hartford.

10.0 Financial Analysis

Summary of Key Operating Assumptions - New Arena with NHL Tenant

Event Type	Annual Events	Ave Pd Attendance	No-Show/Comp Factor	Actual Attendance	Direct Event Revenue	Per Capita Spending			
						Tickets	Concessions	Catering	Merchandise
Tenant Hockey (NHL)	45	15,000	5%	14,250	n/a	\$55.00	\$10.00	\$40.00	\$4.00
Tenant Football	7	6,000	5%	5,700	30,000	\$15.00	\$6.00	\$25.00	\$1.50
Tenant Lacrosse	8	10,000	5%	9,500	30,000	\$22.00	\$6.00	\$25.00	\$1.50
UCONN Basketball	21	15,000	10%	13,500	30,000	\$15.00	\$5.00	\$25.00	\$1.50
Concerts	10	10,000	-10%	11,000	25,000	\$40.00	\$7.00	\$25.00	\$7.00
Family Shows	28	3,500	-20%	4,200	15,000	\$20.00	\$2.00	\$25.00	\$4.00
Other Sports	12	9,000	10%	8,100	10,000	\$15.00	\$3.50	\$25.00	\$2.50
Flat Floor	5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other Events	5	5,000	0%	5,000	5,000	\$1.00	\$2.00	\$0.00	\$0.00

Premium Seating

Suites:	
Quantity	80
Tickets per suite	16
Sold	75
Average Price	\$125,000

Club Seats:	
Quantity	2,500
Sold	2,000
Average Price	\$4,000

Corporate Revenue

Annual Naming Rights	\$3,000,000
Annual Advertising	\$5,000,000

The assumptions related to non-hockey events, including other tenant events, are assumed to remain the same whether the arena is home to an AHL or NHL tenant. However, estimates related to premium seating, naming rights, advertising and hockey event assumptions have been adjusted to reflect the presence of an NHL franchise.

In addition to the arena-related assumptions presented in the table, estimates were developed related to the potential team-related revenues and expenses that could result from NHL franchise operations. These assumptions were based on operating results of existing NHL franchises.

The following table summarizes the estimated financial operations of an NHL franchise and arena in Hartford.

10.0 Financial Analysis

Estimated Financial Operating Results NHL Arena and Franchise

Revenues

Arena Related

Direct Event Income (Non-NHL Events)	\$1,920,000
CT Ticket Surcharge	1,389,000
Premium seating	17,375,000
Naming rights	3,000,000
Food and beverage	5,216,000
Advertising	5,000,000
Merchandise	581,000
Other	600,000
Total Arena Revenues	\$35,081,000

Team Related

NHL Gate Receipts	\$37,125,000
Other Team Operating Revenue	31,000,000
Total Team Revenues	\$68,125,000

Total Team and Arena Revenues	\$103,206,000
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Expenses

Arena Related

Facility	\$5,500,000
General & administrative	9,500,000
Management Fee	1,250,000
Total Arena Expenses	\$16,250,000

Team Related

Player Compensation	\$44,000,000
Other Team Operations	41,200,000
Total Team Expenses	\$85,200,000

Total Team and Arena Expenses	\$101,450,000
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Operating Income (Loss)	\$1,756,000
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As shown, combined NHL team and arena operations are estimated to generate approximately \$103.2 million in total revenues and \$101.5 million in annual operating expenses, resulting in a net operating profit of approximately \$1.8 million.

11.0 Economic and Fiscal Impact Analysis

11.0 Economic and Fiscal Impact Analysis

The economic and fiscal benefits generated by public assembly facilities are often among the primary determinants regarding the decision to construct a new facility. The purpose of this section is to provide estimates of the economic impacts resulting from the historical and ongoing operations of the HCC, and to estimate the incremental impacts that could result from a new arena operating in Hartford.

Economic impacts are typically conveyed through measures of direct spending, total output, personal earnings and employment. Each of the measures of economic impact are further described below:

- *Direct Spending* – represents spending generated by the arena, including in-facility expenditures on tickets, rent, concessions, novelties and parking; out-of-facility spending on hotels, food and beverage, retail, transportation and entertainment; and spending related to the facility including advertising, sponsorships, premium seating and other similar revenues.
- *Total Output* – represents the total direct, indirect and induced spending effects generated by the arena.
- *Personal Earnings* – represent the wages and salaries earned by employees or business involved with a public assembly facility.
- *Employment* – represents an estimate of the full- and part-time jobs that are supported by the direct, indirect and induced spending related to the arena.

Direct Spending

The construction phase of an arena represents a significant one-time impact on a local economy. This impact is determined by the volume and nature of the construction expenditures as well as the region in which they take place. Direct spending on construction typically consists primarily of a large number of purchases of materials and labor. Since these large purchases tend to take place in a relatively short time frame, a distinct and visible impact on the community is typically generated during the construction phase.

11.0 Economic and Fiscal Impact Analysis

The operations of arenas and their tenants can also impact the local economy in a variety of ways. Direct spending is generated during events on tickets, concessions, merchandise and parking as well as before and after events throughout the local hotels, restaurants, retail and other establishments. In addition, the operations of a public assembly facility can generate facility-related spending in areas such as advertising, premium seating, naming rights and sponsorships.

It is important to note that, in the scenario with an NHL tenant, direct spending has been adjusted downward to reflect the fact that a significant portion of the spending will be allocated to player payroll. Due to the unique nature of professional sports salaries, a significant portion of this spending is assumed to take place outside the local economy.

Direct spending represents the beginning of the calculation of economic impacts within the economy, or what is termed the initial change in final demand. For purposes of this analysis, impacts are represented as total economic activity and net new economic activity. Total economic activity represents gross spending associated with the construction and operations of the arena regardless of the origin of spending and whether or not the spending would have taken place in another form within the local economy (i.e. displaced spending). Net new economic activity represents gross spending that has been adjusted to account for only the spending that (a) originates from outside the immediate area, (b) originates from inside the area but normally occurs outside the area, or displaced spending.

Multiplier Effects

Economic impacts are further increased through the re-spending of the direct spending. The total impact is estimated by applying an economic multiplier to initial direct spending to account for the total economic impact. The total output multiplier is used to estimate the aggregate total spending that takes place, beginning with the direct spending and continuing through each successive round of re-spending. Successive rounds of re-spending are generally discussed in terms of their indirect and induced effects on the area economy.

Indirect Effects – consist of the re-spending of the initial or direct expenditures. These indirect impacts extend further as the dollars constituting the direct expenditures continue to exchange hands. This process, in principle, could continue indefinitely. However, recipients of these expenditures may spend all or a part of it on goods and services outside the market area, put part of these earnings into savings, or pay taxes. This spending halts the process of subsequent expenditure flows and does not generate additional spending or impact within the community after a period of time. This progression is termed leakage and reduces the overall economic impact.

11.0 Economic and Fiscal Impact Analysis

Induced Effects – consist of the positive changes in spending, employment, earnings and tax collections generated by personal income associated with the operations of the facility and franchises. Specifically, as the economic impact process continues, wages and salaries are earned, increased employment and population are generated, and spending occurs in virtually all business, household and government sectors. This represents the induced spending impacts generated by direct expenditures.

The appropriate multipliers to be used are dependent upon certain regional characteristics and also the nature of the expenditure. An area that is capable of producing a wide range of goods and services within its border will have higher multipliers, a positive correlation existing between the self sufficiency of an area's economy and the higher probability of re-spending occurring within the region. If a high proportion of the expenditures must be imported from another geographical region, lower multipliers will result.

The multiplier estimates used in this analysis are based on the IMPLAN System, which is currently used by hundreds of universities and government entities throughout the country. IMPLAN is a microcomputer program that performs regional input-output analysis based on 528 industrial sectors.

Summary of Construction Impacts

The initial impacts associated with the development of a new arena would be in the form of impacts taking place during the construction period as a result of spending on material and labor. The amount of economic impacts taking place during the construction period will depend on the project cost for the arena, which could vary greatly depending on capacity, square footage, level of finish and amenities and other such factors.

In order to provide a preliminary estimate of the range of project costs that could be associated with the development of a new arena in Hartford, the following table presents construction costs of several comparable minor league and NHL arenas. The costs presented in the table have been adjusted to 2006 dollars using an annual inflation factor of 7.5 percent. In addition, the project costs for each arena have been adjusted to reflect the estimated cost if the arena were constructed in Hartford based on the relative construction cost indices of each respective market.

11.0 Economic and Fiscal Impact Analysis

Comparable Arena Construction Costs

Facility	Location	Year Opened	Project Cost (1)
<i>Minor League</i>			
Ford Center	Oklahoma City, OK	2002	\$151.7
Wells Fargo Arena (2)	Des Moines, IA	2004	293.1
Veterans Memorial Coliseum	Jacksonville, FL	2003	210.3
Qwest Center (2)	Omaha, NE	2003	430.6
Sprint Center	Kansas City, MO	2007	282.9
Bi-Lo Center	Greenville, SC	1998	163.4
Minor League Average			\$255.3
<i>NHL-Only</i>			
Gaylord Entertainment Center	Nashville, TN	1996	\$395.3
Glendale Arena	Glendale, AZ	2003	310.8
BankAtlantic Center	Sunrise, FL	1998	473.1
Xcel Energy Center	St. Paul, MN	2000	253.3
RBC Center	Raleigh, NC	1999	406.3
St. Pete Times Forum	Tampa, FL	1996	382.9
HSBC Arena	Buffalo, NY	1996	272.8
Nationwide Arena	Columbus, OH	2000	287.4
NHL Only Average			\$347.7
Average - All Arenas			\$308.1

- (1) Adjusted to 2006 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.
- (2) Includes an arena and convention center.

As shown, the average project cost of the arenas included in the analysis was approximately \$308.1 million in 2006 dollars adjusted to reflect the building cost indices of the respective markets. Adjusted project costs range from a low of \$151.7 million for the Ford Center in Oklahoma City to a high of \$473.1 million at the BankAtlantic Center in Sunrise, Florida.

Based on factors such as the costs of comparable arenas built in other markets, the relatively high building cost index of the Hartford market and the rapid inflation of construction costs throughout the country, it is estimated that a new, NHL-ready facility in Hartford could range from approximately \$300.0 million to \$400.0 million. The actual project cost and resulting economic impacts could vary greatly depending on the final project design.

Based on an estimated \$400.0 million project cost, the following table summarizes the economic impacts estimated to take place during the construction period. The impacts represent the estimated gross economic impact related to arena construction.

11.0 Economic and Fiscal Impact Analysis

Estimated Economic and Fiscal Impacts Construction - One-Time Impacts

Project Cost	\$400,000,000
Adjusted Local Spending	\$300,000,000
Total Output	\$541,243,000
Earnings	\$266,204,000
Jobs (1)	5,100

(1) Includes full- and part-time jobs

It is assumed that approximately 75 percent of spending associated with arena construction would take place within the Hartford market. Therefore, a local spending adjustment has been made to account for spending assumed to take place outside of Hartford. Total economic and fiscal activity associated with the construction of the proposed arena is estimated to include \$300.0 million in total local direct spending, \$541.2 million in total output, \$266.2 million in total earnings and 5,100 jobs.

Summary of Operations Impacts

The following table presents the estimated annual economic and fiscal impacts estimated to be generated by a new arena in Hartford under each potential tenant hockey scenario. As noted previously, the estimates presented herein represent the gross estimated impacts related to on-going arena operations. For comparison purposes, the estimated economic impacts generated by the current operations of the HCC have also been included in the table.

Estimated Economic and Fiscal Impacts Annual Arena Operations

	HCC 2004/05	On-Going HCC	New Arena	
			NHL (2)	AHL
Direct Spending	\$30,893,000	\$31,414,000	\$82,963,000	\$42,229,000
Total Output	\$51,952,000	\$52,876,000	\$140,022,000	\$71,280,000
Earnings	\$25,272,000	\$25,814,000	\$69,201,000	\$35,703,000
Jobs (1)	1,100	1,200	3,200	1,600
Tax Revenues				
State Sales	\$1,327,000	\$1,346,000	\$2,797,000	\$1,667,000
State Lodging	\$50,000	\$48,000	\$76,000	\$46,000
State Personal Income	\$863,000	\$881,000	\$2,362,000	\$1,219,000
State Business	\$178,000	\$181,000	\$480,000	\$244,000
Total State Taxes	\$2,418,000	\$2,456,000	\$5,715,000	\$3,176,000

(1) Includes full- and part-time jobs

(2) Direct spending has been adjusted downward to reflect the assumption that a significant portion of the spending related to an NHL franchise is allocated to player payroll, and that only a portion of player spending will actually impact the local economy.

11.0 Economic and Fiscal Impact Analysis

As shown, the HCC is currently estimated to generate approximately \$30.9 million in direct spending, resulting in approximately \$52.0 million in total output and supporting 1,100 jobs with approximately \$25.3 million in annual earnings. The impacts of HCC operations are not anticipated to change significantly in future years, as event and attendance patterns are estimated to remain relatively stable. However, tax revenues are estimated to decrease slightly due primarily to declining convention and flat floor utilization.

Gross impacts related to the operations of a new arena are estimated to include \$42.2 to \$83.0 million in direct spending, \$71.3 to \$140.0 million in total output, \$35.7 to \$69.2 million in earnings and 1,600 to 3,200 jobs. The operations of a new arena are estimated to generate gross State taxes of approximately \$3.2 to \$5.7 million.

The economic impacts associated with an NHL arena are assumed to be significantly higher than the impacts of an arena with only minor league sports tenants. An NHL franchise is assumed to draw significantly higher attendance levels, resulting in increased spending in the arena and outside of the facility before and after events. In addition, spending related to premium seating, sponsorships and other such revenue streams are estimated to be significantly higher at an NHL arena.

Non-Quantifiable Benefits

In addition to the economic effects of money spent on arena construction and at arena events, the Hartford market could receive additional benefits from the development of a new arena through the development of restaurants, bars, hotels and other establishments in the area surrounding the new arena. Several communities have found that the development of entertainment facilities can spur new business growth and revitalize the immediate area in which the arena is developed.

The effects of attracting patrons to a concentrated area will impact numerous industries and enhance economic activity throughout the market area. It is possible that the development of a new arena in Hartford could attract various commercial and retail developments to vacant or under-utilized parcels in the downtown area. Such developments could include office, hotel, restaurant, retail and related developments that could benefit directly from the operations of the proposed arena. Indirect impacts can benefit support industries including transportation, wholesale, manufacturing, warehousing and other such industries. However, it should be noted that the development of a new arena could have an adverse impact on businesses located near the HCC should the Center cease operations.

11.0 Economic and Fiscal Impact Analysis

In addition to the quantified benefits generated from the construction and on-going operations of the proposed arena, there are other benefits that cannot be quantitatively measured. Potential qualitative benefits for the local and regional market area could include:

- Enhanced growth and ancillary private sector development spurred by the operations of an arena;
- Diversified entertainment alternatives for families in the local area;
- New advertising opportunities for local businesses;
- Enhanced community pride, self-image, exposure and reputation; and
- Other such benefits.

Appendix A: Architectural Glossary

Term	Definition:
360 degree fascia/ribbon board	LED communication medium encompassing the entire arena bowl. (See LED board).
720p/1080p	HD (high definition) television production formats. With 720p production, the picture resolution is 280x720 pixels, sent at 60 frames per second. With 1080p production, the picture resolution is 1920x1080 pixels, sent at 60 frames per second.
AC power	Alternating Current – Power that comes from a power plant (as opposed to a fuel cell or battery). In the United States, the direction of the current reverses, or alternates, 60 times per second.
ADA	Americans with Disabilities Act of 1990 forbids discrimination of those that are disabled.
AHU	Air Handling Unit – part of the mechanical systems of the arena that includes the fans, filters, and coils in the HVAC system.
aspect ratio	A method of describing proportions of a TV picture in terms of width and height. For example, in analog TV, the aspect ratio is 4:3, meaning the picture is four units wide by three units tall. The HD format for digital TV has a 16:9 aspect ratio.
air curtain	A mechanical device that creates an invisible barrier of high velocity air to stop cold or warm air from infiltrating interior areas.
attic stock	Extra units of finish material or furniture that is stored for later use as replacements for deteriorated or damaged units.
ATS	Automatic Transfer Switch – a device that automatically switches to emergency power on a loss of normal power.
back-of-house	A non-public, facility operations area.
baffle	A free hanging acoustical sound absorbing unit, normally suspended vertically in a variety of patterns to introduce sound absorption into a space so as to reduce reverberation and noise levels.
biometric door locks	A door lock that controls access by identifying users based on physical traits, using sensors, computers, and software.
bollards	A series of posts that prevents vehicle access into the facility.
broadband	A communications network in which the bandwidth can be divided and shared by multiple simultaneous signals (as for voice or data or video).
building program	The general purpose and detailed requirements of a building, including a list of rooms, their sizes and uses, special facilities, etc.
bus duct	Copper or aluminum bars, enclosed in a metal housing, that carry electrical power and are used instead of wire and conduit.
cam lock	A type of electrical connector that allows quick and safe connection of temporary cables to an electrical supply panel.
circuit interrupter	A safety device that interrupts the flow of electricity in a circuit whenever there is too much current flowing through that circuit.

Appendix A: Architectural Glossary

Term	Definition:
CHW	Chilled Water – water that has had some heat removed so that it acts as the coolant as it is distributed in a building cooling system.
control joint	A groove which is formed, sawed, or tooled in a material to regulate the location and amount of cracking resulting from the dimensional change of different parts of the structure.
conduit	A metal or plastic pipe that houses electrical wiring.
CP	Chiller Central Plant - The area where chilled water is produced for use in building cooling systems. It includes equipment such as chillers, pumps, and water treatment systems.
crash bars	Metal and/or plastic rail systems that protect corridor walls from damage in high traffic areas.
dampers	Mechanical devices used to control air flow.
dry type transformer	An air-cooled electrical device that changes voltage from one level to another (e.g. 480 volts to 120 volts).
dt	Delta T – the temperature difference between supply and return water in a chilled water system.
EMCS	Energy Management Control System – a system that controls electrical and mechanical devices to maximize the efficiency of the HVAC system. Demand and/or peak shaving of electrical power systems may be included.
eng/sat pedestal	Electrical connection points for satellite truck operations.
flake flooring	An extremely durable, seamless flooring system made of acrylic chips or colored quartz sand in an epoxy medium, and sealed with a clear coat.
HDTV	High Definition Television – high-resolution digital television combined with Dolby Digital surround sound. Also known as HiDef.
headend equipment	The central distribution point in a cable television network.
HVAC	Heating, Ventilation and Air Conditioning – the system used to condition the air in the arena.
Lavatory	Generally referred to as a sink.
LED board	A high resolution, full-color, electronic display panel utilizing light emitting diodes.
MEP	Mechanical, Electrical and Plumbing – the collection of design disciplines in the contract and/or bid documents that includes, but is not limited to, air conditioning, power supply, wiring, location of light fixtures, surge protection, fire protection, water supply and draining, etc.
metal halide fixtures	A type of high intensity discharge light fixture that most closely approximates daylight. Always used for sports events or TV coverage.
millwork	Finished woodwork, including moldings, door frames, cabinetry, etc. Normally does not include flooring, ceilings, or siding.

Appendix A: Architectural Glossary

Term	Definition:
nosing	The projection of a stair tread above a riser. (The tread is the horizontal surface of a step; the riser is the vertical face of a step.)
Order of Magnitude number	Estimated cost based on approximate cost models or expert analysis, to be used as information only.
OSHA	U.S. agency under that publishes and enforces safety and health regulations.
PBX telephone system	Private Branch Exchange – a switched network of telephone connections in which each telephone has an extension, and multiple phones share lines to a public switched telephone network (PSTN) outside.
plenum	Space used for the expressed purpose of conveying air in a Heating Ventilating and Air Conditioning system.
PM program	Preventative Maintenance program – a program of regular and systematic inspection, cleaning, and replacement of worn parts, materials, and systems, ensuring that they are in good working order, so as to help prevent failure.
POS system	Computerized point of sale system used to track sales and product usage.
Quad	Refers to an area of a building floor plan as divided into four quadrants, usually starting with Quad A at the top right and continuing clockwise.
raker	An inclined structural member, such as any one of the inclined beams (raker beams) that support the seating bowl.
RF	Radio Frequency – an alternating current that when supplied to an antenna, creates an electromagnetic field that propagates through space.
seating bowl	The entire spectator seating area in an arena, stadium, or amphitheater, that is open to the event floor or playing field.
shore power	Electricity provided to a vehicle by an external source other than the vehicle's batteries.
slab	A concrete mat poured on prepared and compacted soil, serving as a floor or pavement.
smart breaker	Circuit breaker with solid state electronic trip units that allow for multiple choices of operation.
soffit	Any overhead component in a building that extends below the main ceiling surface.
Stonhard	A manufacturer of corrosive-proof floor coatings.
sump basin	Depressed pit where water is collected and pumped out.
switchboard	An electrical device with circuit breakers, similar to an electrical panel, that is normally used for main distribution or large feeder circuits.
terrazzo	Marble-aggregate concrete that is cast in place or precast and ground smooth; used as a decorative surfacing on floors and walls.

Appendix A: Architectural Glossary

Term	Definition:
undermining	The loss of supporting material from underneath a surface, causing the surface to fail. Often caused by sub-surface erosion or uneven settlement.
video walls	Large format displays consisting of several television screens arranged in a mosaic pattern.
VAV boxes	Variable Air Volume Boxes – used for zone control in an HVAC system.
variable frequency drive	A speed control device for induction motors that controls the speed of the motor by changing the frequency of the applied voltage.
VCT	Vinyl Composition Tile – a commercial-grade type of vinyl flooring that is less flexible than vinyl tile or sheet vinyl flooring.
vomitory	An entrance or opening into the seating area of an arena, stadium, or amphitheater.
Water Closet	Generally referred to as a toilet.
Zolatone	A brand name of multicolor textured paint that is applied in a two-step process with a pressure spray system that atomizes the product.

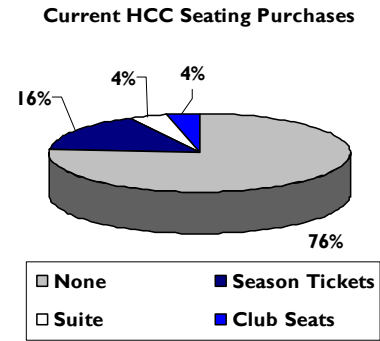
Appendix B: Additional Survey Results

Appendix B: Additional Survey Results

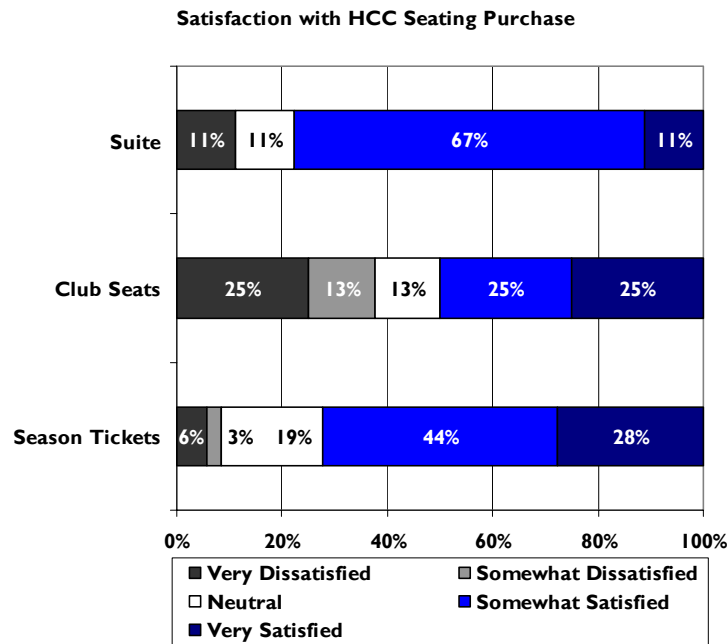
The purpose of this Appendix is to present additional survey results that were not discussed within the body of the report...

Current HCC Seating

Survey respondents were initially asked what seating, if any, they currently purchase at the HCC. As summarized in the chart to the right, 24 percent of survey respondents currently purchase seating, including four percent leasing a suite, four percent purchasing club seat memberships and 16 percent purchasing season tickets to one or more of the Center's tenant sports teams.



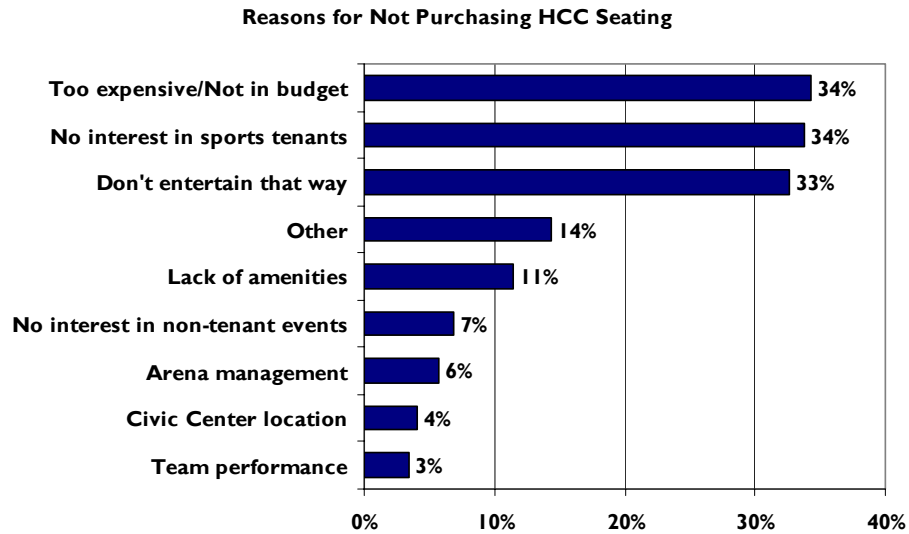
Respondents who currently purchase a suite, club seats or season tickets at the HCC were asked to rate their satisfaction with their experience as an HCC seat holder. The following chart summarizes their responses, separated by the type of seating purchased.



As shown, approximately 78 percent of suite holders and 72 percent of season ticket holders indicated that they have been satisfied with their experiences at the HCC. However, just 50 percent of club seat holders indicated satisfaction with their experiences, while 25 percent indicated they are “very dissatisfied” with their experience.

Appendix B: Additional Survey Results

Respondents whose companies do not currently purchase seating at the HCC were asked whether there are any specific reasons why they do not purchase seating. The following chart summarizes their responses.

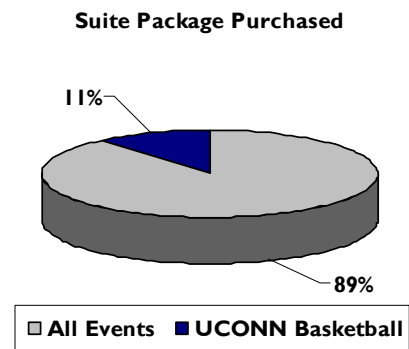


As shown, the expense associated with purchasing seating at the HCC was the most common reason why respondents do not purchase seating, along with a lack of interest in the Center's current sports tenants. In addition, several respondents indicated that their companies do not use seating at sports and entertainment venues to entertain clients or associates.

The perception among local corporations who do not currently purchase seating that the seating options at HCC are too expensive, along with the relatively high percentage of unleased premium seating at the Center, could indicate that the current pricing of current HCC premium seating offerings may be too aggressive.

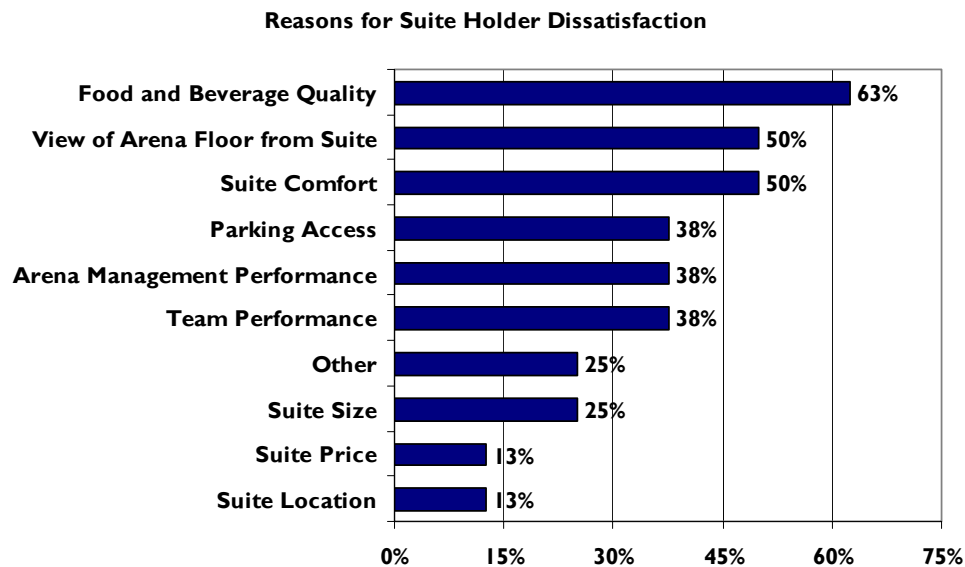
Suite Holders

Following the introductory questions pertaining to seating purchases at the HCC, respondents were asked a series of questions pertaining to the specific type of seating they currently purchase. Current HCC suite holders were asked which suite package their company currently purchases. As summarized in the chart to the right, approximately 89 percent of respondents who lease a suite currently purchase an all events package, while 11 percent lease a suite for UCONN games only. None of the respondents indicated that they purchase a Wolf Pack hockey only suite package.



Appendix B: Additional Survey Results

As noted previously, approximately 78 percent of suite holders indicated that they have been satisfied with their experiences as a suite holder at the HCC, including 11 percent who indicated that they have been “very satisfied”. Respondents who did not indicate that they are very satisfied with their experience were asked why they have not been more satisfied. Respondents were allowed to select more than one possible answer. The following chart summarizes their responses.

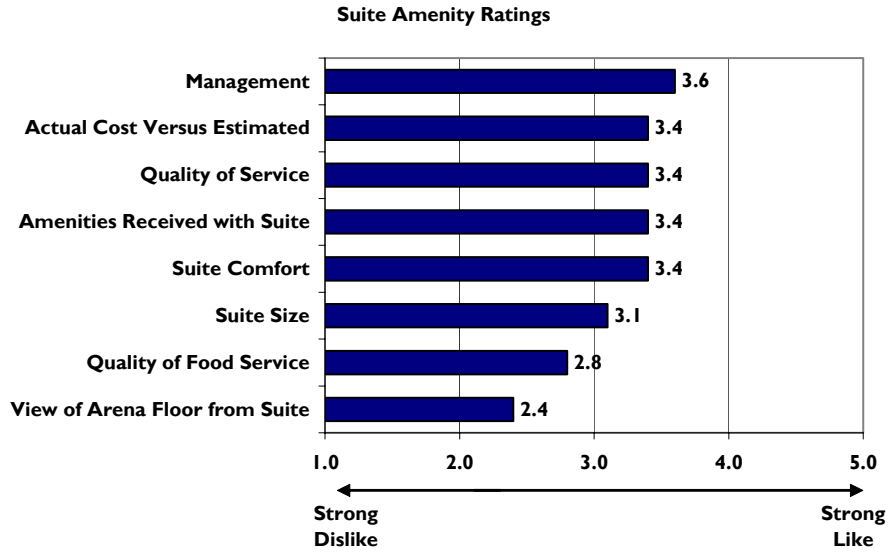


As shown, food and beverage quality was the most commonly cited reason for suite holder dissatisfaction, followed by the view of the arena floor from the suite and the comfort of the suites. Some of the reasons stated as sources of suite holder dissatisfaction could potentially be addressed through a renovation of the HCC, including the sightlines, comfort, size and location of the suites. However, making these improvements to the suites would likely require a major renovation of the interior of the Center.

Conversely, some certain aspects of the suite experience, such as food and beverage quality, and the performance of arena management and the tenant teams could potentially be improved without requiring any physical modifications to the building.

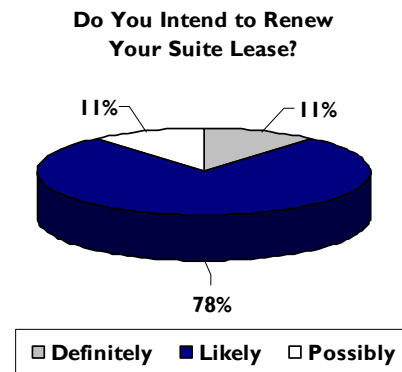
All suite holders were asked to rate each of several specific suite amenities on a scale of one to five, with one representing “Strong Dislike” and five representing “Strong Like”. The following chart summarizes the average rating assigned to each suite characteristic.

Appendix B: Additional Survey Results



The suite amenity ratings are consistent with the results of the previous survey question, which indicated that the quality of food service and the view of the arena floor from the suites are the most commonly perceived shortcomings of the suites at the HCC. The costs associated with the suite received relatively positive ratings and were not cited by any suite holders as a reason for dissatisfaction, which could indicate that the suites are priced appropriately.

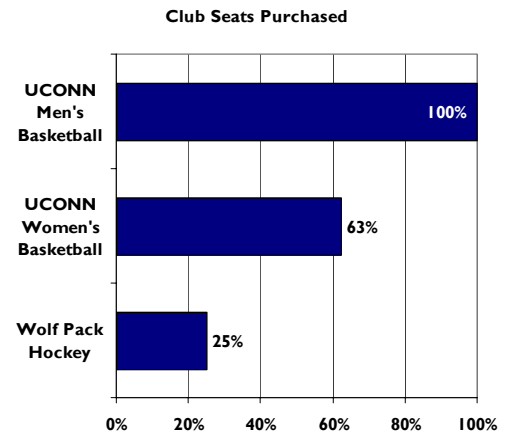
Existing suite holders were asked whether they intend to renew their suite leases at the Civic Center, assuming no renovations take place. As summarized in the chart to the right, 11 percent indicated they would definitely renew their suite, 78 percent indicated they would likely renew and 11 percent indicated they would possibly renew. None of the respondents indicated they would definitely not renew their suite. This appears to indicate that major improvements to the HCC may not be required to retain existing suite holders



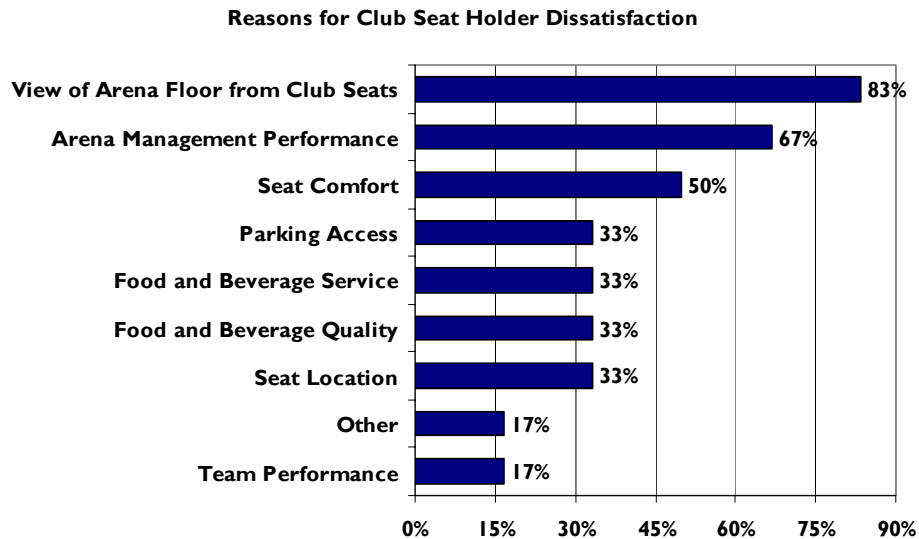
Appendix B: Additional Survey Results

Club Seat Holders

Club seat holder survey respondents were asked which club seat package or packages their company currently purchases. As summarized in the chart to the right, several respondents purchase club seat tickets to more than one HCC tenant. Specifically, all of the respondents who currently purchase club seat seats purchase their seats for UCONN men’s basketball, 63 percent purchase their seats for UCONN women’s basketball and 25 percent purchase their seats for Wolf Pack hockey.



As noted previously, approximately 50 percent of club seat holders indicated that they have been satisfied with their experiences as a club seat holder at the HCC, including 25 percent who indicated that they have been “very satisfied”. Respondents who did not indicate that they are very satisfied with their experience were asked why they have not been more satisfied. Respondents were allowed to select more than one possible answer. The following chart summarizes their responses.

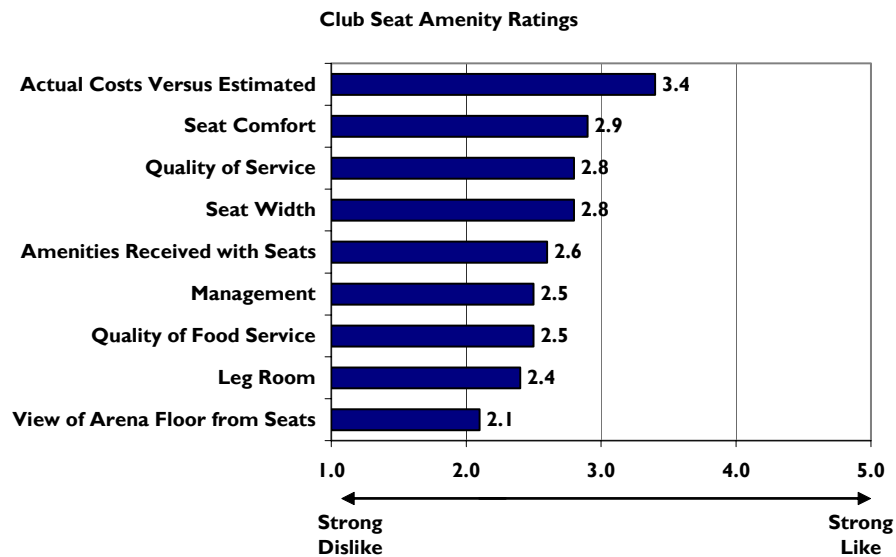


The view of the arena floor from the club seats is the most common reason for dissatisfaction among club seat holders. While club seats in the majority of arenas are located at the top of the lower seating bowl or within the lower seating bowl, the club seats at the HCC are located at the very top of the building, resulting in poor sightlines relative to club seats in most arena facilities. In order to improve the sightlines from the HCC’s club seats, the seating bowl would likely require a major renovation that would result in the club seats and club lounge being relocated to a better location within the seating bowl.

Appendix B: Additional Survey Results

While issues related to sightlines cannot easily be remedied, some of the reasons for club seat dissatisfaction, including arena management performance and food and beverage quality and service can potentially be improved without making physical changes to the club seating area.

All club seat holders were asked to rate each of several specific club seat amenities on a scale of one to five, with one representing “Strong Dislike” and five representing “Strong Like”. The following chart summarizes the average rating assigned to each club seat characteristic.

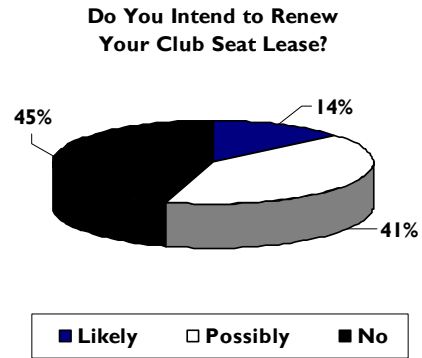


As shown, the actual costs associated with the club seats versus the estimated costs received the highest ratings among club seat characteristics. Furthermore, none of the respondents cited the cost of the club seats as a reason for dissatisfaction with their purchase. Therefore, the pricing of the club seats seems to be appropriate in the opinions of current club members

The two club seat characteristics receiving the lowest ratings were the view of the arena floor from the seats and the leg room associated with the seats. Addressing either of these perceived weaknesses of the club seats would likely require major reconstruction of the club seat area.

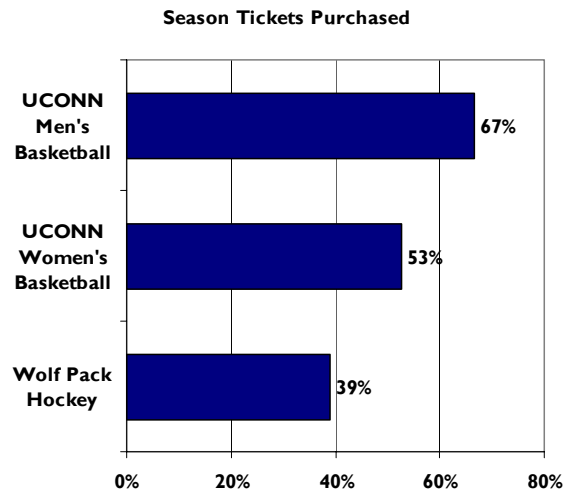
Appendix B: Additional Survey Results

Existing club seat holders were asked whether they intend to renew their club seat leases at the Civic Center, assuming no renovations take place. As summarized in the chart to the right, 45 percent indicated they do not plan to renew their club seats, while 41 percent indicated they will possibly renew and 14 percent will likely renew. None of the respondents indicated they definitely plan to renew their club seats. This could indicate that changes will need to be made to the prices and/or amenities associated with the club seats in order to maintain membership levels in future years.



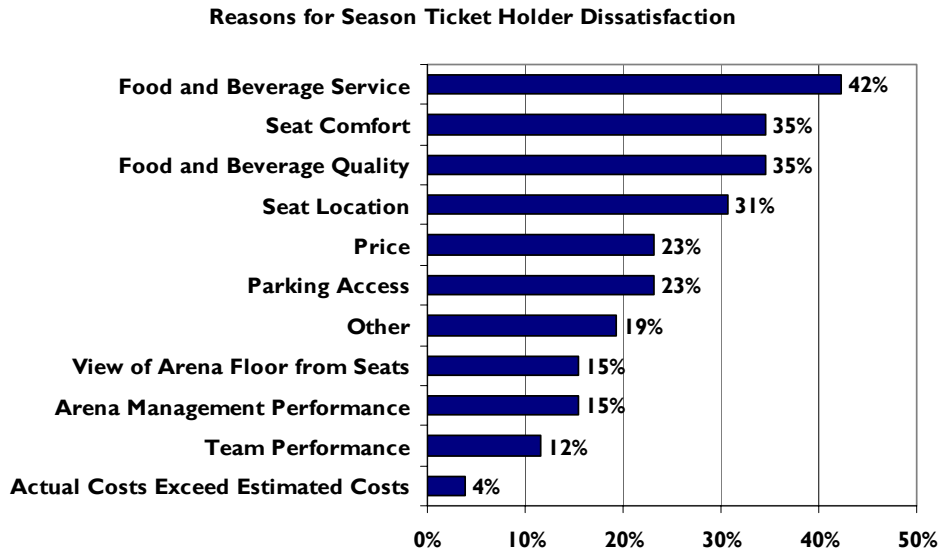
Season Ticket Holders

Season ticket holder survey respondents were asked which season tickets their company currently purchases. As summarized in the chart to the right, 67 and 53 percent purchase season tickets for UCONN men's and women's basketball, respectively, while 39 percent currently purchase Wolf Pack season tickets.



As noted previously, approximately 72 percent of season ticket holders indicated that they have been satisfied with their experiences at the HCC, including 28 percent who indicated that they have been "very satisfied". Respondents who did not indicate that they are very satisfied with their experience were asked why they have not been more satisfied. Respondents were allowed to select more than one possible answer. The following chart summarizes their responses.

Appendix B: Additional Survey Results

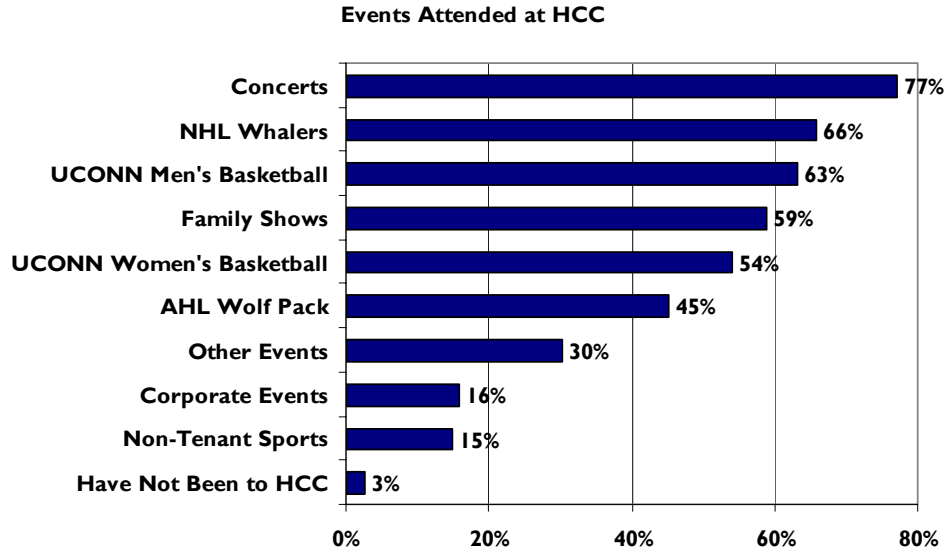


Food and beverage service and quality were two of the most commonly cited reasons for dissatisfaction among season ticket holders, along with the comfort and location of their seats. The dissatisfaction with food and beverage service was also reflected in the survey results among suite and club seat holders, which could indicate that food and beverage improvements are needed across the board. However, the extent to which food and beverage service can be improved may be limited somewhat by the space constraints of the current building, which may not be able to accommodate additional food and beverage points of sale.

HCC Perceptions

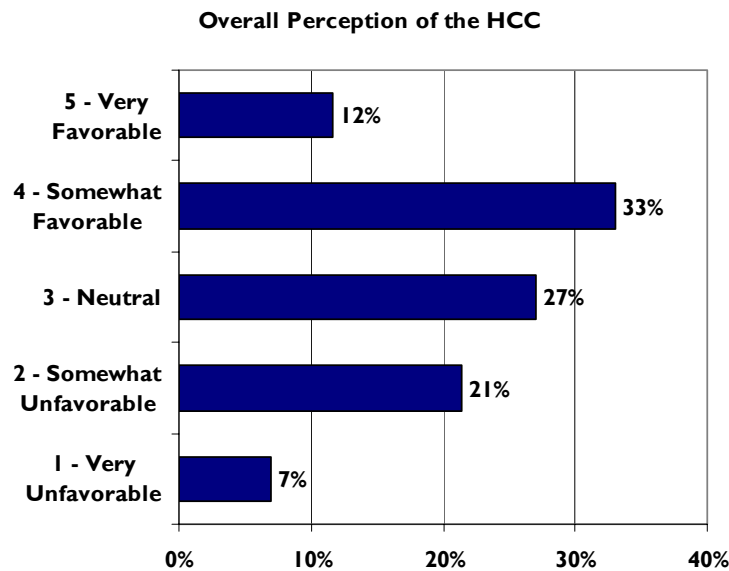
All survey respondents were asked which events they have personally attended at the HCC in the past. The following chart summarizes the percent of respondents who indicated they have attended each event type at the Center.

Appendix B: Additional Survey Results



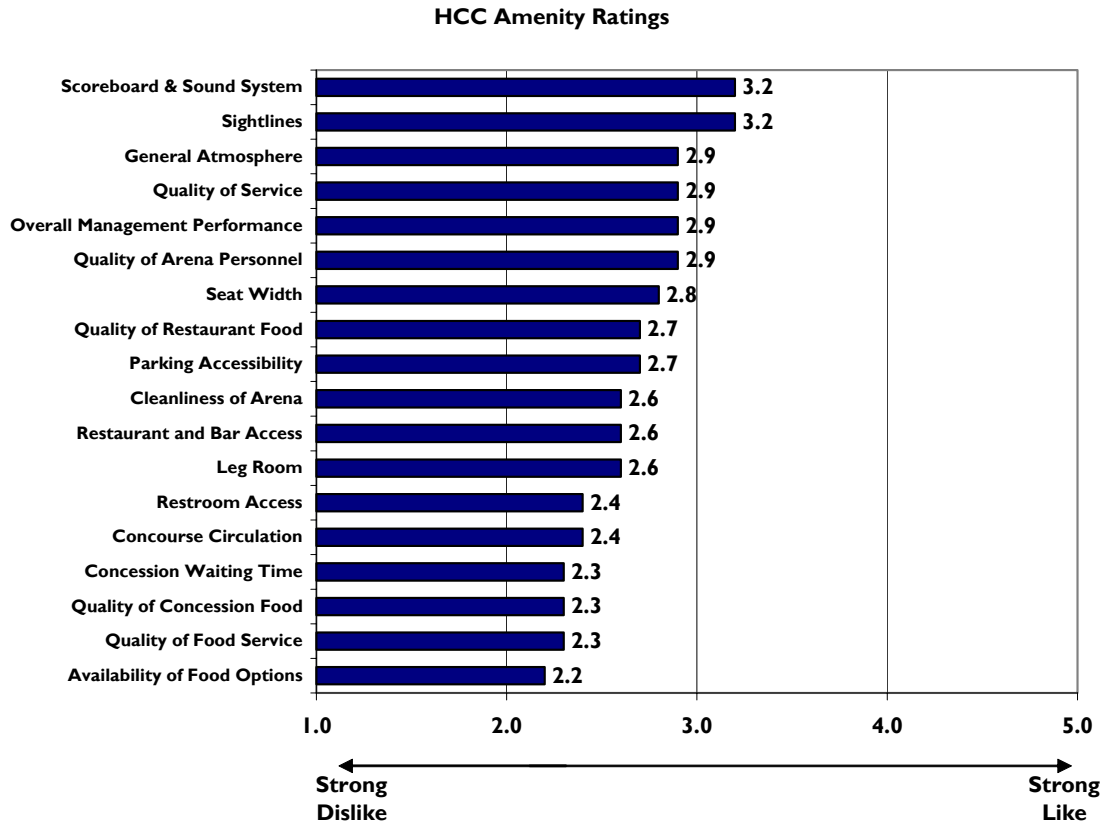
As shown, approximately 77 percent of survey respondents have attended a concert at the HCC, while 66 percent attended a Whalers game while the team was playing in Hartford. In total, 97 percent of survey respondents have attended an event at HCC.

Respondents who have attended an event at the Center were asked to rate their overall perception of the facility on a scale of one to five, with one being “Very Unfavorable” and five being “Very Favorable”. The following chart summarizes their responses.



As shown, approximately 45 percent of respondents have a favorable perception of the HCC, while 28 percent have an unfavorable perception and 27 percent are neutral. Respondents were asked to rate their opinions on several specific characteristics of the HCC on a scale of one to five, with one being “Strong Dislike” and five being “Strong Like”. The following table summarizes the average rating of each amenity.

Appendix B: Additional Survey Results



As shown, various aspects of the food service at the Center received relatively low ratings from past HCC event patrons. Specifically, the availability of food options, the quality of food service, the quality of concession food and concession waiting time were the four lowest-rated HCC amenities. Some of these deficiencies may be able to be addressed to some extent through improvements in the products, methods and processes used by the Center’s food service provider. However, the physical constraints of the building, including the relatively low number of concessions points of sale, limit the ability to significantly improve food service operations.

Other aspects of the HCC receiving relatively low ratings include concourse circulation, restroom access and leg room. Modern arenas typically offer wider concourses, more restrooms and more comfortable, roomy seating than what is currently offered at the HCC. These shortcomings should be addressed through a renovation of the HCC or the development of a new arena to bring the facility up to the standards of more modern venues, thereby improving on several characteristics of the current HCC that have an adverse effect on patrons’ experiences at the Center.

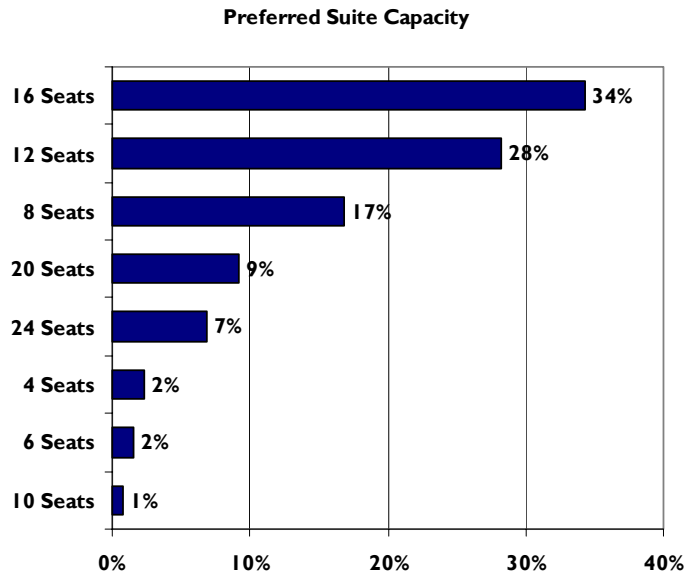
Appendix B: Additional Survey Results

Renovated HCC/New Arena Seating

Survey respondents were asked a number of questions pertaining to their interest in purchasing premium seating options such as suites, loge boxes and club seats at a renovated HCC or a new arena under various tenant scenarios, including the potential return of an NHL franchise to Hartford. The results of the majority of these questions were presented in Section 8.0 of the report. The purpose of this section is to supplement the information found in Section 8.0 with additional survey results related to seating at a renovated HCC or a new arena.

Suites

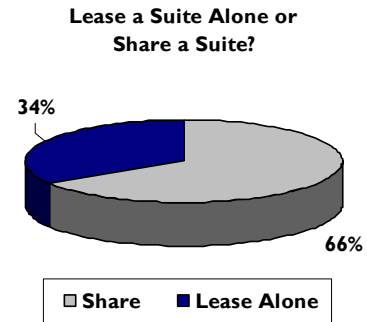
Respondents who indicated an interest in leasing a suite at a new arena at the prices tested were asked which suite seating capacity they would prefer, recognizing that the price for a suite is directly related to the seating capacity of the suite. The following chart summarizes their responses.



As shown, capacities of 12 to 16 seats are generally preferred among survey respondents. Approximately 16 percent of respondents would prefer larger suites with capacities of 20 to 24 seats, while 22 percent would prefer suites with capacities of 10 seats or fewer. In order to fully capture demand from businesses of differing sizes, a new arena should incorporate suites with a variety of seating capacities.

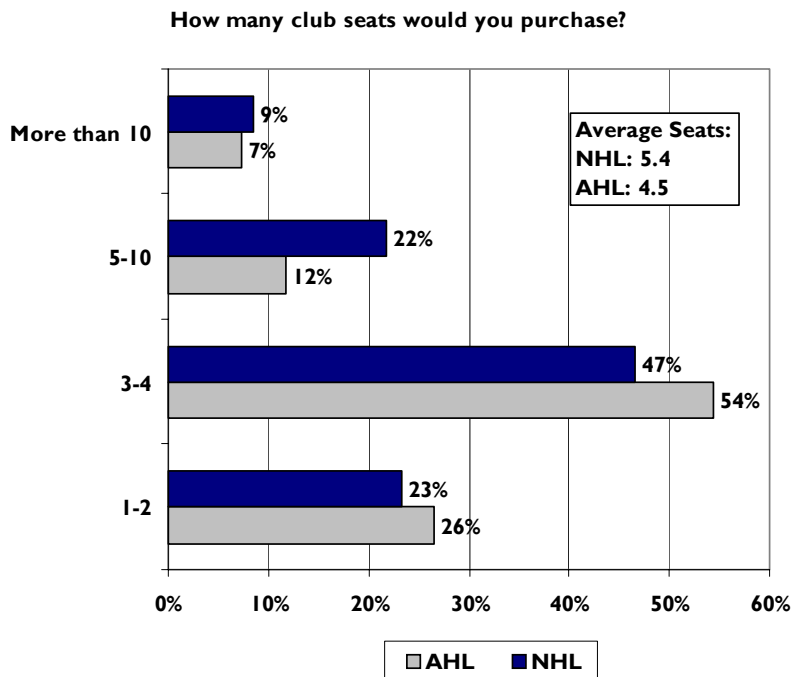
Appendix B: Additional Survey Results

Respondents with an interest in leasing a suite at a new arena were asked whether they would prefer to lease a suite alone or share the suite with another individual or organization. As summarized in the chart to the right, approximately 34 percent indicated that they would prefer to lease their own suite, while 66 percent would prefer to share a suite. Allowing suite sharing and facilitating relationships between parties who wish to enter into a shared suite lease may lead to increased sales of suites at a new arena.



Club Seats

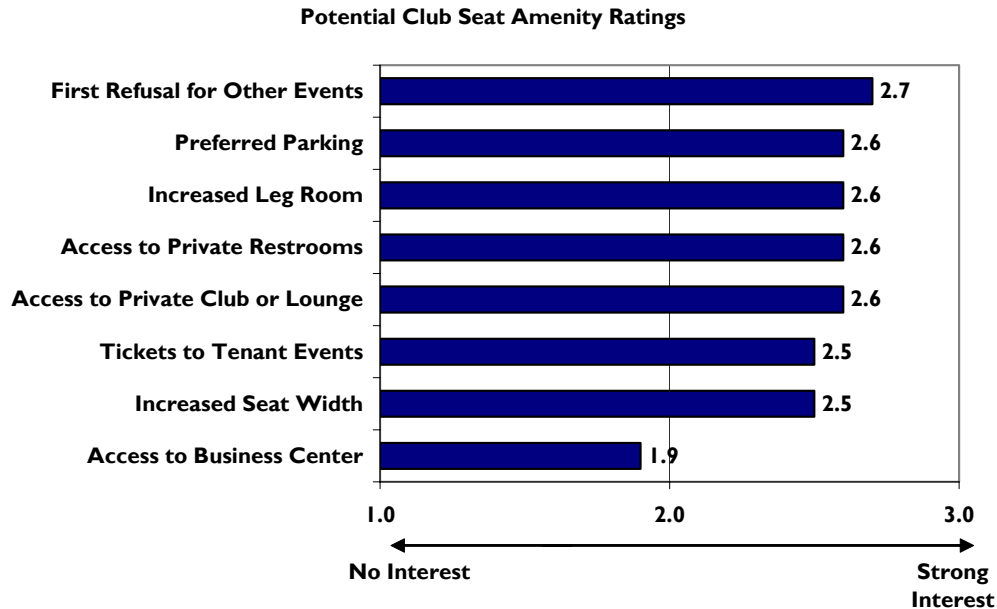
Survey respondents who indicated a positive interest in purchasing club seats at a new arena at the prices tested in the survey were asked how many seats they would likely purchase, assuming either an NHL or an AHL hockey tenant. The following table summarizes their responses.



As shown, an NHL franchise playing in the arena would likely lead to a higher number of club seats purchased per account. Specifically, the average respondent with an interest in NHL club seats indicated they would purchase 5.4 club seats, compared to an average of 4.5 seats among respondents with an interest in AHL club seats.

Appendix B: Additional Survey Results

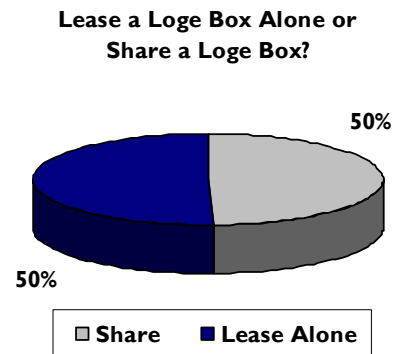
Survey participants with an interest in leasing club seats were asked to rate their interest in each of several potential amenities that could be associated with club seats at a new arena. Interest in each amenity was rated on a three-point scale where one indicated “None”, two indicated “Moderate” and three indicated “Strong”. The following is a summary of the average ratings assigned to each amenity by survey respondents.



Granting club seat holders the right of first refusal to purchase tickets to concerts and other non-tenant events was rated as the most attractive potential club seat amenity, followed by preferred parking, increased leg room, access to private restrooms and access to a private club or lounge. While many sports and entertainment facilities incorporate business centers to allow premium seating patrons to conduct business while attending events, this amenity received significantly lower ratings among potential new arena club seat lessees compared to the ratings assigned to the other amenities tested.

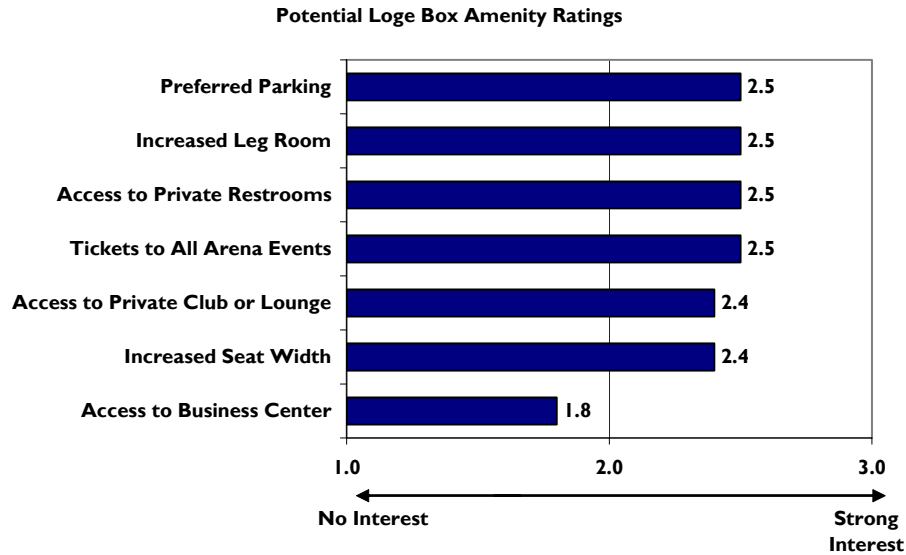
Loge Boxes

Respondents with an interest in leasing a loge box at a new arena were asked whether they would prefer to lease a loge box alone or share the suite with another individual or organization. As summarized in the chart to the right, approximately half of potential loge box lessees would prefer to share a box rather than leasing alone. Allowing loge box sharing and facilitating relationships between parties who wish to enter into a shared loge box lease may lead to increased sales of loge box at a new arena.



Appendix B: Additional Survey Results

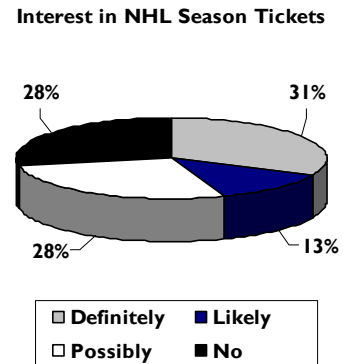
Survey participants with an interest in leasing a loge box were asked to rate their interest in each of several potential amenities that could be associated with loge boxes at a new arena. Interest in each amenity was rated on a three-point scale where one indicated “None”, two indicated “Moderate” and three indicated “Strong”. The following is a summary of the average ratings assigned to each amenity by survey respondents.



As shown, potential loge box lessees did not differentiate significantly between the majority of potential loge box amenities. As is the case among potential suite purchasers, access to a business center receive significantly lower ratings than the other amenities tested.

NHL Season Tickets

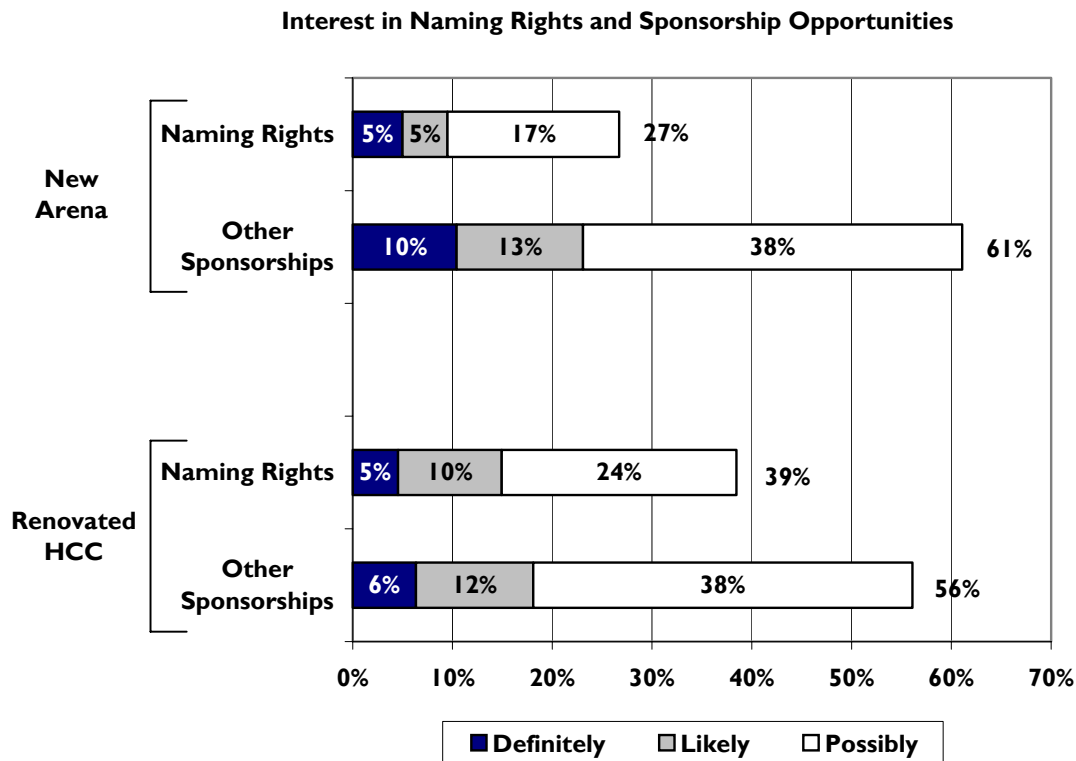
Following the discussion of various premium seating options that could be available at a new arena, all survey respondents were asked to indicate their interest in purchasing season tickets for an NHL hockey tenant playing at the proposed arena. As summarized in the chart to the right, approximately 72 percent of respondents indicated an interest in purchasing NHL season tickets, including 31 percent who indicated a “definite” interest. The average respondent with an interest in purchasing NHL season tickets indicated they would purchase 7.8 tickets.



Appendix B: Additional Survey Results

Sponsorship Opportunities

In order to evaluate the willingness of the local business community to support a renovated HCC or a new arena, survey participants were asked to indicate their companies' interest in pursuing a corporate naming rights partnership or other sponsorship opportunities such as signage, event sponsorship, promotional considerations, advertisements and other such opportunities at either development option. The following chart summarizes the percent of survey respondents indicating a positive interest in each potential sponsorship opportunity.



As shown, survey participants indicated higher levels of interest in purchasing naming rights for a renovated HCC than a new arena. It is unclear whether respondents assumed that naming rights for a new arena would carry a significantly higher price than naming rights for a renovated HCC, or what other underlying reasons may have led them to prefer naming rights for the existing facility.

While interest in naming rights was higher at a renovated HCC, survey respondents indicated higher levels of interest in pursuing other sponsorship opportunities at a new arena.