



EXECUTIVE SUMMARY

FEASIBILITY STUDY FOR AN INDOOR ACTION SPORTS COMPLEX IN CENTRAL IOWA

FEBRUARY 7, 2025





February 7, 2025

Mr. Luke Hoffman
Executive Director
Iowa Bicycle Coalition
P.O. Box 5562
Coralville, Iowa 52241

Dear Mr. Hoffman:

Conventions, Sports & Leisure International (CSL), has completed the following Executive Summary of the Feasibility Study for a potential Indoor Action Sports Complex in the Central Iowa region. The purpose of the Study is to assist the Iowa Bicycle Coalition (Coalition) and other stakeholders in evaluating key market, program, financial, economic impact, site, and funding aspects associated with a new Indoor Action Sports Complex development in Central Iowa. The full Study, provided under separate cover, should be reviewed in its entirety to gain an understanding of analysis methods, limitations and implications.

The analysis presented in this Summary is based on estimates, assumptions and other information developed from industry research, data and certain assumptions provided by the Coalition, discussions with industry participants, surveys of potential facility users, industry trend data, and analysis of competitive/comparable facilities and communities. The sources of information, the methods employed, and the basis of significant estimates and assumptions are stated in this Summary. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur. Therefore, actual results achieved will vary from those described and the variations may be material.

The findings presented herein are based on analyses of present and near-term conditions in the Central Iowa area, as well as existing interest levels by the potential base of users for a new Indoor Action Sports Complex. Any significant future changes in the characteristics of the local community, such as growth in population, corporate inventory, competitive inventory and visitor amenities/attractions, could materially impact the key market conclusions developed as a part of this study.

This Summary has been prepared for the internal use of the Coalition and other related stakeholders and should not be relied upon by any other party. The report has been structured to provide the Coalition with a foundation of research to provide decision makers with the information necessary to strategically plan for Central Iowa's future in the action sports industries, with a focus on establishing and growing its competitive position in the evolving state and regional action sports industry and should not be used for any other purpose. This Summary, its findings or references to CSL may not be included or reproduced in any public offering statement or other financing document. 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.

Sincerely,



CSL International

INTRODUCTION & BACKGROUND

- **STUDY OVERVIEW:** The Iowa Bicycle Coalition retained Conventions, Sports & Leisure International (CSL) to conduct a feasibility study of a potential new Indoor Action Sports Complex in the Central Iowa area. The purpose of the study is to assist the Client and other stakeholders in evaluating key market, program, financial, economic and ownership/management aspects of a potential new Indoor Complex that would host BMX, skateboarding and potentially other extreme/action sports activities. The full report should be reviewed in its entirety to gain an understanding of analysis methods, limitations and implications.
- **STUDY RATIONALE:** Since the 1980s, action sports such as BMX and skateboarding have evolved from youth hobbies into globally recognized sports, supported by their inclusion in events like the Olympics and the establishment of professional leagues. Action sports are defined as high-energy, nontraditional activities often associated with individual expression and skill progression. They include BMX, skateboarding, mountain biking, and other sports that blend recreation, competition, and lifestyle. This evolution has spurred the development of purpose-built facilities designed to accommodate the unique needs of these activities, reflecting their growing cultural and economic significance. Central Iowa has witnessed steady growth in action sports, particularly due to its BMX and skateboarding assets. Developing an Indoor Action Sports Complex would not only extend action sport participation in Central Iowa throughout the calendar year, but would also have the potential to attract regional and national events, further reinforcing the area's economic growth and identity as a leading sports tourism destination in the Midwest.
- **STUDY METHODS:** The study process consisted of detailed research and analysis, including a comprehensive set of market-specific information derived from the following:
 - Project Experience: Experience garnered through more than 1,000 planning and benchmarking projects involving sports, recreation and event facilities throughout the country.
 - Existing Conditions: Review of the current and evolving conditions of the Des Moines metro area and surrounding regional marketplaces, including analysis of 10 competitive indoor skate and bike facilities in the state and nearby region.
 - Comparable Analysis: Benchmarking analysis of 22 comparable bike, skate and multi-sport facilities and markets throughout the country, with a focus on facility features, market characteristics, and surrounding destination amenities.
 - Industry Trends: Detailed evaluation of micro and macroeconomic trends in the bike and skate industries.
 - Site Visit, Interviews & Outreach: Completed a multi-day site visit for tours and meetings with 50 key local stakeholders. Detailed telephone surveys were completed with representatives of potential user groups, including tenants, event organizers, and program creators related to bike and skate. In total, outreach efforts consisted of more than 20 surveys of event/program organizers who collectively represent more than 50 total events per year.

KEY STAKEHOLDER TAKEAWAYS

CSL interviewed over 50 individual stakeholders across 29 community organizations including the local tourism industry, City and County governments, economic development entities, local businesses, and hotels. These interviews led to eight primary takeaways related to the potential development of an Indoor Action Sports Complex in Central Iowa. These primary takeaways include the following:



1. **Unique Local Biking Culture:** Central Iowa is home to a rich biking culture, supported by numerous trails, community organizations, and events like RAGBRAI, which attracts cyclists from all over the world. This strong, established biking identity aligns well with the proposed facility, enhancing its potential to become a regional destination for both local and visiting cyclists.



2. **Momentum From Skatepark:** The successful launch and popularity of Lauridsen Skatepark, which draws national attention and events, demonstrates demand for action sports facilities in the area. Building on this momentum, an indoor complex could offer year-round opportunities and support other wheeled sports.



3. **Support for a Leading, Multi-Use Action Sports Facility:** Stakeholders have expressed a desire for a facility that caters to multiple disciplines within action sports, including BMX, mountain biking, skateboarding, and rollerblading, among others. Creating a comprehensive, multi-use venue could attract a wide audience and serve as a central hub for wheeled sports in the region, appealing to both serious athletes and casual participants.



4. **Successful Sports Tourism Destination:** With Des Moines already established as a popular destination for sports tourism due to its central location, affordable accommodations, and thriving sports culture, an Indoor Action Sports Complex could attract additional visitors year-round. This would not only contribute to the local economy but also support Central Iowa's position as a Midwest hub for unique and diverse sports experiences.



5. **Opportunity for Youth Development:** The proposed facility presents a unique opportunity to engage youth in healthy, confidence-building activities. Many stakeholders envision educational programs integrated with cycling, skateboarding, and other wheeled sports, promoting STEM skills, physical health, and community engagement, especially among underrepresented groups.



6. **Funding Questions:** There are significant discussions about the potential funding sources for the facility, including corporate sponsorships, private donations, and public sector support. While there is local interest, securing sustainable funding may require a coalition of stakeholders and a robust plan that demonstrates the economic and social benefits of the project.



7. **Need for Inclusivity and Accessibility:** Stakeholders emphasized the importance of ensuring accessibility and inclusivity for underserved groups in the community. This includes features like loaner equipment, affordable membership options, and programs tailored to various skill levels, ensuring the facility is welcoming and accessible to all.



8. **Integration with Existing Trail and Transport Networks:** The proposed location should ideally connect with the area's extensive bike trail and public transportation systems, which would maximize its accessibility and support eco-friendly transportation initiatives. Siting the Complex to serve as a hub for a bike, hike and Nordic ski trail network would enhance its appeal to action sports and recreation enthusiasts, thereby attracting greater foot traffic and generating greater revenue.

LOCAL & REGIONAL CONDITIONS

- **TRAIL AND BICYCLE ASSETS:** Central Iowa's strong bike and skate sport infrastructure, a key positive indicator for a potential Indoor Action Sports Complex, is reflected in its extensive trail network. The region boasts over 200 miles of paved trails in Des Moines and over 520 miles across Polk County, not only fostering a local biking community but also attracting cyclists from out of town, thus boosting the local economy and sports tourism. The trail system integrates over 100 dining and recreational amenities, providing a unique, bike-centric visitor experience. The proposed Indoor Complex aims to extend this vibrant ecosystem, providing all-weather activity options and acting as a hub in Iowa's broader trail network. With 90+ bike shops, the iconic RAGBRAI ride, and the most paved trails in the world, Iowa's strong cycling culture aligns naturally with the proposed Community Action Sports Complex.
- **LOCAL ACTION SPORTS FACILITIES:** Central Iowa has an existing inventory of existing action sports facilities at Lauridsen Skatepark, 80/35 BMX, Sleep Hallow Sports Park, and the upcoming Copper Creek Mountain Bike Park. **Lauridsen Skatepark** is the largest skatepark in the United States, covering 88,000 square feet. Based on data from Placer.ai, in the last 12 months, the track attracted 24,900 unique visitors totaling 87,400 visits with 13.90 and 9.95 percent of visitors hailing from over 50 and 100 miles away, respectively. **80/35 BMX**, located near the intersection of I-80 and I-35 in Des Moines, is designed to meet USA BMX standards with features such as a starting gate, rhythm sections, and jumps that challenge riders of all skill levels. In 2024, the track hosted 74 events over 36 weeks, including 31 local races (60 average riders per race), 22 practice sessions (17 average riders per session), and 17 beginner league sessions (31 average riders per session). Two state races attracted an average of 172 riders each, including participants from eight states. The track boasts 200 memberships, representing a significant portion of Iowa's 325 total BMX memberships, and consistently attracts participants from across the Midwest. Placer.ai data reveals 3,400 unique visitors in the past year, accounting for 12,100 total visits, with 6.41 percent and 5.79 percent of visitors traveling from over 50 and 100 miles away, respectively.
- **DEMOGRAPHICS:** The 30-minute and 90-minute drive times show significant projected growth rates of 1.1 percent and 0.7 percent, respectively, well above the U.S. benchmark of 0.4 percent. At the same time, the area is relatively young, with a median age within the 30-minute drivetime that is nearly three years younger than the national average. This suggests a notable base of young professionals, young families, and students in the area, each of which are typical users of an Indoor Action Sports Facility. The median household income within a 30-minute drive is \$88,268, with a per capita income of \$47,128, both notably higher than the national average. This suggests that much of the local market has disposable income to pay for memberships, admissions, concessions, and other priced items at a potential Indoor Action Sports Complex.
- **CBSA BEHAVIOR COMPARISONS:** The Des Moines CBSA (Core-Based Statistical Area) ranks slightly above the median (9th of 21) of similar-sized CBSA's in terms of mountain biking participation and road biking. In terms of per capita annual spending on bicycles, Des Moines ranks competitively (9th of 21) at \$83.36. A CBSA is a geographic region defined by the U.S. Office of Management and Budget that reflects urban centers and their economic connections. This demonstrates a notable consumer base willing to invest in wheeled sports and cycling equipment, a positive indicator for a potential Indoor Action Sports Complex. In terms of bike purchases, Des Moines ranks at the median with 5.36 percent of its population purchasing bikes for their children in the last 12 months. Lastly, Des Moines shows robust per capita entertainment and recreation spending at \$4,223, ranking seventh among 21 markets. This indicates a local population willing to allocate discretionary income towards recreational activities.
- **COMPETITIVE BIKE AND SKATE FACILITIES:** CSL identified only 10 indoor action sports facilities (2 BMX facilities and 8 skate facilities) within a 350-mile radius of Des Moines. These facilities vary in size, with an average building size of 24,800 square feet and the largest, Rum River BMX in Isanti, Minnesota, occupying 75,800 square feet. From 2017 to 2023, these facilities have seen an average historic annual growth rate of 2.9 percent in unique visitors and 4.0 percent in total visits, suggesting a modest upward trend in engagement and utilization. In 2023 alone, the facilities recorded an average of 5,700 unique visitors and 21,500 total visits. This reflects a smaller, niche user base at each facility, suggesting that a potential new Indoor Action Sports Complex in Central Iowa will need to be aggressively marketed and programmed to achieve higher visitation levels.

INDUSTRY TRENDS

- **CONTINUED GROWTH OF THE SPORTS TOURISM SECTOR:** Nationwide, significant investments in sports and multi-component complexes have resulted in facilities that are increasingly flexible, efficient, and capable of generating substantial revenue. The proposed Indoor Action Sports Complex in Central Iowa seeks to leverage these evolving trends, positioning itself as a cornerstone of the region's sports tourism strategy while meeting the recreational needs of the local community.
- **REGIONAL ACTION SPORTS PARTICIPATION:** Within a 30-minute drive of Des Moines, an estimated 12,600 people are frequent bicycle riders, meaning they ride their bikes at least 110 times per year. Within the broader 180-minute drivetime, there are 107,400 of frequent riders. Meanwhile, there are an estimated 2,900 frequent skateboarders within the 30-minute drive time (meaning they skateboard at least 40 times per year), as well as nearly 1,300 mountain bikers (at least 30 times per year). Within 180 minutes, there are 24,600 estimated frequent skateboarders and more than 10,900 frequent mountain bikers. The Central Iowa region scores above national indices for bicycle riding and skateboarding.
- **NATIONAL BMX PARTICIPATION TRENDS:** USA BMX has over 70,000 members spread across 300+ sanctioned tracks nationally. From a broader market perspective, the global BMX bike market is projected to grow significantly, with a compound annual growth rate (CAGR) of 5.1% through 2032. Starting from a valuation of \$316.8 million in 2023, the BMX market is expected to reach \$330.6 million in 2024 and exceed \$493.5 million by 2032. This growth reflects increasing interest and investment in BMX as a competitive and recreational sport.
- **NATIONAL SKATE SPORT PARTICIPATION TRENDS:** The global skateboarding market is demonstrating steady growth, fueled by rising interest in the sport and its expanding cultural relevance. Market revenue for skateboarding is projected to grow at an average annual rate of 4%, increasing from \$2.22 billion in 2021 to an estimated \$3.24 billion by 2033. In the United States, skateboarding participation has also shown resilience and growth. From a low of 6.23 million participants in 2012, the number has climbed steadily, with a notable increase during the COVID-19 pandemic, reaching 9.02 million in 2022 and settling at 8.92 million in 2023. This reflects a broader trend of outdoor and action sports gaining popularity.
- **SPORTS TOURISM DESTINATION TRENDS:** Modern sports tourism destinations are increasingly incorporating diverse amenities to enhance visitor experiences and broaden their appeal. Facilities now include interactive offerings like climbing walls and ropes courses, attracting both families and casual visitors. Health and sports performance centers are becoming common, providing wellness services that support athletes and engage the community year-round. Digital placemaking, with advanced displays and interactive technologies, enhances the atmosphere and creates new opportunities for sponsorship and advertising. Additionally, the integration of gaming and esports areas caters to younger audiences, while upgraded dining options offer high-quality, unique experiences that encourage longer visits. Many facilities are also positioned as focal points within mixed-use developments, anchoring vibrant districts with retail, dining, and entertainment offerings.

COMPARABLE FACILITIES

- COMPARABLE BMX FACILITY BENCHMARKING:** The 15 identified comparable bike facilities average a building footprint of approximately 88,400 square feet, with an average property footprint (including parking) of 234,600 square feet, suggesting that more than five acres is likely required to accommodate the needs of a diverse biking and action sports audience. Indoor and covered facilities, such as Rum River BMX (MN), Rays Indoor Mountain Biking (OH), and Steelwheels Indoor BMX (IN), demonstrate the advantage of year-round usability. Several facilities provide pro shops, including Rock Hill BMX Supercross Track (SC) and Mikes Indoor Bike Park (OH), which provide supplementary revenue streams. RockStar Energy Bike Park (TX) integrates BMX training, a skatepark, pump tracks, and mountain bike training, while Rays Indoor Mountain Biking includes lounge areas and bike rental options to enhance the visitor experience. Similarly, the Rock Hill BMX Supercross Track supports its operations with RV parking, offices, and multi-purpose fields, making it a hub for events and gatherings. The inclusion of concessions, youth tracks, lounge areas, and elevated viewing platforms (as seen at facilities like Rum River BMX, Rays Indoor Mountain Biking, and Dayton Indoor BMX) ensures that these locations cater to both participants and spectators.
- COMPARABLE BMX FACILITY VISITATION:** Reviewed BMX facilities average a total of 34,900 visits from 9,000 visitors per year, highlighting a smaller, niche user base at each facility relative to the size of population bases in many of the markets reviewed. Visitor growth trends show an average annual increase of 3.2 percent in unique visitors per year and 5.1 percent in total visits to each facility, indicating steady growth in visitation and BMX participation each year. New facilities such as Hardesty National BMX Stadium exhibit higher growth rates, likely reflecting a strong “honeymoon” period following its opening. The Stadium saw a significant 32.8 percent increase in unique visitors from 2022 to 2023, demonstrating a BMX facility’s ability to induce interest in the sport within its community. This increase was also likely due to a national championship
- COMPARABLE SKATEPARK BENCHMARKING:** The seven identified skatepark facilities represent a range of indoor or indoor/outdoor skateparks with an average building footprint of 15,200 square feet and property footprint of 50,700 square feet. These facilities feature diverse amenities, including street courses (100 percent inclusion), bowls (57.1 percent), and spectator seating (42.9 percent), with only one facility offering bike-related amenities. Among these, Camp Woodward Pennsylvania stands out as the most comprehensive facility, offering BMX courses, a half-pipe, swimming, a parkour course, a café, pump tracks, ropes courses, pro shops, go-karts, lounges, cabins, and a cafeteria. Pro shops are a common inclusion across facilities like 3rd Lair, Skatepark of Tampa, and Familia Skate Shop, providing essential equipment and merchandise while supplementing operational revenue. Facilities like The Bay in Lincoln, NE, diversify their offerings further with esports, art, and education programming, aligning with evolving interests among target demographics.
- COMPARABLE SKATEPARK VISITATION:** Historic annual growth rates for visitors and visits highlight challenges in sustaining or growing participation at skate parks. From 2017 to 2023, the average annual growth rate for unique visitors was 3.4 percent, while total visits declined by -2.8 percent. However, select facilities like Familia Skate Shop experienced positive growth in unique visitors (+8.5 percent) and total visits (+2.2 percent), likely attributed to their indoor environment and focused offerings. The facilities that integrate both indoor and outdoor elements, such as Skatepark of Tampa and 3rd Lair, cater to varied user preferences and have shown resilience in maintaining visitor numbers.
- COMPARABLE DEMOGRAPHICS:** Central Iowa’s drivetime markets demonstrate moderate to strong demographic characteristics relative to the 23 markets analyzed. Within a 30-minute drivetime, Des Moines supports a population of 666,717, ranking 17th among markets. However, the area ranks competitively in household income, with an average of \$118,342 at 30 minutes (8th overall). The median age in Des Moines is 36.4, positioning it among the younger markets analyzed and aligning well with the age groups most likely to engage in action sports. The area lags comparable markets in terms of its recreation and bicycle industries. In entertainment and recreation spending, Des Moines ranks 16th at 30 minutes with \$1.8 billion. For mountain biking participation, Des Moines ranks 17th at 30 minutes with 17,806 participants. Similarly, Des Moines’ bicycle sales are below the median, ranking 15th at approximately \$22.1 million within its 30-minute drivetime market. However, considering the area’s more limited population base, both entertainment/recreation spending and bicycle sales per capita are likely much higher in the Des Moines / Central Iowa region relative to many of its peers.

MARKET DEMAND & OPPORTUNITIES

- **LOCAL DEMAND:** CSL interviewed 29 organizations and over 50 individuals who have a vested stake in the community, economy, and action sports industry of Central Iowa. Stakeholders generally expressed significant enthusiasm for developing an Indoor Action Sports Complex in the Central Iowa area, driven by strong community interest and demand. Many stakeholders emphasized the opportunity for the facility to support and be supported by youth organizations by providing a safe, inclusive space for sports and recreation, fostering personal development, and engaging the region's younger population. Importantly, the project aligns with broader community goals, including promoting health, wellness, and economic development. However, stakeholders recognized that funding could pose a significant challenge, requiring creative approaches and strong collaboration across public and private sectors to ensure its success.
- **NATIONAL BIKE DEMAND:** CSL interviewed eight organizations and over 15 individuals who represent national stakeholders and organizers in BMX, mountain biking, and other bike-related industries. They emphasized the importance of designing an Indoor Action Sports Complex with diverse offerings, suggesting that it include both BMX racing and freestyle elements. The number of national-scale events currently available is limited, but there is a moderate long-term opportunity to create and cultivate new events, helping to grow the industry and establish the facility as a major event hub. Stakeholders highlighted the potential for partnerships with renowned brands in action sports, such as Red Bull, which could bring high-profile events and amplify the facility's visibility. To maximize its ability to attract economically impactful events, the complex must feature best-in-industry amenities and infrastructure that set it apart from existing venues.
- **NATIONAL SKATE DEMAND:** CSL interviewed six organizations and over 10 individuals who represent national and international stakeholders and organizers in the skateboarding industry. According to them, the presence of Lauridsen Skatepark has already positioned the city as a hub for skateboarding, giving Des Moines a strong skate identity that could be further leveraged. However, the skateboarding industry's lack of a centralized organizing body complicates efforts to secure frequent, structured programs or large-scale national events. Notable skateboarding events, when they do occur, often require significant financial subsidies from cities, which presents a barrier for hosting them regularly without strong public or private partnerships. Skate officials suggested that establishing a high-end, one-of-a-kind indoor skateboarding facility in Des Moines would likely generate a unanimous reputation as the skate capital of the Midwest. The economic benefits of such a facility may primarily come from earned marketing—boosting the city's profile through widespread media exposure—rather than traditional room night revenue from visitors.
- **RECOMMENDED FACILITY FEATURES:** Stakeholders often recommended an Indoor Action Sports Complex include features like large garage doors that could support an 'outdoor' feel during warmer months, a USA BMX-qualified racetrack, skateboard-specific courses, and a pump track that could be used by a variety of riders (i.e., mountain bikers, skaters, etc.). Many also noted that adaptive and accessible design is critical for inclusivity. Revenue-enhancing facilities such as concessions, pro shops, and spaces for sponsorship activations were also recommended by most stakeholders. These not only improve the user experience but also attract national partnerships and host premium events. Multi-purpose event spaces for various gatherings and competitions were also recommended, which would enable the venue to accommodate the meeting, storage and office needs of visiting events, as well as host numerous community events.

MARKET DEMAND & OPPORTUNITIES - SUMMARY

LOCAL DEMAND

- **Strong Community Interest:** Enthusiasm expressed by over 50 stakeholders interviewed, representing a notable base for grassroots programming and activities.
- **Multi-purpose Opportunity:** The Complex could be positioned as a hub for various action sports and community events, increasing activation and potential community members served.
- **Consistent Usage:** Regular programming, including weekly clinics, BMX practices, and other event types could account for 100+ self-produced activities annually.

REGIONAL/NATIONAL BIKE MARKET

- **Demand for Premium Features:** Stakeholders prioritize a BMX track, freestyle elements, and outdoor integration for warmer months; high-tier features promote opportunity for national recognition.
- **Potential to Host Events:** National-scale events are limited (1-3 annually), targeted partnerships and best-in-class amenities could position the facility for premium events such as Red Bull activations.
- **Economic Impact:** Events could generate 50-400 attendees per event, with greater opportunities for earned marketing and brand positioning than traditional room-night revenue.
- **Demand Statement:** Organizers in this space greatly desire a premium facility; however, the lack of existing events and a somewhat niche participation base somewhat limits overall demand.

REGIONAL/NATIONAL SKATE MARKET

- **Leverage Existing Assets:** The presence of Lauridsen Skatepark provides a strong foundation for skate identity and complements indoor opportunities.
- **Unique Industry Needs:** Stakeholders highlight the lack of a centralized organizing body in skateboarding, requiring highly collaborative efforts to host 1-3 national events annually.
- **Focus on Inclusivity and Design:** Adaptive features, high-end amenities, and multi-use spaces are critical for drawing diverse users and high-profile events.
- **Demand Statement:** High interest from participants and organizers; however, a highly limited number of existing events and requirements of organizers present demand as limited.

OTHER KEY CONSIDERATIONS

- **Funding Challenges:** All stakeholders emphasized the need for creative funding partnerships and subsidies to ensure financial feasibility, as ROI associated with these facilities is often highly limited.
- **Limited National Event Calendar:** Developing in-house events and fostering long-term partnerships with local stakeholders, governing bodies and brands is essential to build demand and sustainability.
- **Reputation Building:** Establishing Des Moines as a premier action sports destination relies on delivering a world-class facility and fostering community-driven programming.

An Indoor Action Sports Complex in Central Iowa could become a Midwest and national hub for action sports, balancing consistent local activation with targeted national events. While notable demand exists among industry stakeholders caution is advised due to a limited national event industry and very little financial return associated with action sports facilities.



RECOMMENDED BUILDING PROGRAM

Considering the demand identified among potential users at the local and national level, CSL has developed a recommended building program for a market-supported Indoor Action Sports Complex in Central Iowa.

To provide the important hospitality element advocated for by action sports stakeholders, a potential Complex should be a part of a vibrant district that features restaurants, entertainment, shopping and meeting spaces, relieving Complex ownership of the costs and risks associated with building and owning these types of assets.

However, if a private entity is interested in owning and operating entertainment, dining, or retail assets within the Complex, discussions regarding a collaborative development approach should be explored.

A space-by-space summary of CSL's recommended building program is summarized in the adjacent graphic. This program is designed to accommodate national BMX races, nationally touring BMX and skateboard skills competitions, and a wide variety of local uses. A breakdown of the anticipated usage of this facility, as well as alternate scenarios, is presented later herein.

Overall Building	
	Square Footage
Gross Footprint	140,000
Ceiling Height	25 ft.
Building Support	30' x 30' beams

BMX Facilities	
	Square Footage
BMX Track	60,000
Pump Track	10,000
Prep / Waiting Area	10,000
Spectator Seating	15,000
Bike / Equipment Rental / Trade Post	2,000

Skate Facilities	
	Square Footage
Skatepark	15,000
Spectator Seating	5,000
Open / Multipurpose Space	7,500

Other Amenities	
	Square Footage
Concessions	1,500
Storage	3,500
Pro Shop	2,500
Offices / Other	8,000

Notes
All-in-one skateboard and BMX destination.
Minimum of 20 ft., though 25 ft. recommended to allow for maximum BMX and skateboard ramp jumps.
Free-span preferred by USA BMX, but columns recommended to save costs for construction.

Notes
1,000+ ft. racing track with USA BMX-certified starting gate and track design.
Pump track for a diverse mix of bicyclists and skaters; should have the ability to be closed off from the race track.
Open space to allow for rider waiting lines; can also serve as open gathering space.
Portable, multilevel bleacher seating to support up to 1,500 spectators.
Bike rental area with fleet of 50+ bikes, along with public trading post featuring bike racks; could be operated by Des Moines Street Collective.

Notes
Mix of park and street obstacles, with a focus on including features that are not available at Lauridsen Skatepark.
Portable, multilevel bleacher seating to support up to 500 spectators.
Additional space to support temporary vert ramps as well as pop-up courses, experiences, and gatherings.

Notes
Concession stand with in-house kitchen and multiple points of sale.
Onsite storage for various equipment; oversized to accommodate temporary equipment or expansions in inventory.
Onsite skate and BMX pro shop operated by a local private partner.
Back-of-house offices and multipurpose rooms for parties and meetings.

SITE ANALYSIS

As important as size and configuration, the location and site of an Indoor Action Sports Complex can have a significant impact on the facility's operational success and its ability to serve the community and generate activity and associated economic impact. As part of the overall evaluation of an Indoor Action Sports Complex in the Central Iowa area, an assessment of potential sites/locations was conducted to determine which general areas might be best suited as host sites/locations. In general, a large number of characteristics and factors are important when evaluating the attractiveness of project locations.

Based on a site scorecard prepared by CSL, the Southridge Mall's Old Youngers parcel ranked highest, scoring 411. Its redevelopment potential, adequate acreage, existing parking, and service to underserved communities contribute to its appeal. The alternative NW Lot parcel at the Southridge Mall closely follows this site, somewhat detracted by an increase in necessary infrastructure improvements, if selected. The Dico Superfund Site, ranked third with a score of 382, offers significant acreage, high visibility, and opportunities to serve underserved groups. However, site ownership expressed limited interest in including an Indoor Action Sports Complex within their development.

SITE		SITE 1.1 SOUTHRIDGE MALL (NW Lot)		SITE 1.2 SOUTHRIDGE MALL (Old Youngers)		SITE 2.1 VALLEY WEST MALL (North Anchor)		SITE 2.2 VALLEY WEST MALL (South Anchor)		SITE 3 DICO SUPERFUND SITE		SITE 4 GRAND AVENUE (MIDAMERICAN)		SITE 5 FOUR MILE CREEK (POLK COUNTY CONSERVATION)	
Owner		Private		Private		Private		Private		City		Private		Private	
Size (in acres)		5.7		5.5		3.7		3.7		17.1		68.9		38.6	
SITE ELEMENTS	Weight	Score	Rating	Score	Rating	Score	Rating	Score	Rating	Score	Rating	Score	Rating	Score	Rating
Site Suitability	60														
Acreage for Optimized Program Configuration	20	100	5	100	5	40	2	40	2	60	3	100	5	100	5
Acreage for Future Expansion	5	20	4	20	4	20	4	20	4	10	2	25	5	25	5
Acreage for Additional Onsite Complementary Development	5	25	5	25	5	25	5	25	5	25	5	25	5	25	5
Resources and Efforts to Acquire	5	20	4	20	4	15	3	15	3	5	1	10	2	25	5
Attractiveness of the Site to Event Planners & Attendees	5	25	5	25	5	15	3	15	3	20	4	10	2	15	3
Magnitude of Necessary Infrastructure Improvements	4	12	3	16	4	16	4	16	4	8	2	4	1	8	2
Local Accessibility	6	18	3	18	3	24	4	24	4	18	3	12	2	18	3
Service to Underserved Groups	6	24	4	24	4	18	3	18	3	24	4	12	2	12	2
Visibility	4	8	2	8	2	12	3	12	3	20	5	8	2	12	3
Other Visitor Amenity Availability	40														
Proximity to Hotels	13	39	3	39	3	65	5	65	5	65	5	52	4	26	2
Proximity to Restaurants/Bars	13	52	4	52	4	52	4	52	4	65	5	39	3	39	3
Proximity to Shopping/Retail	8	40	5	40	5	40	5	40	5	32	4	16	2	24	3
Proximity to Entertainment/Attractions	6	24	4	24	4	18	3	18	3	30	5	12	2	24	4
Total Weighting	100														
TOTAL SCORE		407		411		360		360		382		325		353	
SITE RANK		2		1		4		4		3		7		6	

Subjective Rating

1 = Lowest/Weakest
5 = Highest/Strongest

Scoring

500 = Maximum Score
Greater Than 400 = Excellent/Very Good Score
350-400 = Good Score
250-350 = Suggests Important Site Challenges/Limitations
Less Than 250 = Poor Score

PRELIMINARY CONSTRUCTION COST ESTIMATES

High-level construction cost estimates for the recommended Indoor Action Sports Complex building program are presented within the adjacent graphic.

The Complex’s structure is assumed to consist of a quality pre-fabricated building with a hard construction cost of approximately \$90 (2024 dollars) per square foot. The key interior components, including a BMX racetrack, pump track and skatepark, are budgeted at a combined \$5.5 million. Various other facility-related components, including fixed equipment (such as the build outs required for a pro shop and bike rental post), portable furnishings, general sitework and parking total an estimated \$3.0 million. With a combined hard construction cost of \$21.0 million, the project is estimated to have a soft cost figure of \$5.3 million (assumed to be 25 percent of hard costs). Soft costs include land acquisition, fees for legal, design, planning and other professional support, and various project contingencies.

It should be noted that the recommended building program previously presented is highly unique, and that project costs associated with a new-build Action Sports Complex will likely run substantially higher than other facilities nationally due to a combination of three factors: the facility’s indoor building program, the recommended size and quality of its facilities, and the national trend of rising construction costs.

Across multiple public assembly facilities industries (i.e., convention, sports, entertainment, hospitality), construction costs have escalated anywhere between 30 and 50 percent since the pre-Pandemic period due to a multitude of factors. These rising costs reinforce the need to design and build a facility that is truly market supportable and specifically tailored to meet market demand and minimize extraneous costs. Many of the more commercially driven scenarios presented previously (i.e., including a full-service restaurant or family entertainment center) would greatly increase project development costs, making funding such a project much more difficult.

Lower project costs may be achievable through program downsizing and/or value engineering. A lower-cost scenario that lacks the freestyle facilities is presented later herein as part of a comparative analysis that measures the costs and benefits of such a program with the larger, recommended building program.

DESCRIPTION	UNIT	QTY.	UNIT PRICE	EST. COST
Building:				
Pre-Fabricated Structure	Per SF	140,000	\$90	\$12,600,000
Total Playing Surface Costs				\$12,600,000
Activity Facilities:				
BMX Racetrack	Per SF	24,000	\$150	\$3,600,000
Pump Track	Per SF	10,000	\$75	\$750,000
Skatepark	Per SF	15,000	\$75	\$1,125,000
Total Activity Facility Costs				\$5,475,000
Other Building Costs:				
Fixed Equipment	% of Building Costs		4%	\$504,000
Other Furnishings (seating, clocks, etc.)	% of Building Costs		2%	\$252,000
General Sitework	% of Building Costs		10%	\$1,260,000
Parking	Per Parking Space	500	\$1,900	\$950,000
Total Other Costs				\$2,966,000
TOTAL PROJECT:				
Hard Construction Costs				\$21,041,000
Other Soft Costs				\$5,260,250
Total Estimated Project Costs				\$26,301,250

FACILITY UTILIZATION

To calculate in-facility impacts, CSL prepared estimates of event activity and utilizations associated with the recommended building program. These programs, broken down by category, are presented within the adjacent graphic.

As shown, the facility is estimated to have a paid BMX membership base of 220 individuals in Year 1, assuming all BMX members from 80/35 transfer to the new Complex. As the Complex grows in usage and popularity among the community, this membership base is estimated to more than double by Year 5 to 375 paid memberships. Meanwhile, it is assumed that the Complex will also offer a monthly membership option to BMX, skate, and other bike riders. These paid facility memberships are estimated to grow from 100 in Year 1 to 220 by Year 5. Eighty-five (85) memberships are assumed to be donated to underprivileged youth within the community.

The Complex is anticipated to host a significant amount of local BMX programming, including open local competitions, practices, camps, and private rentals. Total BMX programs are estimated to grow from 165 in Year 1 to 195 in Year 5.

As indicated by interviewed BMX event organizers, the Complex would likely host a number of invitationals, regional events, state qualifiers, and national competitions upon opening. Note that National events include existing Gold Cup competitions organized by USA BMX, as well as potential new events that could be created by USA BMX in partnership with Central Iowa BMX stakeholders.

The Complex's skatepark and pump track facilities are estimated to accommodate a total of local 252 programs by Year 5. This includes 200 "open practices" (i.e., open ride days for skaters and freestyle BMX riders). As the Complex matures, it is anticipated that management will organize more self-produced invitationals and host more major skateboard tours.

Memberships	Year 1	Year 2	Year 3	Year 4	Year 5
Total Paid BMX Memberships	220	250	300	340	375
Total Paid Facility Memberships	100	150	175	195	220
Free Trial Memberships	50	65	80	85	85
All Memberships	370	465	555	620	680

BMX Programming					
BMX Local Programming	Year 1	Year 2	Year 3	Year 4	Year 5
Open Local Competitions	90	90	90	90	90
Open Practices	40	40	40	40	40
Lessons/Camps/Clinics	20	25	30	35	40
Private Rentals	15	20	25	25	25
Total BMX Programs	165	175	185	190	195

BMX Special Events	Year 1	Year 2	Year 3	Year 4	Year 5
Special Invitationals	2	2	3	3	4
State Qualifiers	1	1	1	1	1
State Championships	1	1	1	1	1
Regional Qualifiers	1	1	1	1	1
National / Gold Cup	1	1	1	1	1
Total BMX Special Events	6	6	7	7	8

Skatepark and Pump Track Programming					
Skatepark and Pump Track Local Programming	Year 1	Year 2	Year 3	Year 4	Year 5
Open Local Competitions	5	8	12	15	18
Open Practices	200	200	200	200	200
Lessons/Camps/Clinics	20	20	20	25	25
Private Rentals	5	6	7	8	9
Total Skatepark and Pump Track Programs	230	234	239	248	252

Skatepark and Pump Track Special Events	Year 1	Year 2	Year 3	Year 4	Year 5
Special Invitationals	1	2	3	4	4
BMX Tours	1	1	1	1	1
Skate Tours	1	1	1	2	2
Total Skatepark and Pump Track Special Events	3	4	5	7	7

TOTAL PROGRAMS	404	419	436	452	462
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FINANCIAL OPERATIONS

The adjacent exhibit presents a summary of projected annual financial operating results associated with the potential Indoor Action Sports Complex in Central Iowa. Based on the preliminary analysis, upon stabilization (assumed fifth full year of operations), the potential Complex is estimated to run at an annual operating loss of approximately \$62,800, before debt service and capital repair/replacement funding. Therefore, it will be important to identify a funding source that could help cover any annual operational deficits. Amateur sports complexes throughout the country often rely on revenues from hotel tax, hotel assessments (often called "tourism districts"), or their respective municipality's general fund to offset potential operational losses.

Key revenue drivers include event and program income, which is estimated to generate over \$201,400 during a stabilized year of operations, as well as concessions (\$113,900), Complex memberships (\$92,400) and income received from a pro shop tenant (\$50,000).

Given the size of the Complex and its indoor nature, it is likely to have material utilities, maintenance and operations costs. For purposes of this analysis, we assume two full-time staff members at the Complex. However, a volunteer-driven model similar to Rum River could be employed which could greatly reduce staffing and contract labor costs. This would greatly enhance the Complex's ability to breakeven or operate at a surplus operationally.

Further, as previously noted, if a private partner wishes to develop a full-service restaurant, family entertainment center, or other revenue-generating amenity within the Complex, this could generate additional tenant revenue ranging from \$50,000 to upwards of \$200,000 annually, which would help the Complex breakeven financially.

Revenues	Year 1	Year 2	Year 3	Year 4	Year 5
Memberships	\$42,000	\$63,000	\$73,500	\$81,900	\$92,400
Net Event Income	\$112,200	\$135,100	\$171,600	\$185,800	\$201,400
Net Concessions Income	\$69,200	\$76,400	\$88,700	\$108,300	\$113,900
Bike/Equipment Rental Income	\$7,200	\$9,600	\$10,800	\$12,000	\$13,200
Pro Shop Tenant Income	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Sponsorships	<u>\$25,000</u>	<u>\$25,400</u>	<u>\$25,700</u>	<u>\$26,000</u>	<u>\$26,300</u>
Total Revenue	\$305,600	\$359,500	\$420,300	\$464,000	\$497,200

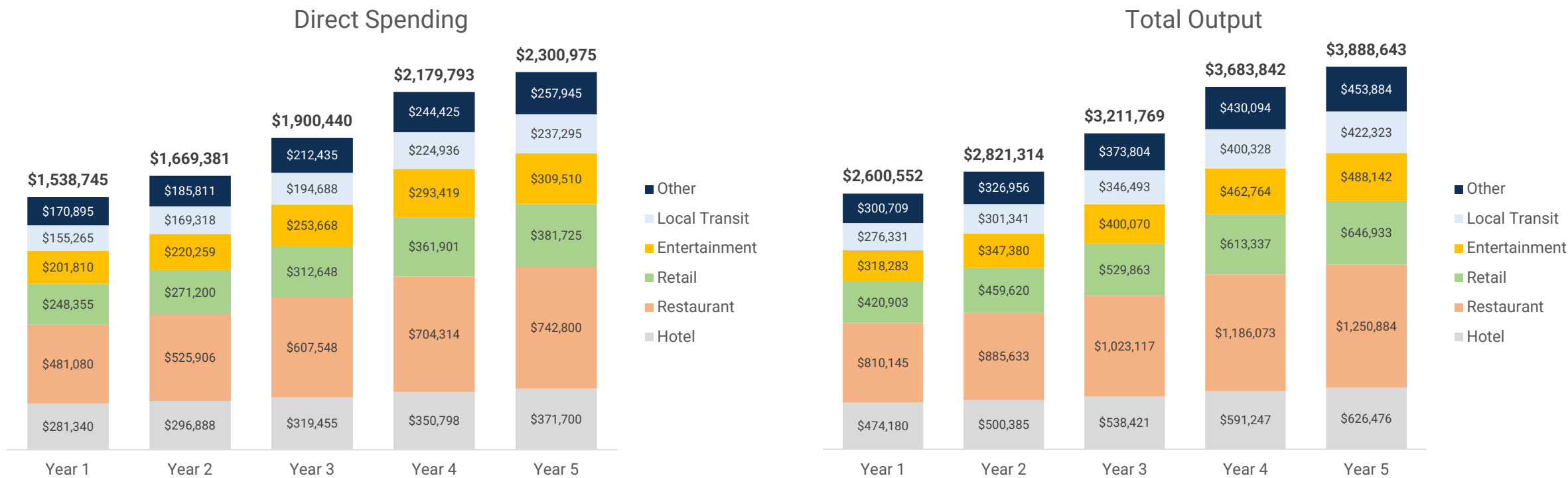
Expenses	Year 1	Year 2	Year 3	Year 4	Year 5
Full-Time Staffing	\$174,700	\$177,000	\$181,600	\$187,000	\$188,500
Contract Labor	\$29,700	\$31,400	\$34,900	\$38,900	\$40,000
Utilities	\$106,300	\$112,400	\$124,800	\$139,100	\$143,000
Maintenance	\$37,200	\$38,500	\$41,400	\$44,600	\$45,500
Operations	\$28,900	\$29,500	\$30,700	\$32,100	\$32,500
Insurance	<u>\$102,400</u>	<u>\$103,700</u>	<u>\$106,500</u>	<u>\$109,600</u>	<u>\$110,500</u>
Total Operating Expenses	\$479,200	\$492,500	\$519,900	\$551,300	\$560,000

Net Operating Income / Loss	(\$173,600)	(\$133,000)	(\$99,600)	(\$87,300)	(\$62,800)
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OUT-OF-FACILITY IMPACTS: DIRECT SPENDING AND TOTAL ECONOMIC OUTPUT

CSL has developed models that incorporate event, attendance, attendee origin and other data to measure the amount of direct spending associated with Complex event activity. Spending on hotels, restaurants, shopping, entertainment, local transit and other sectors have been included in this analysis. As shown, event attendees are estimated to generate just over \$2.3 million per year for the local economy.

The total output estimates to the right include the dollars expected to be re-spent and distributed throughout the local economy. Total output is estimated to grow from \$2.6 million to \$3.9 million by Year 5.



ALTERNATIVE SCENARIOS

To show the incremental impacts of various program and site selection decision-making, an analysis of events, attendance, financial performance and economic impacts has been prepared that compares the recommended building program with three “lesser” scenarios. These scenarios either exclude the skatepark and pump track facilities from the building program to achieve a lower project cost, and/or assume the Complex is developed in a remote greenfield site instead of an active entertainment district. Each scenario is summarized in the graphic below.

	Scenario 1A	Scenario 1B	Scenario 2A	Scenario 2B
	Full Program, District Anchor	Limited Program, District Anchor	Full Program, Remote Location	Limited Program, Remote Location
Building Footprint	140,000	100,000	140,000	100,000
Preliminary Project Cost	\$26.3M	\$18.6M	\$26.3M	\$18.6M
BMX Track	Yes	Yes	Yes	Yes
Street/Park Facilities	Yes	No	Yes	No
Other Amenities	Yes	Yes	Yes	Yes
Location Type	Walkable, highly trafficked district	Walkable, highly trafficked district	Remote greenfield or industrial site	Remote greenfield or industrial site

ALTERNATIVE SCENARIOS: COMPARATIVE IMPACT ANALYSIS

A comparison of various performance metrics associated with a mature fifth year under each scenario is presented below. A gradient of green, yellow, and red has been applied to visually rank the annual economic output and ratio of annual output-to-development costs associated with each scenario. Green indicates the the highest values and red reflects the lowest. As shown, the recommended building program, Scenario 1A, has the highest estimated economic output and output-to-development cost ratio. The added costs of the skatepark and pump track facilities provide a net benefit for the Complex in the form of added, consistent foot traffic throughout the year. Further, a highly trafficked location such as a mall or downtown site is estimated to drive greater visitation to the Complex, likely converting casual passersby into BMX, skate or bike enthusiasts each year.

Annual Impacts	Scenario 1A Full Program, District	Scenario 1B Limited Program, District	Scenario 2A Full Program, Standalone	Scenario 2B Limited Program, Standalone
Total Development Costs	\$26.3M	\$18.6M	\$26.3M	\$18.6M
Special Events	15	8	14	7
Paid Memberships	375	300	320	320
Attendee Days	73,300	36,500	57,800	31,400
Hotel Room Nights	1,840	1,250	1,390	1,190
Financial Performance	(\$88,400)	(\$124,100)	(\$133,500)	(\$194,500)
Direct Spending	\$2,301,000	\$1,457,400	\$1,641,900	\$1,183,900
Economic Output	\$3,888,600	\$2,463,000	\$2,776,900	\$2,002,700
Output-to-Development Cost Percentage	15%	13%	11%	11%
Wages/Earnings	\$1,585,800	\$1,004,200	\$1,131,400	\$815,900
Jobs Supported	49	31	35	25
City Tax Collections	\$49,000	\$32,300	\$35,000	\$27,800