

Exploratory Economic Impact Analysis of a Major Sports/Event Arena in Markham Centre

Prepared by:
Economic Development Department
Town of Markham

Jan. 22, 2011

Key Assumptions...

- An arena opening in 2013:
 - seating 19,500 for hockey and 20,000 for concerts
 - total est. construction value = \$350.0 million
- There will be one-time benefits (e.g., construction) as well as on-going multi-year benefits (e.g., spectator generated spending in Markham)
 - this analysis only focuses on the on-going benefits (i.e., beyond opening day)
- In the absence of a Major League sport tenant (i.e. an NHL or NBA captive user capable of using the arena to its designed per occasion capacity), the arena will need to aggressively compete for its bookings, and will only be at capacity on special occasions
 - commencing operation with dependence on AHL or OHL hockey team and single occasion bookings, and growing over time to include major tournaments and major multiple-day events

Key Assumptions, cont'd

- This Economic Impact reports identifies the potential quantum of benefits generated in Markham in terms of:
 - Food and Beverage Sales (and built space)
 - Hotel Accommodation Sales (and built space)
 - Real Estate Assessment/Taxes (estimated uplift)
 - and the annual economic impacts of the events hosted in the Markham Arena on York Region and the Province of Ontario (based on Province's model)

Key Assumptions

- This draft Economic Impact report is done on a 'pro forma' basis and is based on available market research. It does not quantify other potential benefits such as:
 - “contingent benefits” e.g. improved quality of life, municipal reputation, etc.
 - parking revenues from publically owned facilities
 - ground rent for Town owned property
 - free use of arena space by Town or community
 - arena property taxes
- This report is based on observed performance factors of similar facilities, and does not provide any findings regarding “net impact”, nor does it account for potentially adverse future economic conditions

Sources of Information

- Seven published studies (refer to Appx. A)
- cursory review of Copps Coliseum, Air Canada Centre, Rogers Centre, and Oshawa's GM Centre booking schedules
- Ontario Ministry of Tourism & Culture economic impact model <http://www.mtr-treim.com/webtreim/en/main.aspx>
- Information provided by industry experts

Spectator/Attendance Forecast...

- Years One - Ten
- Derived from mix of events
 - professional sports, amateur sports, league play, tournament play
 - major and minor concerts and performances
 - conventions and trade shows
 - political and religious events/rallies
- % Overnight stays
- % Consumption of food/bev. outside of arena

Spectator/Attendance Forecast

| EVENT CATEGORY | AVG ATTENDEES | YR. 1 #/TOTAL | YR. 2 #/TOTAL | YR. 3 #/TOTAL | YR. 4 #/TOTAL | YR. 5 #/TOTAL | YR. 6 #/TOTAL | YR. 7 #/TOTAL | YR. 8 #/TOTAL | YR. 9 #/TOTAL | YR. 10 #/TOTAL |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| AHL or OHL Hockey | 5,000 | 40 200k | 40 200k | 45 225k | 45 225k | 45 225k | 45 225k | 45 225k | 45 225k | 45 225k | 45 225k |
| Major Sport Tournaments | 7,500 | 10 75k | 12 90k | 12 90k | 14 105k | 14 105k | 15 112k | 15 112k | 15 112k | 15 112k | 15 112k |
| WWE, MMA, Rock Concerts, International calibre sports events, Monster Trucks, etc. | 12,000 | 10 120k | 12 144k | 12 144k | 14 168k | 14 168k | 14 168k | 15 180k | 15 180k | 15 180k | 15 180k |
| Amateur sports events | 5,000 | 10 50k | 12 60k | 12 60k | 12 60k | 14 70k | 14 70k | 14 70k | 15 75k | 15 75k | 15 75k |
| Major Conventions, Rallies, and Prov./National Trade Shows | 6,000 | 8 48k | 10 60k | 12 72k | 12 72k | 12 72k | 14 84k | 14 84k | 14 84k | 14 84k | 14 84k |
| Other events | 4,000 | 18 72k | 20 80k | 22 88k | 24 96k | 25 100k | 25 100k | 25 100k | 26 104k | 26 104k | 26 104k |
| Total Annual Attendance | | 96 565k | 106 634k | 115 679k | 121 726k | 124 740k | 127 759k | 128 771k | 130 780k | 130 780k | 130 780k |

= number of event occasions (i.e. one calendar day)

Attendees = number of event occasions x average number of attendees

A separate forecast assuming NHL team in place in Year One is presented in Appx. B

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Food and Beverage Analysis

| ASSUMPTIONS | YR. 1 #/TOTAL | YR. 2 #/TOTAL | YR. 3 #/TOTAL | YR. 4 #/TOTAL | YR. 5 #/TOTAL | YR. 6 #/TOTAL | YR. 7 #/TOTAL | YR. 8 #/TOTAL | YR. 9 #/TOTAL | YR. 10 #/TOTAL |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Attendance | 565k | 634k | 679k | 726k | 740k | 759k | 771k | 780k | 780k | 780k |
| <u>Low Scenario:</u> | | | | | | | | | | |
| % attendees who will go to restaurant/pub pre or post event | 10% | 10% | 10% | 10% | 12% | 12% | 12% | 12% | 12% | 12% |
| | 56,500 | 63,400 | 67,900 | 72,600 | 88,800 | 91,080 | 92,520 | 93,600 | 93,600 | 93,600 |
| Average \$ expenditure per person | \$20 | \$20 | \$20 | \$20 | \$20 | \$20 | \$20 | \$20 | \$20 | \$20 |
| Total rest./pub sales potential | \$1,130 | \$1,268k | \$1,358k | \$1,452k | \$1,776k | \$1,822k | \$1,850k | \$1,872k | \$1,872k | \$1,872k |
| @ \$750/Sq. Ft. food/bev. Sales | 1,507 SF | 1,691 SF | 1,811 SF | 1,936 SF | 2,368 SF | 2,429 SF | 2,467 SF | 2,496 SF | 2,496 SF | 2,496 SF |
| Potential # establishments @4,000 SF | - | - | - | - | - | - | - | - | - | - |
| <u>High Scenario:</u> | | | | | | | | | | |
| % attendees who will go to restaurant/pub pre or post event | 15% | 15% | 15% | 15% | 17.5% | 17.5% | 17.5% | 17.5% | 17.5% | 18% |
| | 84,750 | 95,100 | 101,850 | 108,900 | 129,500 | 132,825 | 134,925 | 136,500 | 136,500 | 204,300 |
| Average \$ expenditure per person | \$30 | \$30 | \$30 | \$30 | \$30 | \$30 | \$30 | \$30 | \$30 | \$30 |
| Total rest./pub sales potential | \$2,542k | \$2,853k | \$3,056k | \$3,267k | \$3,885k | \$3,985k | \$4,048k | \$4,096k | \$4,096k | \$4,096k |
| @ \$750/Sq. Ft. food/bev. Sales | 3,390 SF | 3,804 SF | 4,074 SF | 4,356 SF | 5,180 SF | 5,313 SF | 5,397 SF | 5,460 SF | 5,460 SF | 5,460 SF |
| Potential # establishments @4,000 SF | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

Notes:

1. This analysis signals the scale/size of the new opportunity without competing for the sales made by pre-existing Markham establishments (i.e., pre-arena).
2. The year to year potential is not cumulative. In other words, the analysis signals an opportunity for one new establishment over the 10-year period to be opened as early as Year Three.

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Hotel Analysis

| EVENT CATEGORY | YR. 1 #/TOTAL | YR. 2 #/TOTAL | YR. 3 #/TOTAL | YR. 4 #/TOTAL | YR. 5 #/TOTAL | YR. 6 #/TOTAL | YR. 7 #/TOTAL | YR. 8 #/TOTAL | YR. 9 #/TOTAL | YR. 10 #/TOTAL |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| AHL or OHL Hockey | | | | | | | | | | |
| Annual Attendance | 200k | 200k | 225k | 225k | 225k | 225k | 225k | 225k | 225k | 225k |
| Hotel Nights @ 3% | 6,000 | 6,000 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 |
| Major Sport Tournaments | | | | | | | | | | |
| Annual Attendance | 75k | 90k | 90k | 105k | 105k | 112k | 112k | 112k | 112k | 112k |
| Hotel Nights @ 5% | 3,750 | 4,500 | 4,500 | 5,250 | 5,250 | 5,600 | 5,600 | 5,600 | 5,600 | 5,600 |
| WWE, Rock Concerts, etc. | | | | | | | | | | |
| Annual Attendance | 120k | 144k | 144k | 168k | 168k | 168k | 180k | 180k | 180k | 180k |
| Hotel Nights @ 3% | 3,600 | 4,320 | 4,320 | 5,040 | 5,040 | 5,040 | 5,400 | 5,400 | 5,400 | 5,400 |
| Amateur sports events | | | | | | | | | | |
| Annual Attendance | 50k | 60k | 60k | 60k | 70k | 70k | 70k | 75k | 75k | 75k |
| Hotel Nights @ 3% | 1,500 | 1,800 | 1,800 | 1,800 | 2,100 | 2,100 | 2,100 | 2,250 | 2,250 | 2,250 |
| Major Conventions, Rallies, and Major Trade Shows | | | | | | | | | | |
| Annual Attendance | 48k | 60k | 72k | 72k | 72k | 84k | 84k | 84k | 84k | 84k |
| Hotel Nights @ 5% | 2,400 | 3,000 | 3,600 | 3,600 | 3,600 | 4,200 | 4,200 | 4,200 | 4,200 | 4,200 |
| Other events | | | | | | | | | | |
| Annual Attendance | 72k | 80k | 88k | 96k | 100k | 100k | 100k | 104k | 104k | 104k |
| Hotel Attendance @ 3% | 2,160 | 2,400 | 2,640 | 2,880 | 3,000 | 3,000 | 3,000 | 3,120 | 3,120 | 3,120 |
| Total Potential Hotel Nights | 19,410 | 22,020 | 23,610 | 25,320 | 25,740 | 26,690 | 27,050 | 27,320 | 27,320 | 27,320 |
| Hotel Occupancy @ 75% | 25,880 | 29,360 | 31,480 | 33,760 | 34,320 | 35,587 | 36,067 | 36,427 | 36,427 | 36,427 |
| Potential # 125-room hotels | - | - | - | - | - | - | - | - | - | - |
| Potential # 100-room hotels | - | - | - | - | - | 1 | 1 | 1 | 1 | 1 |

Notes:

1. This analysis signals the scale/size of the new opportunity without competing for the hotel night sales made by pre-existing Markham hotel establishments (i.e., pre-arena).
2. A 125-room hotel has a yearly capacity of 45,625 room-nights. A 100-room hotel has capacity of 35,500 room-nights.
3. The year to year potential is not cumulative.

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Real Estate...

- A major arena will potentially add to the cumulative attraction of living, working and playing in downtown Markham.
 - The arena may be the catalyst for development of a major entertainment hub including clubs, bars, restaurants, etc. that will want to locate in proximity (i.e., a cluster)
 - An arena within an integrated master plan is more likely to generate local economic development. Stand-alone arenas and stadiums, and ones that are geared to quick auto-centric movement of attendees have not proven themselves capable of “jump-starting” a local economy
 - The presence of a well-planned and successful arena can potentially accelerate the pace of development and investment in the surrounding area, but only over time (e.g., Air Canada Centre and Skydome/Rogers Centre)
- Residential development
 - The development of an arena and an entertainment district in downtown Markham (especially close to Go Train/mobility hub) will attract young professionals and single-person households, addressing a weakness in Markham’s talent pool. Currently this demographic is not well served in Markham.

Real Estate, cont'd

- Office Space

- The arena itself is unlikely to generate any significant incremental market demand for office space in the surrounding area.
- The major arena users (i.e., sports teams, media companies) will likely seek to rent modest spaces within the arena building itself for offices and storage.
- At best, perhaps a total of 30,000 sq. ft. of office/commercial space may be required in or close to the arena:

| | |
|----------------------------------|----------------|
| Teams (hockey, lacrosse, others) | 15,000 sq. ft. |
| Show producers etc. | 5,000 sq. ft. |
| Media, A-V services etc. | 10,000 sq. ft. |

- Tax Assessment

- Published research into the real estate impact of arena/stadia development has demonstrated that in the vast majority of cases, real estate values in the area surrounding the arena does not benefit in a significant way
- However, in locations that feature integrated master plans and prestigious designs and users, there have been significant uplifts in real estate value and tax assessment

| | |
|------------------------------------|---|
| Columbus OH | Real estate values rose 12 times higher |
| Stratford ON and Niag. on the Lake | \$8,000 - \$50,000 per dwelling |

Annual Economic Impact of Events Hosted at Arena as Calculated by Provincial Input-Output Model

| SCENARIO WITHOUT MAJOR LEAGUE TEAM | MARKHAM | REGION OF YORK | REST OF ONTARIO | TOTAL PROVINCE | MARKHAM | REGION OF YORK | REST OF ONTARIO | TOTAL PROVINCE |
|--|---------|----------------|-----------------|----------------|---------|----------------|-----------------|----------------|
| # Events | 96 | | | | 130 | | | |
| Total Attendees | 565,000 | | | | 780,000 | | | |
| Results of Provincial Input Output Model (Annual) | | | | | | | | |
| Total GDP (Gross Domestic Product) | | | | | | | | |
| Direct | | \$19.6 million | \$3.1 million | \$22.7 million | | \$27.6 million | \$4.3 million | \$31.9 million |
| Indirect and Induced | | \$8.2 million | \$12.7 million | \$20.9 million | | \$11.4 million | \$17.8 million | \$29.2 million |
| Total | | \$27.8 million | \$15.8 million | \$43.6 million | | \$39.0 million | \$22.1 million | \$61.1 million |
| Retail Trade | | | | | | | | |
| Direct | | \$1.7 million | 0 | \$1.7 million | | \$2.4 million | 0 | \$2.4 million |
| Indirect and Induced | | \$0.7 million | \$0.8 million | \$1.5 million | | \$1.0 million | \$1.1 million | \$2.1 million |
| Total | | \$2.4 million | \$0.8 million | \$3.2 million | | \$3.4 million | \$1.1 million | \$4.5 million |
| Food and Beverage | | | | | | | | |
| Direct | | \$3.0 million | \$0.3 million | \$3.3 million | | \$4.2 million | \$0.5 million | \$4.7 million |
| Indirect and Induced | | \$0.1 million | \$0.3 million | \$0.4 million | | \$0.1 million | \$0.3 million | \$0.4 million |
| Total | | \$3.1 million | \$0.6 million | \$3.7 million | | \$4.3 million | \$0.8 million | \$5.1 million |
| Accommodations | | | | | | | | |
| Direct | | \$3.3 million | \$0.2 million | \$3.5 million | | \$4.6 million | \$0.3 million | \$4.9 million |
| Indirect and Induced | | \$0.1 million | \$0.1 million | \$0.2 million | | \$0.1 million | \$0.2 million | \$0.3 million |
| Total | | \$3.4 million | \$0.3 million | \$3.7 million | | \$4.7 million | \$0.5 million | \$5.2 million |
| Employment | | | | | | | | |
| Direct | | 350 jobs | 44 jobs | 394 jobs | | 490 jobs | 62 jobs | 552 jobs |
| Indirect and Induced | | 94 jobs | 144 jobs | 238 jobs | | 132 jobs | 202 jobs | 334 jobs |
| Total | | 444 jobs | 188 jobs | 632 jobs | | 622 jobs | 264 jobs | 886 jobs |
| Taxes | | | | | | | | |
| Provincial | | \$6.8 million | \$2.6 million | \$9.4 million | | \$9.6 million | \$3.6 million | \$13.2 million |
| Federal | | \$8.2 million | \$3.3 million | \$11.5 million | | \$11.4 million | \$4.7 million | \$16.1 million |

Notes: Does not include impact of Arena construction

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Summary Findings

(without Major League Team)

| SCENARIO WITHOUT MAJOR LEAGUE TEAM | MARKHAM | REGION OF YORK | REST OF ONTARIO | TOTAL PROVINCE | MARKHAM | REGION OF YORK | REST OF ONTARIO | TOTAL PROVINCE |
|--|------------|----------------|-----------------|----------------|------------|----------------|-----------------|----------------|
| # Events | 96 | | | | 130 | | | |
| Total Attendees | 565,000 | | | | 780,000 | | | |
| Food & Beverage | | | | | | | | |
| Low Forecast # new establ. | 1,507 SF 0 | | | | 2,496 SF 0 | | | |
| High Forecast # new estab. | 3,390 SF 0 | | | | 5,460 SF 1 | | | |
| Hotel | | | | | | | | |
| Hotel Nights # 125-room hotel | 25,880 0 | | | | 36,427 0 | | | |
| # 100-room hotel | 0 | | | | 1 | | | |
| Results of Provincial Input Output Model (Annual) | | | | | | | | |
| Total GDP (Gross Domestic Product) | | \$27.8 million | \$15.8 million | \$43.6 million | | \$39.0 million | \$22.1 million | \$61.1 million |
| Retail Trade | | \$2.4 million | \$0.8 million | \$3.2 million | | \$3.4 million | \$1.1 million | \$4.5 million |
| Food and Beverage | | \$3.1 million | \$0.6 million | \$3.7 million | | \$4.3 million | \$0.8 million | \$5.1 million |
| Accommodations | | \$3.4 million | \$0.3 million | \$3.7 million | | \$4.7 million | \$0.5 million | \$5.2 million |
| Employment | | 444 jobs | 188 jobs | 632 jobs | | 622 jobs | 264 jobs | 886 jobs |
| Provincial Taxes | | \$6.8 million | \$2.6 million | \$9.4 million | | \$9.6 million | \$3.6 million | \$13.2 million |
| Federal Taxes | | \$8.2 million | \$3.3 million | \$11.5 million | | \$11.4 million | \$4.7 million | \$16.1 million |

Note: Does not include impact of Arena construction

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Appendices

- Information Sources
- Alternative forecast assuming presence of NHL team in Markham Arena

A. Information Sources

Baade, R.A. "Is There An Economic Rationale For Subsidizing Sports Stadiums?" The Heartland Institute. Policy Study No. 13. February 23, 1987.

Baade, R.A. Los Angeles City Controllers Report on Economic Impact: Staples Center. 2003.

Coates, D. and B.R. Humphreys. "The Stadium Gambit and Local Economic Development." Regulation, xxx, Vol. 23, No. 2.

Coates, D. and B.R. Humphreys. "Professional Sports Facilities, Franchises and Urban Economic Development". University of Maryland, Baltimore County Economics Department Working Paper 03-103.

Compton, J. "Beyond Economic Impact: An Alternative Rationale for the Public Subsidy of Major League Sports Facilities". Journal of Sport Management, 2004, 18, 40-58.

Hemson Consulting Ltd. Economic Impact Of The Proposed Oshawa Sports & Entertainment Facility. February 25, 2005.

Palmer, J. "Bread and Circuses: The Local Benefits of Sports and Cultural Businesses". C.D. Howe Institute Commentary, March 5, 2002.

Plus: various major league/professional sports web sites, and various concert booking and concert ticket sale industry sites

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B. Spectator/Attendance Forecast Assuming NHL Team

| EVENT CATEGORY | AVG. # ATTENDEES | # EVENTS ANNUAL ATTENDANCE | # EVENTS ANNUAL ATTENDANCE |
|--|------------------|----------------------------|----------------------------|
| NHL Hockey | 15,000 | 50 750,000 | 50 750,000 |
| Major Sport Tournaments | 7,500 | 14 105,000 | 18 135,000 |
| WWE, MMA, Rock Concerts, International calibre sports events, Monster Trucks, etc. | 12,000 | 14 168,000 | 18 216,000 |
| Amateur sports events | 5,000 | 14 70,000 | 20 100,000 |
| Major Conventions, Rallies, and Prov./National Trade Shows | 6,000 | 12 72,000 | 18 108,000 |
| Other events | 4,000 | 26 104,000 | 26 104,000 |
| Total Annual Attendance | | 130 1,269,000 | 150 1,413,000 |

= number of event occasions (i.e. one calendar day)

Attendees = number of event occasions x average number of attendees

B. Food and Beverage Analysis Assuming NHL Team

| ASSUMPTIONS | 130 EVENTS | 150 EVENTS |
|---|-------------|-------------|
| Attendance | 1,269,000 | 1,413,000 |
| <u>Low Scenario:</u> | | |
| % attendees who will go to restaurant/pub pre or post event | 10% | 10% |
| | 126,900 | 141,300 |
| Average \$ expenditure per person | \$20 | \$20 |
| Total rest./pub sales potential | \$2,520,000 | \$2,826,000 |
| @ \$750/Sq. Ft. food/bev. Sales | | |
| Potential # establishments @4,000 SF | 3,360 SF | 3,768 SF |
| <u>High Scenario:</u> | | |
| % attendees who will go to restaurant/pub pre or post event | 15% | 15% |
| | 190,350 | 211,950 |
| Average \$ expenditure per person | \$30 | \$30 |
| Total rest./pub sales potential | \$5,710,500 | \$6,358,500 |
| @ \$750/Sq. Ft. food/bev. Sales | | |
| Potential # establishments @4,000 SF | 7,614 SF | 8,478 SF |
| | 1 | 2 |

Notes:

This analysis signals the scale/size of the new opportunity without competing for the sales made by pre-existing Markham establishments (i.e., pre-arena).

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B. Hotel Analysis

Assuming NHL Team

| EVENT CATEGORY | 130 EVENTS | 150 EVENTS |
|--|---------------|---------------|
| NHL Team | | |
| Annual Attendance | 750,000 | 750,000 |
| Hotel Nights @ 3% | 22,500 | 22,500 |
| Major Sport Tournaments | | |
| Annual Attendance | 105,000 | 135,000 |
| Hotel Nights @ 5% | 5,250 | 6,750 |
| WWE, Rock Concerts, etc. | | |
| Annual Attendance | 168,000 | 216,000 |
| Hotel Nights @ 3% | 5,040 | 6,480 |
| Amateur sports events | | |
| Annual Attendance | 70,000 | 100,000 |
| Hotel Nights @ 3% | 2,100 | 3,000 |
| Major Conventions, Rallies, and Major Trade Shows | | |
| Annual Attendance | 72,000 | 108,000 |
| Hotel Nights @ 5% | 3,600 | 5,400 |
| Other events | | |
| Annual Attendance | 104,000 | 104,000 |
| Hotel Attendance @ 3% | 3,120 | 3,120 |
| Total Potential Hotel Nights | 41,610 | 47,250 |
| Hotel Occupancy @ 75% | 55,480 | 63,000 |
| Potential # 125-room hotels | 1 | 1 |
| Potential # 100-room hotels | 1 | 1 |

Notes:

This analysis signals the scale/size of the new opportunity without competing for the hotel night sales made by pre-existing Markham hotel establishments (i.e., pre-arena). A 125-room hotel has a yearly capacity of 45,625 room-nights. A 100-room hotel has capacity of 36,500 room-nights.

B. Annual Economic Impact of Events Held at Arena as Calculated by Provincial Input-Output Model

| SCENARIO WITH NHL TEAM | MARKHAM | REGION OF YORK | REST OF ONTARIO | TOTAL PROVINCE | MARKHAM | REGION OF YORK | REST OF ONTARIO | TOTAL PROVINCE |
|--|-----------|----------------|-----------------|-----------------|-----------|----------------|-----------------|-----------------|
| # Events | 130 | | | | 150 | | | |
| Total Attendees | 1,269,000 | | | | 1,413,000 | | | |
| Results of Provincial Input Output Model (Annual) | | | | | | | | |
| Total GDP (Gross Domestic Product) | | | | | | | | |
| Direct | | \$50.4 million | \$7.0 million | \$57.4 million | | \$56.3 million | \$7.9 million | \$64.2 million |
| Indirect and Induced | | \$20.9 million | \$31.4 million | \$52.3 million | | \$23.4 million | \$35.2 million | \$58.6 million |
| Total | | \$71.3 million | \$38.4 million | \$109.7 million | | \$79.7 million | \$43.1 million | \$122.8 million |
| Retail Trade | | | | | | | | |
| Direct | | \$4.0 million | 0 | \$4.0 million | | \$4.5 million | 0 | \$4.5 million |
| Indirect and Induced | | \$1.9 million | \$2.0 million | \$3.9 million | | \$2.2 million | \$2.2 million | \$4.4 million |
| Total | | \$5.9 million | \$2.0 million | \$7.9 million | | \$6.7 million | \$2.2 million | \$8.9 million |
| Food and Beverage | | | | | | | | |
| Direct | | \$7.6 million | \$0.9 million | \$8.5 million | | \$8.4 million | \$1.0 million | \$9.4 million |
| Indirect and Induced | | \$0.3 million | \$0.6 million | \$0.9 million | | \$0.4 million | \$0.6 million | \$1.0 million |
| Total | | \$7.9 million | \$1.5 million | \$9.4 million | | \$8.8 million | \$1.6 million | \$10.4 million |
| Accommodations | | | | | | | | |
| Direct | | \$11.3 million | \$0.5 million | \$11.8 million | | \$12.4 million | \$0.5 million | \$12.9 million |
| Indirect and Induced | | \$0.1 million | \$0.3 million | \$0.4 million | | \$0.1 million | \$0.4 million | \$0.5 million |
| Total | | \$11.4 million | \$0.8 million | \$12.2 million | | \$12.5 million | \$0.9 million | \$13.4 million |
| Employment | | | | | | | | |
| Direct | | 919 jobs | 104 jobs | 1023 jobs | | 1024 jobs | 117 jobs | 1141 jobs |
| Indirect and Induced | | 241 jobs | 358 jobs | 599 jobs | | 269 jobs | 401 jobs | 670 jobs |
| Total | | 1160 jobs | 462 jobs | 1622 jobs | | 1293 jobs | 518 jobs | 1811 jobs |
| Taxes | | | | | | | | |
| Provincial | | \$17.4 million | \$6.3 million | \$23.7 million | | \$19.4 million | \$7.1 million | \$26.5 million |
| Federal | | \$20.8 million | \$8.2 million | \$29.0 million | | \$23.3 million | \$9.2 million | \$32.5 million |

Notes: Does not include impact of Arena construction

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B. Summary Findings

(with NHL Team)

| SCENARIO WITH NHL TEAM | MARKHAM | REGION OF YORK | REST OF ONTARIO | TOTAL PROVINCE | MARKHAM | REGION OF YORK | REST OF ONTARIO | TOTAL PROVINCE |
|--|------------|----------------|-----------------|-----------------|------------|----------------|-----------------|-----------------|
| # Events | 130 | | | | 150 | | | |
| Total Attendees | 1,269,000 | | | | 1,413,000 | | | |
| Food & Beverage | | | | | | | | |
| Low Forecast # new establ. | 3,360 SF 0 | | | | 3,768 SF 0 | | | |
| High Forecast # new establ. | 7,614 SF 1 | | | | 8,478 SF 2 | | | |
| Hotel | | | | | | | | |
| Hotel Nights # 125-room hotels | 55,480 1 | | | | 63,000 1 | | | |
| Hotel Nights # 100-room hotels | 55,480 1 | | | | 63,000 1 | | | |
| Results of Provincial Input Output Model (Annual) | | | | | | | | |
| Total GDP (Gross Domestic Product) | | \$71.3 million | \$38.4 million | \$109.7 million | | \$79.7 million | \$43.1 million | \$122.8 million |
| Retail Trade | | \$5.9 million | \$2.0 million | \$7.9 million | | \$6.7 million | \$2.2 million | \$8.9 million |
| Food and Beverage | | \$7.9 million | \$1.5 million | \$9.4 million | | \$8.8 million | \$1.6 million | \$10.4 million |
| Accommodations | | \$11.4 million | \$0.8 million | \$12.2 million | | \$12.5 million | \$0.9 million | \$13.4 million |
| Employment | | 1,160 jobs | 462 jobs | 1,622 jobs | | 1,293 jobs | 518 jobs | 1,811 jobs |
| Provincial Taxes | | \$17.4 million | \$6.3 million | \$23.7 million | | \$19.4 million | \$7.1 million | \$26.5 million |
| Federal Taxes | | \$20.8 million | \$8.2 million | \$29.0 million | | \$23.3 million | \$9.2 million | \$32.5 million |

Notes: Does not include impact of Arena construction

Jan. 22, 2011

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