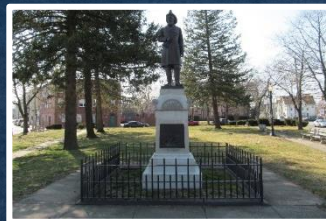


# Economic & Fiscal Benefits Analysis of a New Downtown Pawtucket Ballpark

City of Pawtucket & Pawtucket Red Sox

Final Report | April 2017

\*\*\*Confidential & Proprietary\*\*\*



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# 1.0 Preface

## Economic & Fiscal Benefits Analysis of a New Downtown Pawtucket Ballpark

- ◆ In April 2017, the City of Pawtucket (“City”) and the Pawtucket Red Sox Baseball Club, LLC (“Pawtucket Red Sox” or “Team”) retained Brailsford & Dunlavey, Inc. (“B&D”) to provide a benefits analysis (“Study”) of a proposed new ballpark and surrounding ancillary development in downtown Pawtucket, Rhode Island.
- ◆ B&D completed a scope of work that included:
  - An estimate of the economic and fiscal benefits generated by the construction and operation of a new downtown ballpark.
  - An estimate of the economic and fiscal benefits generated by potential ancillary development on the Apex site, Division Street parcel, and Tidewater site.
  - For the purposes of this Study, fiscal benefits represents tax proceeds collected by the State of Rhode Island and/or the City of Pawtucket.
- ◆ This document summarizes B&D’s analysis.

# 2.0 Qualifications

## Economic & Fiscal Benefits Analysis of a New Downtown Pawtucket Ballpark

- ◆ The findings of this Study constitute the professional opinions of B&D personnel based on the assumptions and conditions detailed throughout. B&D conducted each analysis under the following conditions and assumptions:
  - This Study has been prepared for internal decision making purposes only and is valid only for the sole and specific purpose stated herein as of the date of this report. This Study is intended to be used in whole and not in parts. Separation of any part from the whole may skew or invalidate information or interpretation. Any use or reuse of this study by or on behalf of the City or Team will be at their sole risk and without any liability or legal exposure of any kind whatsoever to B&D.
  - The analyses, recommendations, observations, and conclusions contained herein represent the professional opinions of the B&D project team with such opinions based on research conducted using primary, secondary, and tertiary sources and B&D's professional experience.
  - The B&D project team performed its work using industry and public information that is deemed reliable, but whose accuracy cannot be guaranteed. B&D makes no recommendation and provides no warranty as to such information's accuracy or completeness.
  - B&D makes no assurance and provides no guarantee that results identified in this Study will be achieved. Economic and market conditions, management action or inaction, and implementation timing, as well as other important circumstances, often do not occur as planned and such deviations can be material.

# 3.0 Ballpark Benefits

## Overview of Proposed Sites

- ◆ B&D understands that the City and Team are considering two sites in Pawtucket's downtown area for a new 9,500-capacity ballpark, parking, and ancillary development.
- ◆ The site plans on the right show the Apex site and Tidewater site, respectively.
- ◆ Both ballpark sites are complemented by parking and ancillary development on the Division Street parcel.



**A** Apex Site Ballpark Study  
BASEBALL SITE PLAN FENWAY PARK FIELD DIMENSIONS  
THIRD BASE NORTH ORIENTATION



**T** Tidewater Site Ballpark Study  
BASEBALL SITE PLAN FENWAY PARK FIELD DIMENSIONS  
THIRD BASE NORTH ORIENTATION



# 3.0 Ballpark Benefits

## Introduction

- ◆ B&D completed an analysis designed to estimate the economic and fiscal benefits generated by the operation of the Pawtucket Red Sox in a new downtown ballpark.
  - B&D estimated the annual economic benefits to the State of Rhode Island (“State”).
  - B&D estimated fiscal benefits to both the State of Rhode Island and City of Pawtucket (“City”).
  - For the purposes of this Study fiscal benefits represents tax proceeds collected by the State of Rhode Island and/or the City of Pawtucket.
  - All figures represent total benefits - not incremental benefits over those currently generated by the Team and McCoy Stadium.
  
- ◆ Benefits are measured in terms of economic activity, wages, jobs, and taxes which are further divided into direct and indirect impacts.
  - Direct impacts represent the economic activity created by the expenditure of dollars on construction and operations of the ballpark.
  - Indirect benefits represent the value of additional economic demands that the project places on supplying industries in the State for goods and services.
  - The sum of the direct and indirect benefits represents the total economic impact of the project.
  - B&D quantified the one-time (construction period) economic and fiscal benefits of the ballpark and the annual, or on-going economic and fiscal benefits of ballpark and Team operations.

# 3.0 Ballpark Benefits

## Economic Benefits Methodology

- ◆ The economic benefits analysis relies on input-output multipliers that are developed based on information published by the United States Bureau of Economic Analysis.
  - Direct impacts provide the basis for calculating indirect benefits through the application of market-specific RIMS-II multipliers.
- ◆ The economic benefits analysis is conducted on the basis of operating expenditures and cost components.
  - Some purchases will be provided by out-of-State companies and some jobs will be filled by out-of-State residents and as such, all direct impacts in this analysis are discounted to account for leakage.
- ◆ Ticket sales and in-stadium spending are not considered direct economic impacts.
  - In B&D's experience, much of this spending is displacement or "substitution" spending and would take place without the presence of the ballpark.
  - However, in-stadium spending on food, beverage, and merchandise items generates tax revenue.
- ◆ In B&D's professional opinion, both the Apex and Tidewater sites will have a similar impact on ballpark and Team operations (i.e. attendance levels) given their close proximity and therefore will generate similar economic and fiscal benefits to the State.

# 3.0 Ballpark Benefits

## One-Time Economic & Fiscal Benefits

- ◆ During the construction period, the ballpark project will have an immediate, one-time impact on the State of Rhode Island's economy.
  - Impacts stem from the procurement of labor, purchase of materials, and contracting of soft cost services (i.e. architectural services, project management, etc.) inside the State.
  - Fiscal benefits include income tax and sales tax revenue generated by new wages and materials, respectively.
  - Fiscal benefits also include corporate business taxes on the construction manager.
  
- ◆ According to the Team, the budget for the ballpark is \$76 million, inclusive of the hard and soft costs of construction.
  - For the purposes of this analysis, the projected start of construction is 2018.
  - Hard construction costs are estimated at \$53.2 million and soft costs are estimated at 30% of the hard costs, or \$22.8 million.
  
- ◆ The State is estimated to retain 40% of wages, 20% of materials purchases, and 15% of soft costs.



# 3.0 Ballpark Benefits

## One-Time Economic & Fiscal Benefits

- ◆ The chart to the right summarizes the direct and indirect one-time benefits generated by the construction of a new ballpark in downtown Pawtucket.
- ◆ One-time fiscal benefits to the State include approximately \$60,000 in business corporation taxes, \$798,000 in personal income taxes, and \$2,234,000 in sales tax on materials purchases for a total of \$3,092,000.
  - According to the State, 100% of construction materials are taxable.

### Direct Benefits

Estimated Economic Activity	\$9,800,000
Estimated Wages	\$8,500,000
Estimated Jobs	164

### Indirect Benefits

Estimated Economic Activity	\$7,700,000
Estimated Wages	\$13,600,000
Estimated Jobs	274

### Total Benefits

Estimated Economic Activity	\$17,500,000
Estimated Wages	\$22,100,000
Estimated Jobs	438
Fiscal Benefits	\$3,092,000

# 3.0 Ballpark Benefits

## Annual Economic & Fiscal Benefits

- ◆ Upon the opening of the ballpark, visitor spending, ballpark and Team operations will create significant economic and fiscal benefits to the State when considered over the life of the facility.
  
- ◆ For the purpose of this analysis, B&D relied on its professional expertise and current and historical data provided by the Team to model the operations of the Pawtucket Red Sox in a new ballpark. The model assumes the following primary assumptions:
  - Paid attendance of approximately 597,000 in 2020, the first year of operations.
  - Actual, or “turnstile” attendance of approximately 400,000 in 2020.
  - Paid attendance of approximately 569,000 in the stabilized year (2024).
  - Actual attendance of approximately 381,000 in 2024.
  - A total of 70 scheduled games and 68 openings.
  - A total of approximately 128,000 non-tenant event attendees (i.e. concerts, sporting events, meetings, etc.).
  - An estimated 44% of Pawtucket Red Sox game attendees come from within the market, 50% come from another state, and it is estimated that 6% would likely stay overnight.
  - Non-tenant event attendance is distributed into the same categories at 85%, 10%, and 5%.

# 3.0 Ballpark Benefits

## Annual Economic & Fiscal Benefits

- ◆ Annual operation of the Team and ballpark is estimated to generate \$12.7 million in direct economic activity and \$5.9 million in direct wages, and supports 162 jobs.
- ◆ Indirect benefits to the State total \$10.0 million in economic activity and \$12.7 million in wages, and supports 319 jobs.
- ◆ Collectively, the on-going annual benefits of the ballpark are estimated at \$22.7 million in economic activity, \$18.6 million in wages, and 481 jobs supported.
  - The average annual wage is approximately \$38,700.

### Direct Benefits

Estimated Economic Activity	\$12,700,000
Estimated Wages	\$5,900,000
Estimated Jobs	162

### Indirect Benefits

Estimated Economic Activity	\$10,000,000
Estimated Wages	\$12,700,000
Estimated Jobs	319

### Total Benefits

Estimated Economic Activity	\$22,700,000
Estimated Wages	\$18,600,000
Estimated Jobs	481

# 3.0 Ballpark Benefits

## Annual Economic & Fiscal Benefits

- ◆ In addition to the economic benefits, the ballpark will generate tax revenues for the State and City.
  - Applicable State taxes include sales tax (7%), personal income tax (3.75% to 5.75%), business corporation tax (7%), and transient occupancy tax (6%, of which 1% goes to the City).
  - Applicable City taxes include a food and beverage tax (1%), transient occupancy tax (1%), and tangible property tax (0.05209).
  - Sales tax is generated from Team purchases, in-ballpark purchases on food and beverage items and merchandise/novelties and visitor and visiting team spending outside the ballpark on retail, lodging, food and beverage items, and transportation.
  - Jobs supported by ballpark and Team operations generate income tax.
  - There is no admissions tax on tickets in the State of Rhode Island.

State of Rhode Island	Rate	City of Pawtucket	Levy/Rate
Business Corporation Tax	7.0%	Tangible Property Tax	0.05209
Personal Income Tax	3.75% to 5.75%	Food & Beverage Tax	1.0%
Sales Tax	7.0%		
Transient Occupancy Tax*	6.0%		

\* 1% goes to City



# 3.0 Ballpark Benefits

## Annual Economic & Fiscal Benefits

- ◆ Estimated on-going annual fiscal benefits for the first five years of operations are shown in the chart below.
  - The construction period generates approximately \$3.1 million in State fiscal benefits.
  - In the first year of operations (2020), fiscal benefits total nearly \$3 million to the State and \$261,800 to the City, increasing to approximately \$3.2 million and nearly \$228,000 in year 2024.

	Level	Construction	2020	2021	2022	2023	2024
Business Corporation Tax	State	\$ 60,000	-	-	-	-	-
Construction Materials Tax	State	\$ 2,234,000	-	-	-	-	-
State Income Tax <sup>[1]</sup>	State	\$ 798,000	\$ 1,498,000	\$ 1,541,000	\$ 1,587,000	\$ 1,633,000	\$ 1,681,000
In-Ballpark Sales Tax	State	-	\$ 576,000	\$ 571,000	\$ 576,000	\$ 578,000	\$ 578,000
Visitor Sales Tax	State	-	\$ 792,000	\$ 808,000	\$ 824,000	\$ 841,000	\$ 858,000
Transient Occupancy Tax	State	-	\$ 114,000	\$ 117,000	\$ 119,000	\$ 121,000	\$ 124,000
Tangible Property Tax	City	-	\$ 154,000	\$ 151,000	\$ 141,000	\$ 122,000	\$ 110,000
Food & Beverage Tax <sup>[2]</sup>	City	-	\$ 93,000	\$ 93,000	\$ 96,000	\$ 98,000	\$ 100,000
Transient Occupancy Tax	City	-	\$ 14,800	\$ 14,800	\$ 15,800	\$ 16,800	\$ 17,900
City of Pawtucket		-	\$ 261,800	\$ 258,800	\$ 252,800	\$ 236,800	\$ 227,900
State of Rhode Island		\$ 3,092,000	\$ 2,980,000	\$ 3,037,000	\$ 3,106,000	\$ 3,173,000	\$ 3,241,000
<b>Annual Fiscal Benefit</b>		<b>\$ 3,092,000</b>	<b>\$ 3,241,800</b>	<b>\$ 3,295,800</b>	<b>\$ 3,358,800</b>	<b>\$ 3,409,800</b>	<b>\$ 3,468,900</b>

Note: Indirect fiscal benefits excluded

[1] Includes income tax on direct non-baseball jobs.

[2] Includes in-ballpark and visitor food and beverage taxes

# 3.0 Ballpark Benefits

## Fiscal Benefits – 30-Year Net Present Value

- ◆ When fiscal benefits are measured on a 30-year net present value basis, the ballpark is projected to generate \$58.7 million in tax revenue to the State and City across all categories.
  - State income tax comprises 52% of the total fiscal benefit.
  - Sales tax generated from Team purchases and in-ballpark purchases and visitor spending outside the ballpark account for 44% of the total benefit to the State.
  - Transient occupancy, meals, and tangible property tax total \$3.4 million in revenue to the City.

	Level	30-Year NPV
State Income Tax	State	\$ 28,700,000
In-Ballpark Sales Tax	State	\$ 9,800,000
Visitor Sales Tax	State	\$ 14,700,000
Transient Occupancy Tax	State	\$ 2,100,000
Tangible Property Tax	City	\$ 1,300,000
Food & Beverage Tax	City	\$ 1,800,000
Transient Occupancy Tax	City	\$ 300,000
City of Pawtucket		\$ 3,400,000
State of Rhode Island		\$ 55,300,000
<b>Annual Fiscal Benefit</b>		<b>\$ 58,700,000</b>

Notes:

Assumes 3% inflation after year 10 of operations

Discount rate of 6.00%

Indirect benefits excluded

# 4.0 Ancillary Development Benefits

## Introduction

- ◆ In B&D's experience, a typical goal of public investment in a downtown ballpark project is to generate a return on investment in the form of ancillary development.
  - The Team and City anticipate that a new ballpark will not only catalyze the immediate area surrounding ballpark, but also the City's identified growth center from downtown to the riverfront.
- ◆ B&D was tasked with estimating the economic and fiscal benefits generated by the construction and operation of potential ancillary development around a new ballpark at the Apex and Tidewater sites and the Division Street parcel.
  - It is assumed that the Division Street parcel is required to accommodate parking for the ballpark, and as such, is included in both the Apex and Tidewater benefits analyses.
- ◆ The potential ancillary development program, construction cost and lease rate assumptions, and property tax estimates were provided by Peregrine Group LLC.
  - Budget figures do not include land acquisition, surface or structured parking, or infrastructure.
- ◆ This analysis was completed without the benefit of a market analysis to determine the demand for the identified real estate uses.
  - B&D relied upon industry standards, stakeholder input, secondary resources, and its professional expertise to develop realistic projections and associated benefits.

# 4.0 Ancillary Development Benefits

## Program & Budget Overview

- ◆ The potential program for the Apex site includes:
  - A 125,000 net square foot hotel
  - 200 apartment units
  - 50,000 net square feet of retail space
- ◆ The project budget is estimated at \$110.3 million in 2020 dollars, excluding the ballpark.
- ◆ The Division Street program, with an estimated budget of \$37.3 million (2020 dollars), includes:
  - 40,000 net square feet of office space
  - 70 condominium units
  - 10,000 net square feet of retail space
- ◆ Collectively, the Apex site (excluding the ballpark) and Division Street project budget is estimated at \$147.6 million.





# 4.0 Ancillary Development Benefits

## Program & Budget Overview

- ◆ The potential development program for the Tidewater site includes:
  - 50,000 net square feet of office space
  - 12,000 net square feet of retail space
- ◆ The project budget is estimated at \$14.1 million in 2020 dollars, excluding the ballpark, parking, and infrastructure.
- ◆ Collectively, the Tidewater site (excluding the ballpark) and Division Street project budget totals \$51.4 million.



# 4.0 Ancillary Development Benefits

## One-Time Economic & Fiscal Benefits

- ◆ Like the ballpark, B&D assumes that the State will retain 40% of wages, 20% of materials purchases, and 15% of soft costs required to construct the ancillary development projects.
- ◆ The chart to the right summarizes the direct and indirect one-time benefits generated by the construction of ancillary development on the Apex and Tidewater sites (excluding the ballpark).
  - The Division Street parcel benefits are included in both site totals.

Site	Apex Site*	Tidewater Site*
<b>Estimated Budget</b>	<b>\$147,600,000</b>	<b>\$51,400,000</b>
<b>Direct Benefits</b>		
Estimated Economic Activity	\$19,000,000	\$6,600,000
Estimated Wages	\$16,600,000	\$5,800,000
Estimated Jobs	309	107
<b>Indirect Benefits</b>		
Estimated Economic Activity	\$15,000,000	\$5,200,000
Estimated Wages	\$26,400,000	\$9,200,000
Estimated Jobs	524	182
<b>Total Benefits</b>		
Estimated Economic Activity	\$34,000,000	\$11,800,000
Estimated Wages	\$43,000,000	\$15,000,000
Estimated Jobs	832	290

\*Includes Division Street parcel

# 4.0 Ancillary Development Benefits

## Annual Economic & Fiscal Benefits

- ◆ On-going operations of new retail, office space, apartment building, and hotel on the proposed ballpark sites and Division Street parcel will create economic and fiscal benefits to the State and City.
- ◆ B&D's economic model includes the following primary assumptions:
  - Demand exists for new destination-based entertainment/retail space, and therefore, a majority of the spending is considered net new to the State.
  - Demand exists for new office space, and therefore, a majority of the jobs are considered net new to the State.
  - Demand exists for a new hotel and therefore all spending is considered net new to the State.
  - The 200-room hotel is not assumed to include significant conference/convention space.
  - The first year of operation coincides with the opening of the ballpark in 2020.
  - Property values are projected to increase 1% annually.
  - All revenues are inflated 3% per year.
- ◆ Business corporation taxes were not estimated for the office tenants as their financial performance can vary significantly (i.e. financial advisors vs. medical practice).

# 4.0 Ancillary Development Benefits

## Annual Economic & Fiscal Benefits

- ◆ Utilizing the previously described assumptions, B&D modeled the annual on-going economic activity, wages, and jobs created by the operations of the Apex and Tidewater sites which are summarized in the chart on the right.
- ◆ The Division Street parcel benefits are included in both site totals.
  - The on-going annual benefits of the Division Street parcel are estimated at \$14.5 million in economic activity, \$10.3 million in wages, and 198 jobs supported.

Site	Apex Site*	Tidewater Site*
<b>Direct Benefits</b>		
Estimated Economic Activity	\$11,600,000	\$3,500,000
Estimated Wages	\$7,200,000	\$12,200,000
Estimated Jobs	195	291
<b>Indirect Benefits</b>		
Estimated Economic Activity	\$31,000,000	\$28,800,000
Estimated Wages	\$9,000,000	\$11,300,000
Estimated Jobs	168	153
<b>Total Benefits</b>		
Estimated Economic Activity	\$42,600,000	\$32,300,000
Estimated Wages	\$16,200,000	\$23,500,000
Estimated Jobs	363	444
Average Wage	\$45,000	\$53,000

\*Includes Division Street parcel



# 4.0 Ancillary Development Benefits

## Annual Economic & Fiscal Benefits – Apex Site

- ◆ Annual tax revenue generated by the potential ancillary development projects identified for the Apex site are summarized in the chart below.
  - The construction period generates approximately \$6 million in State fiscal benefits.
  - In 2020, fiscal benefits total approximately \$1.8 million to the State and \$1.5 million to the City, increasing to \$2 million and nearly \$1.6 million in 2024 respectively.
  - Hotel revenue and retail sales are the primary drivers of sales tax revenue at the Apex site.

Apex Site	Level	Construction	2020	2021	2022	2023	2024
Business Corporation Tax	State	\$ 87,000	-	-	-	-	-
Construction Materials Tax	State	\$ 4,341,000	-	-	-	-	-
State Income Tax	State	\$ 1,550,000	\$ 271,000	\$ 279,000	\$ 287,000	\$ 296,000	\$ 305,000
Sales Tax	State	-	\$ 1,145,000	\$ 1,180,000	\$ 1,215,000	\$ 1,252,000	\$ 1,290,000
Transient Occupancy Tax	State	-	\$ 378,000	\$ 389,000	\$ 401,000	\$ 413,000	\$ 426,000
Real Estate Conveyance Tax	State	\$ 105,000	-	-	-	-	-
Transient Occupancy Tax	City	-	\$ 75,600	\$ 77,900	\$ 80,200	\$ 82,600	\$ 85,100
Food & Beverage Tax	City	-	\$ 11,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 13,000
Property Tax	City	-	\$ 1,418,000	\$ 1,432,000	\$ 1,446,000	\$ 1,461,000	\$ 1,476,000
City of Pawtucket		-	\$ 1,504,600	\$ 1,521,900	\$ 1,538,200	\$ 1,555,600	\$ 1,574,100
State of Rhode Island		\$ 6,083,000	\$ 1,794,000	\$ 1,848,000	\$ 1,903,000	\$ 1,961,000	\$ 2,021,000
<b>Annual Fiscal Benefit</b>		<b>\$ 6,083,000</b>	<b>\$3,298,600</b>	<b>\$3,369,900</b>	<b>\$3,441,200</b>	<b>\$3,516,600</b>	<b>\$3,595,100</b>

Notes:

Includes Division Street parcel

Indirect fiscal benefits excluded

Tangible property tax and business corporation tax excluded from on-going benefits

# 4.0 Ancillary Development Benefits

## Annual Economic & Fiscal Benefits – Tidewater Site

- ◆ Annual fiscal benefits generated by the potential ancillary development projects identified for the Tidewater site are summarized in the chart below.
  - The construction period generates \$2,081,000 in State fiscal benefits.
  - In 2020, fiscal benefits total \$654,000 to the State and \$735,000 to the City, increasing to \$737,000 and \$765,000 in 2024 respectively.

Tidewater Site	Level	Construction	2020	2021	2022	2023	2024
Business Corporation Tax	State	\$ 30,000	-	-	-	-	-
Construction Materials Tax	State	\$ 1,511,000	-	-	-	-	-
State Income Tax	State	\$ 540,000	\$ 458,000	\$ 472,000	\$ 486,000	\$ 500,000	\$ 515,000
Sales Tax	State	-	\$ 196,000	\$ 203,000	\$ 209,000	\$ 215,000	\$ 222,000
Real Estate Conveyance Tax	State	\$ 105,000	-	-	-	-	-
Property Tax	City	-	\$ 735,000	\$ 743,000	\$ 750,000	\$ 758,000	\$ 765,000
City of Pawtucket		-	\$ 735,000	\$ 743,000	\$ 750,000	\$ 758,000	\$ 765,000
State of Rhode Island		\$ 2,081,000	\$ 654,000	\$ 675,000	\$ 695,000	\$ 715,000	\$ 737,000
<b>Annual Fiscal Benefit</b>		<b>\$ 2,081,000</b>	<b>\$ 1,389,000</b>	<b>\$ 1,418,000</b>	<b>\$ 1,445,000</b>	<b>\$ 1,473,000</b>	<b>\$ 1,502,000</b>

Notes:

Includes Division Street parcel

Indirect fiscal benefits excluded

Tangible property tax and business corporation tax excluded from on-going benefits

# 4.0 Ancillary Development Benefits

## Fiscal Benefits – 30-Year Net Present Value

- ◆ Fiscal benefits measured on a 30-year net present value basis are shown below.
  - The Apex site generates \$32.3 million in property taxes over a 30-year period (NPV) and \$40.1 million (NPV) in State income, sales, and occupancy tax revenue.
  - The Tidewater site generates \$20.2 million in property taxes over a 30-year period (NPV) and \$18.2 million (NPV) in State income and sales tax revenue.
  - The Division Street parcel generates \$8.9 million in property taxes and \$5.6 million in State income and sales tax revenue over 30-years (included in both sites totals).

	Level	Apex*	Tidewater*
State Income Tax	State	\$ 9,100,000	\$ 12,700,000
Sales Tax	State	\$ 23,700,000	\$ 5,500,000
Transient Occupancy Tax	State	\$ 7,300,000	\$ -
Transient Occupancy Tax	City	\$ 1,500,000	\$ -
Food & Beverage Tax	City	\$ 200,000	\$ -
Property Tax	City	\$ 30,600,000	\$ 20,200,000
<b>City of Pawtucket</b>		<b>\$ 32,300,000</b>	<b>\$ 20,200,000</b>
<b>State of Rhode Island</b>		<b>\$ 40,100,000</b>	<b>\$ 18,200,000</b>

Notes:

\*Includes Division Street parcel

Assumes 3% inflation after year 10 of operations

Discount rate of 6.00%

Indirect benefits excluded

# 5.0 Summary

## Economic & Fiscal Benefits Analysis of a New Downtown Pawtucket Ballpark

- ◆ The total direct and indirect **one-time economic and fiscal benefits** generated by the construction of the ballpark and ancillary development on the Apex and Tidewater Sites is summarized in the chart on the right.
  - The Division Street parcel and ballpark benefits are included in both site totals.

Site	Apex Site*	Tidewater Site*
<b>Estimated Budget</b>	<b>\$223,600,000</b>	<b>\$127,400,000</b>
<b>Direct Benefits</b>		
Estimated Economic Activity	\$28,800,000	\$16,400,000
Estimated Wages	\$25,100,000	\$14,300,000
Estimated Jobs	473	271
<b>Indirect Benefits</b>		
Estimated Economic Activity	\$22,700,000	\$12,900,000
Estimated Wages	\$40,000,000	\$22,800,000
Estimated Jobs	798	456
<b>Total Benefits</b>		
Estimated Economic Activity	\$51,500,000	\$29,300,000
Estimated Wages	\$65,100,000	\$37,100,000
Estimated Jobs	1,270	728
Fiscal Benefits	\$9,175,000	\$5,173,000

\*Includes Division Street parcel and ballpark



# 5.0 Summary

## Economic & Fiscal Benefits Analysis of a New Downtown Pawtucket Ballpark

- ◆ The chart to the right summarizes the direct and indirect **annual on-going benefits** generated by the construction of the ballpark and ancillary development on both the Apex and Tidewater Sites.
  - The Division Street parcel and ballpark benefits are included in both site totals.

Site	Apex Site*	Tidewater Site*
<b>Direct Benefits</b>		
Estimated Economic Activity	\$24,300,000	\$16,200,000
Estimated Wages	\$13,100,000	\$18,100,000
Estimated Jobs	357	453
<b>Indirect Benefits</b>		
Estimated Economic Activity	\$41,000,000	\$38,800,000
Estimated Wages	\$21,700,000	\$24,000,000
Estimated Jobs	487	472
<b>Total Benefits</b>		
Estimated Economic Activity	\$65,300,000	\$55,000,000
Estimated Wages	\$34,800,000	\$42,100,000
Estimated Jobs	844	925
Average Wage	\$41,000	\$46,000

\*Includes Division Street parcel and ballpark

# 5.0 Summary

## Economic & Fiscal Benefits Analysis of a New Downtown Pawtucket Ballpark

- ◆ The fiscal benefits generated by the ballpark and ancillary development on a 30-year net present value basis are summarized in the chart below.
  - The Apex site is estimated to generate approximately \$36.5 million to the City and \$93.3 million to State.
  - The Tidewater sites is projected to generate approximately \$24.4 million to the City and \$71.4 million to the State.

	Level	Apex*	Tidewater*
State Income Tax	State	\$ 37,800,000	\$ 41,400,000
Sales Tax	State	\$ 33,500,000	\$ 15,300,000
Transient Occupancy Tax	State	\$ 22,000,000	\$ 14,700,000
Transient Occupancy Tax	City	\$ 3,600,000	\$ 2,100,000
Food & Beverage Tax	City	\$ 2,000,000	\$ 1,800,000
Property Tax	City	\$ 30,900,000	\$ 20,500,000
<b>City of Pawtucket</b>		<b>\$ 36,500,000</b>	<b>\$ 24,400,000</b>
<b>State of Rhode Island</b>		<b>\$ 93,300,000</b>	<b>\$ 71,400,000</b>

Notes:

\*Includes Division Street parcel and ballpark

Assumes 3% inflation after year 10 of operations

Discount rate of 6.00%

Indirect benefits excluded