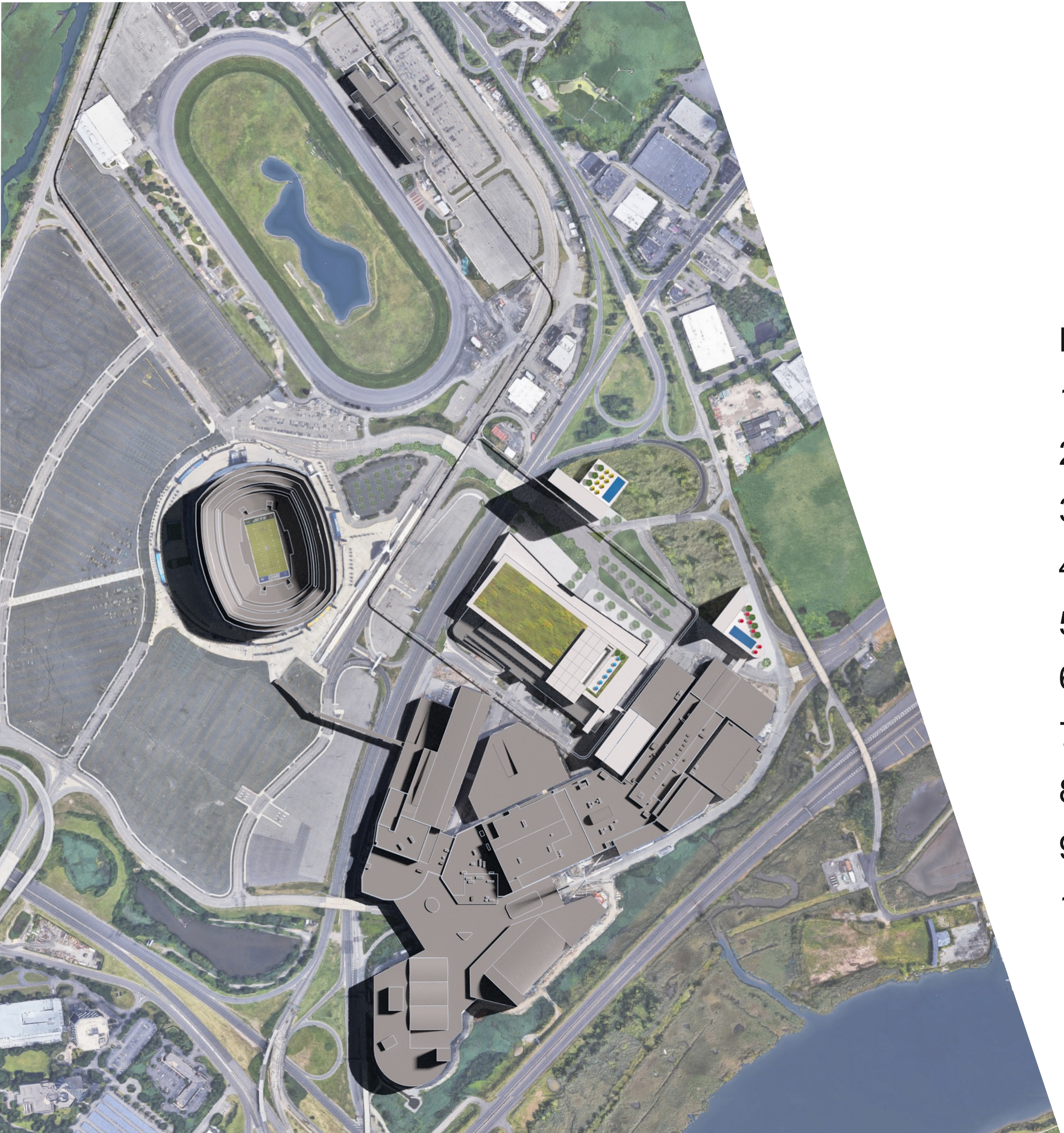
Meadowlands

Multi-Use Convention & Event Facility Study

"The 2040 Foundation Convention Center Feasibility Study demonstrates our vision and the long-term economic impact of a new multi-use convention center facility at the Meadowlands Sports Complex."

- Meadowlands 2040 Foundation



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Executive Summary

HUNDEN STRATEGIC PARTNERS

Meadowlands 2040 Foundation
Leadership • Vision • Education • Action

- **NFL Stadium with 2 NFL Teams**
- **#1 Harness Racetrack in North America**
- **#1 Live Sports Book in United States**
- **American Dream is a Top New Retail & Entertainment Center in US**

Meadowlands Sports Complex was originally envisioned to serve a densely populated area with common infrastructure supporting multiple venues. A multi-use convention center completes the modernization of the Meadowlands Sports Complex and addresses the need to replace the shuttered non-performing arena site.

Summary of Market Analysis

hunden strategic partners

A
Strong Competitive Position

B
Success Factors Are Aligned

C
Strengths & Opportunities Outweigh Weaknesses & Threats

D
Positive Destination Attributes

Competitive Position

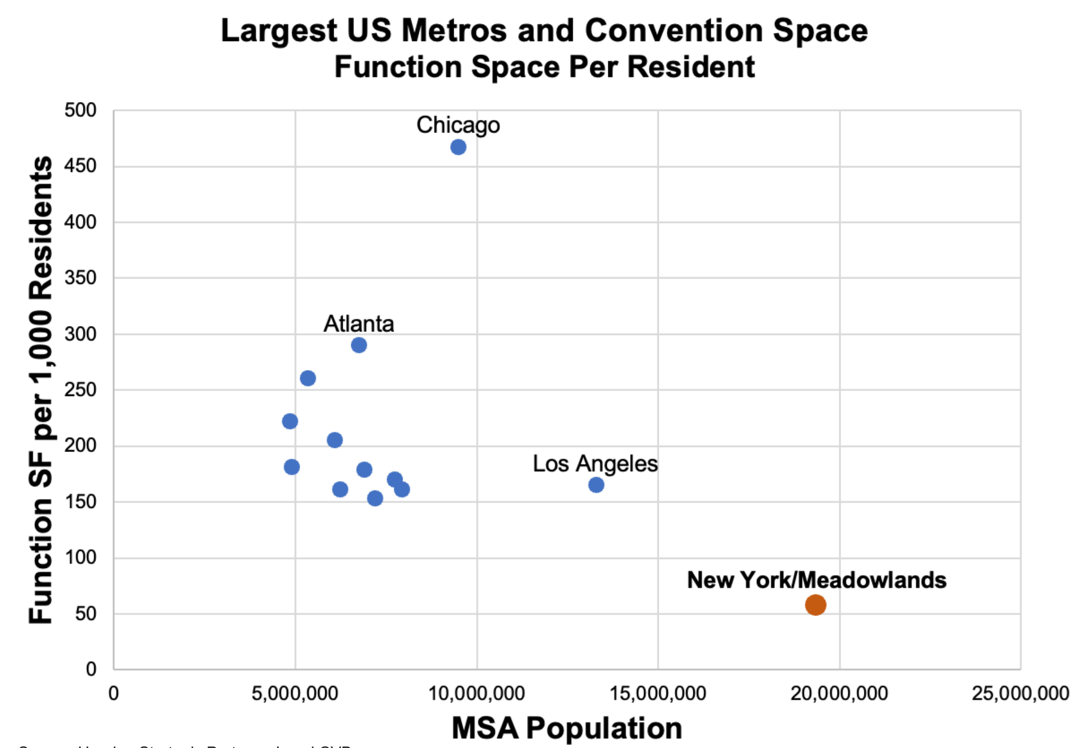
The Meadowlands Convention Center would be a super-regional and national player in almost every event type.

- **Corporate Groups**: The MCC would offer flexible, high-end ballroom & meeting rooms at a fraction of NYC prices, becoming the economical NY/NJ player.
- **Convention/Trade Shows:** Competition will be large East Coast convention centers.
- **Consumer Shows:** Meadowlands will be a metro and regional player, able to capture both overflow demand from Javits (which has a generally full calendar) and recapture latent demand that had nowhere large enough to meet in the market.
- **Youth Sports:** These tend to be the highest impact events, yet there are no indoor locations to host large-scale tournaments in the area currently.
- **Entertainment**: The Project would fill a gap in the NJ entertainment market for concerts, music festivals and fan experiences

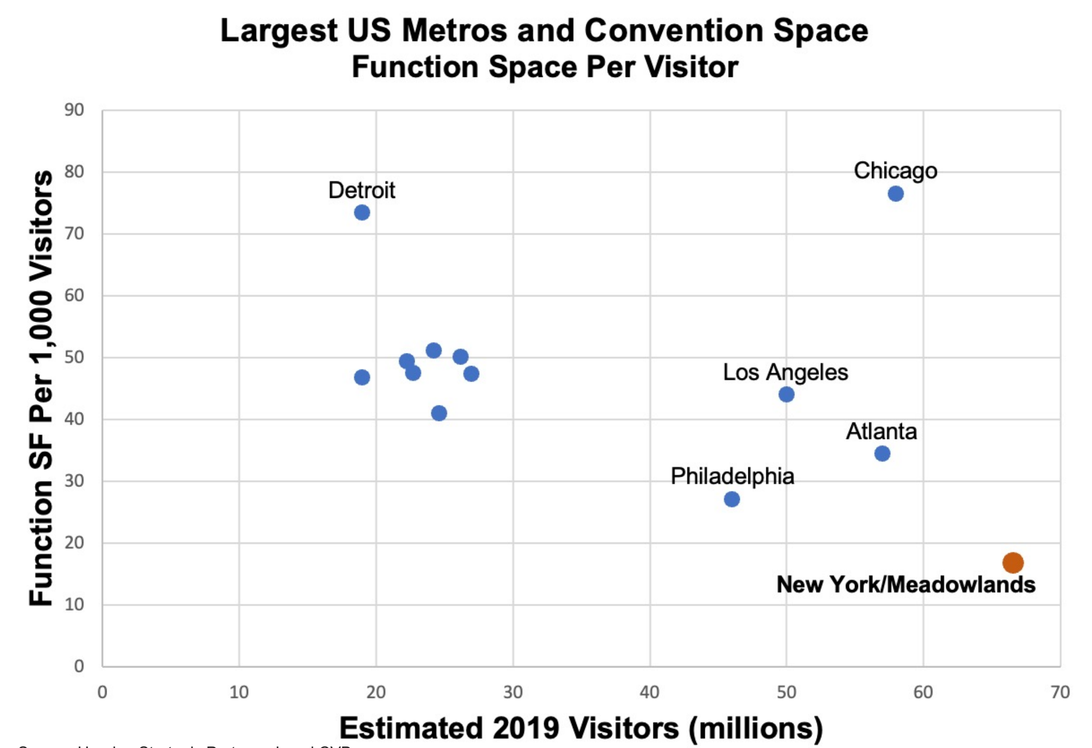
The Metropolitan Area is Undersupplied

The biggest factor in determining the supply / demand balance is the amount of legitimate non-hotel convention, ballroom and meeting room space.

When comparing the NY/NJ market to the other top MSA's in the U.S., whether by population or tourists, **the NY/NJ metro is short of prime convention space by 2 – 3 million square feet.**



Source: Hunden Strategic Partners, Local CVBs



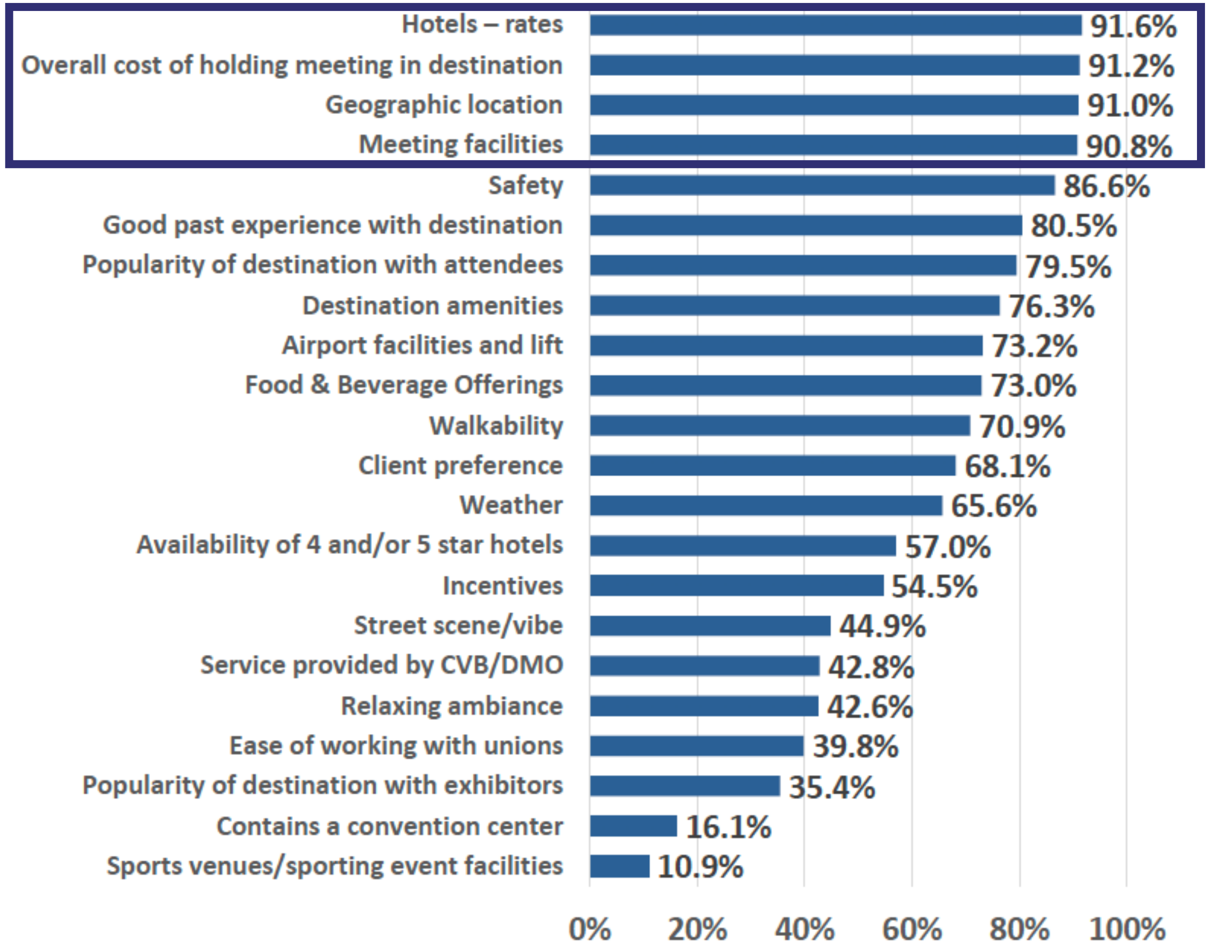
Source: Hunden Strategic Partners, Local CVBs

Success Factors for Multi-Use Convention Centers

- Easy Access to Large Market (Air Lift, Highway) Strong Geographic Location
- Destination Appeal
- Facility Package: Exhibit, Ballroom, Meeting & Attached Hotel
- Price Competitive & Ease of Labor/Staff
- Walkable Hotel Rooms

If all factors are present, then a convention/event center can succeed.

HOTELS - COST - LOCATION - FACILITIES: What Groups Demand



TOP TWO BOX SCORE	CORP.	3RD PARTY	ASSOC.	SMERF
Hotels – quality	95.3%	96.5%	93.0%	93.0%
Hotels – rates	91.3%	95.1%	95.2%	91.1%
Overall cost of holding meeting in destination	89.7%	95.1%	95.6%	93.0%
Geographic location	92.1%	95.1%	91.1%	89.7%
Meeting facilities	91.7%	95.1%	91.9%	91.1%
Safety	86.6%	89.5%	89.6%	87.8%
Good past experience with destination	82.6%	88.1%	82.2%	81.7%
Popularity of destination with attendees	81.0%	88.1%	83.3%	78.9%
Destination amenities (restaurants, entertainment, etc.)	80.6%	83.9%	79.3%	75.1%
Airport facilities and lift	77.1%	79.0%	74.4%	70.4%
Food & Beverage Offerings	78.7%	76.2%	74.8%	73.2%
Walkability	68.0%	69.2%	75.2%	69.0%
Client preference	78.7%	95.1%	71.9%	75.6%
Weather	71.5%	67.1%	67.4%	63.8%
Availability of 4 and/or 5 star hotels	69.2%	69.9%	57.8%	54.5%
Incentives	59.7%	69.9%	56.7%	58.2%
Street scene/vibe	46.2%	45.5%	46.3%	43.2%
Service provided by CVB?DMO	40.3%	55.2%	49.3%	50.7%
Relaxing ambiance	46.6%	44.8%	43.7%	47.4%
Ease of working with unions	44.3%	53.1%	44.1%	36.6%
Popularity of destination with exhibitors	39.9%	49.0%	40.4%	39.4%
Contains a convention center	14.2%	13.3%	17.8%	12.2%
Sports venues/sporting event facilities	16.6%	12.6%	8.5%	11.7%

Source: Destination Analysts – The CVB and the Future of the Meetings Industry

An Obvious Next Step: A Multi-Use Facility

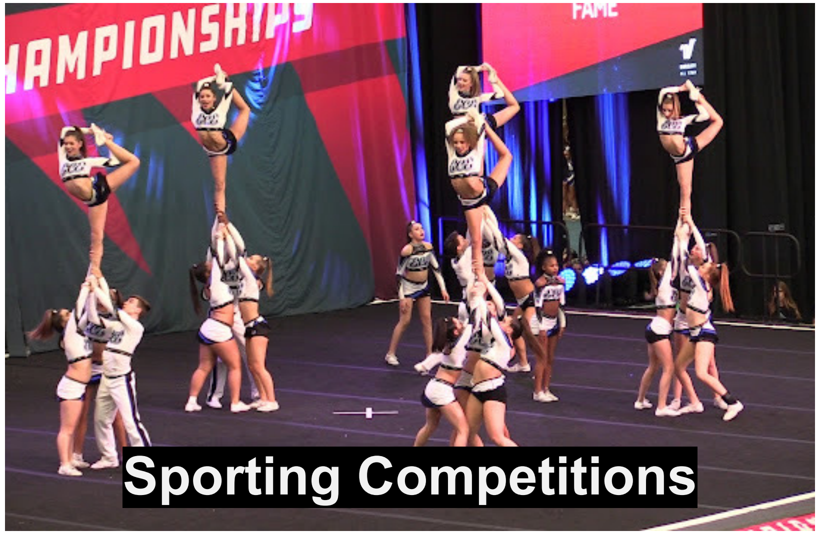

Trade & Consumer Shows


Conventions


Assemblies - Conferences


Large Banquets


Corporate Meetings & Trainings


Sporting Competitions

Sized to Accommodate 83% of Events in the U.S.

Only 17 percent of the top 250 trade shows require over 400,000 square feet of space each year.

Top 250 Trade Shows by Net Square Footage

	2018		2019	
Square Footage	**Total Shows**	**Percentage**	**Total Shows**	**Percentage**
Shows Under 400K SF	207	83%	193	83%
Between 400 - 500K SF	8	3%	12	5%
Between 500 - 599K SF	7	3%	7	3%
Between 600 - 699K SF	8	3%	5	2%
Between 700 - 800K SF	2	1%	4	2%
Shows over 800K SF	16	6%	12	5%

Source: TSNN

Recommendations

300,000 SF Flexible Exhibit Space
(includes 100k Flex Ballroom + 40k+ Retractable Arena-Style Setup for 2,000 - 5,000) *

60,000 SF Divisible Ballroom (in addition to exhibit hall) *

100,000 SF Meeting Rooms (75+/- breakouts, numerous combinations) *

1,000-Room Headquarters Hotel (incl. 40,000-SF Ballroom, 10,000-SF Jr. Ballroom, 50k SF breakouts)

700-Room Luxury Hotel
500-Room Select-Service Hotel

Full Flexibility for All Event Types and a Hotel that can Support itself in the absence of a major CC Event

* The total facility would be ~1 million SF including back of house, storage and front of house circulation areas

Economic Impact

The Meadowlands Convention Center, headquarter hotel and two privately-developed hotels are expected to generate over $3.5 billion in capturable taxes over 30 years.

- Over 30 years, net new spending is anticipated to be $30.1 billion.
- Over 30 years, net new spending is projected to create $13.4 billion in net new earnings and an annual average of over 6,000 full-time equivalent jobs. Construction of the facility is expected to support nearly 17,500 full-time construction jobs.

30-Year Summary of Impacts
Convention Center & Hotel Complex

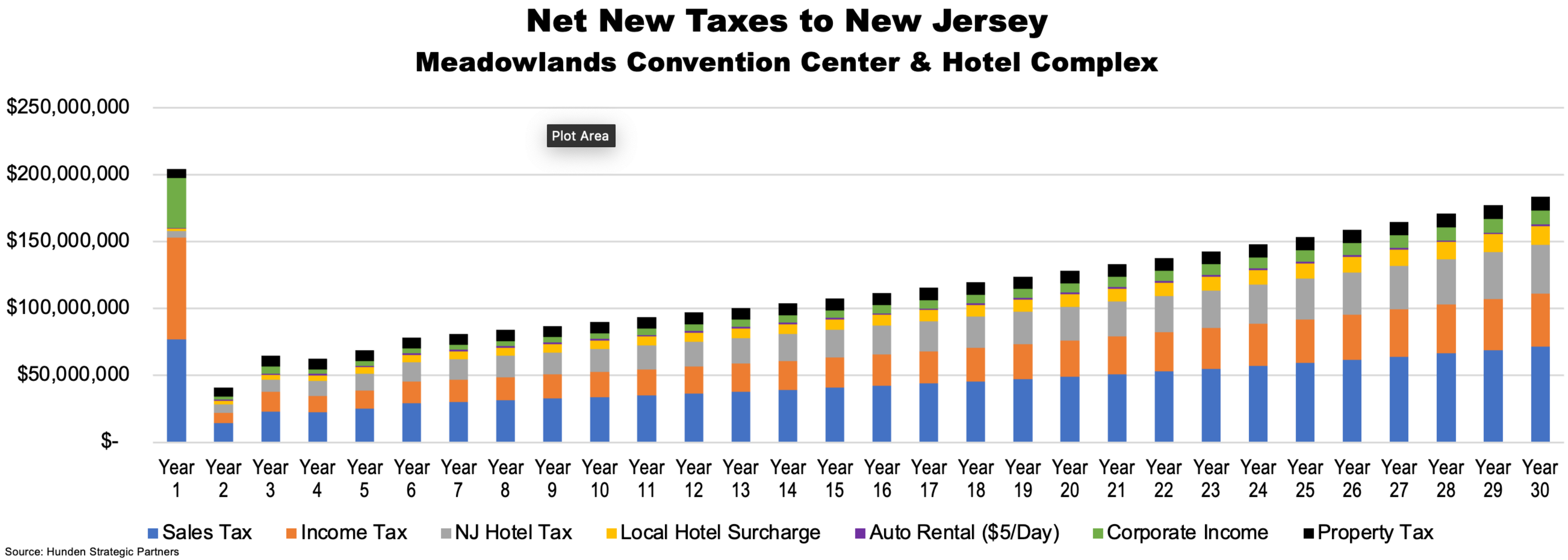
Net New Spending	**(millions)**
Direct	$19,206
Indirect	$7,424
Induced	$3,502
Total	**$30,132**
Net New Earnings	**(millions)**
From Direct	$8,168
From Indirect	$3,484
From Induced	$1,762
Total	**$13,414**
Net New FTE Jobs	**Actual**
From Direct	3,792
From Indirect	1,493
From Induced	728
Total	**6,013**
Construction Jobs	**17,493**
Capturable Taxes	**(millions)**
Sales Tax (6.625%)	$1,342
Income Tax (5.25% Wtd. Avg)	$778
NJ Hotel Tax (8.0%)	$646
Auto Rental ($5/day)	$36
Corporate Income (9%)	$220
Total	**$3,533**

Source: Hunden Strategic Partners

Net New Taxes

During the first year of the Project, the development is expected to generate over $200 million in taxes, when including taxes generated by construction. Over 30 years, the Project is estimated to generate $3.5 billion in taxes within New Jersey.

Years 1 include impacts from the convention center and two hotels, while Year 3 includes construction impacts from the select-service hotel.



Source: Hunden Strategic Partners

Other States are Investing in Convention Space

While the cost of construction is continually rising across the United States, entities continue to invest in convention center facilities to be major catalysts for a growing tourism economy. The figures below are not inflated to current construction costs.

The estimated investment level for the recommended facility is approximately $1.0 - $1.6 billion. More refined estimates would be developed during subsequent planning and design phases.

Notable Recent and Future Plans for Community Investment in Convention Centers

Convention Center	Location	Cost (Nominal $)	Type	Add. Indoor Event Space (SF)	Expected Completion Year	Funding Source
New Dallas Convention Center Build	Dallas, TX	$3.0 - $4.0 Billion	New Build	1,300,000	2026	City of Dallas
Seattle Convention Center	Seattle, WA	$1.9 billion	Expansion	405,320	2023	Wash. State CC Public Facilities District & Private
Javits Center	New York, NY	$1.5 billion	Expansion	251,000	2021	State of New York
Austin Convention Center	Austin, TX	$1.2 billion	Proposed Expansion	100,000	2026	City of Austin
Broward County Convention Center	Fort Lauderdale, FL	$1.0 billion	Expansion & HQ Hotel	347,000	2025	Broward County
Las Vegas Convention Center	Las Vegas, NV	$920 million	Expansion	600,000	2021	Las Vegas Convention and Visitors Authority
Boston Convention and Exhibition Center	Boston, MA	$400 million	Proposed Expansion	204,000	2026	Massachusetts Convention Center Authority
Central Bank Center	Lexington, KY	$310 million	Expansion	41,998	2022	State of Kentucky & City of Lexington
Colorado Convention Center	Denver, CO	$233 million	Expansion	80,000	2023	City of Denver

Source: TVS Design, Individual Project Reporting

Conclusion

- There is a defined market that is clearly underserved
- Using an under-performing and obsolete building currently on the site
- Need to stimulate long-term sustaining growth and economic vitality
- Compliments and enhances existing assets and uses on the complex site
- Re-build the Meadowlands and NJ's brand recognition as one of the top/premiere sports, entertainment and tourist destinations in the country
- Host fan experiences and special events that are now going to NYC

30 billion dollars in economic impact for a compelling public return on investment

01

Economic, Demographic, Tourism Analysis

HUNDEN STRATEGIC PARTNERS

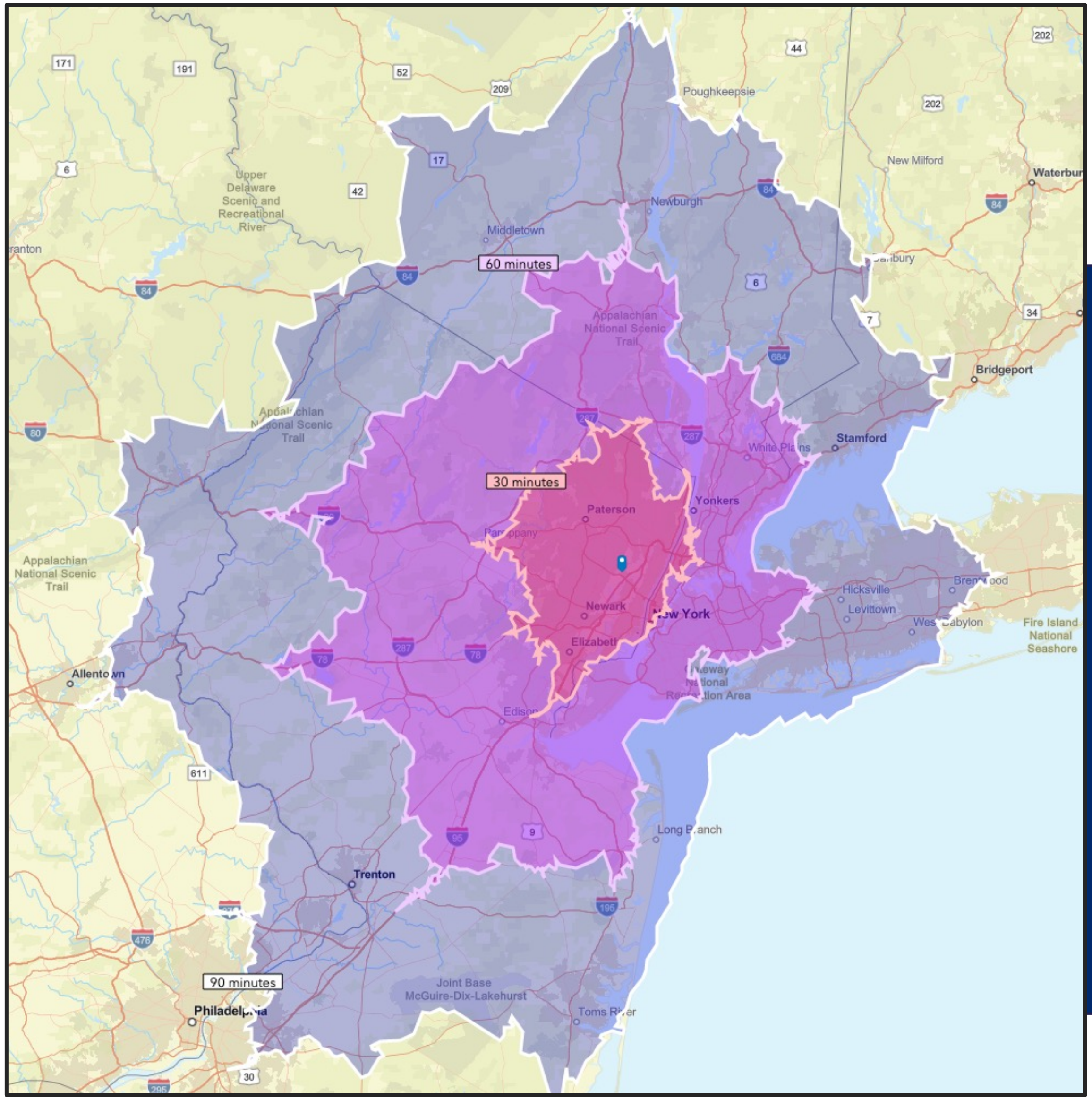
Largest Market in the US

The Project is located within the nation's largest MSA by population.

21 million people live within a 1.5-hour drive of the Meadowlands.

Drive Time Demographics			
Distance	**30 Minutes**	**1-Hour**	**1.5-Hour**
Population	4,241,496	15,186,843	20,951,780
Households	1,653,652	5,662,699	7,728,154
Median Household Income	$78,748	$79,536	$82,992
Median Home Value	$469,115	$549,403	$488,433
Median Age	38	38	39

Source: ESRI



Population

The NYC/NJ area has a large population that is experiencing strong population growth. Hudson County is growing faster than the United States and New Jersey average.

Population and Growth Rates

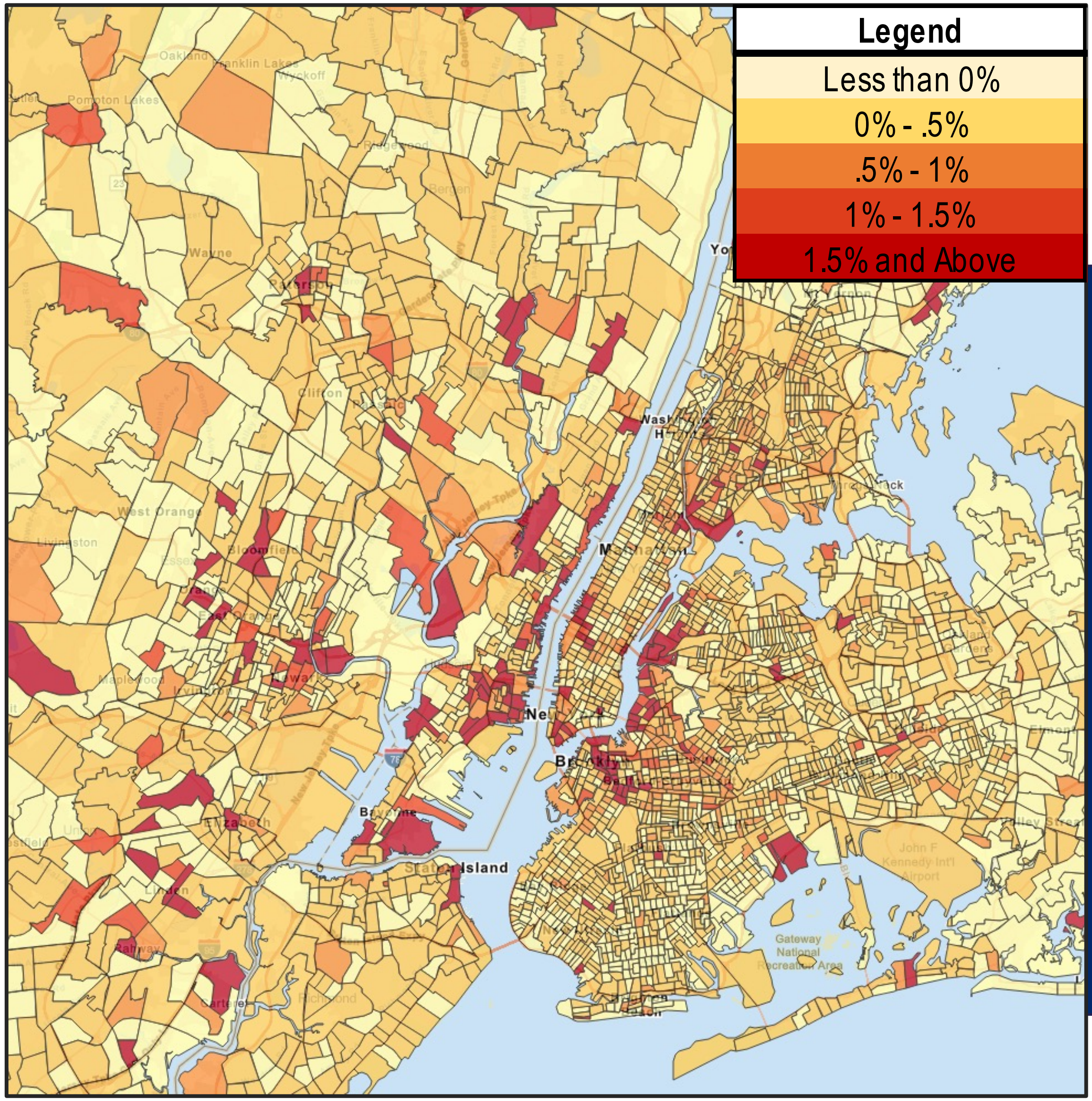
	Population				Percent Change
	2000	2010	2021	2026 Projected	2010 - 2021
United States	281,421,906	308,745,538	333,934,112	345,887,495	8.2%
New Jersey	8,414,350	8,791,894	9,032,371	9,161,350	2.7%
New York - Newark - Jersey City, NY-NJ-PA MSA	18,323,002	18,897,109	19,352,724	19,581,925	2.4%
Bergen County	884,118	905,116	932,717	949,319	3.0%
Hudson County	608,975	634,266	699,571	734,197	10.3%

Source: U.S. Census Bureau

Projected Annual Growth

The map to the right shows the areas that are experiencing different levels of population growth.

The areas that are growing rapidly are located near the border of New York City and New Jersey. There are multiple suburbs that are also experiencing strong growth.

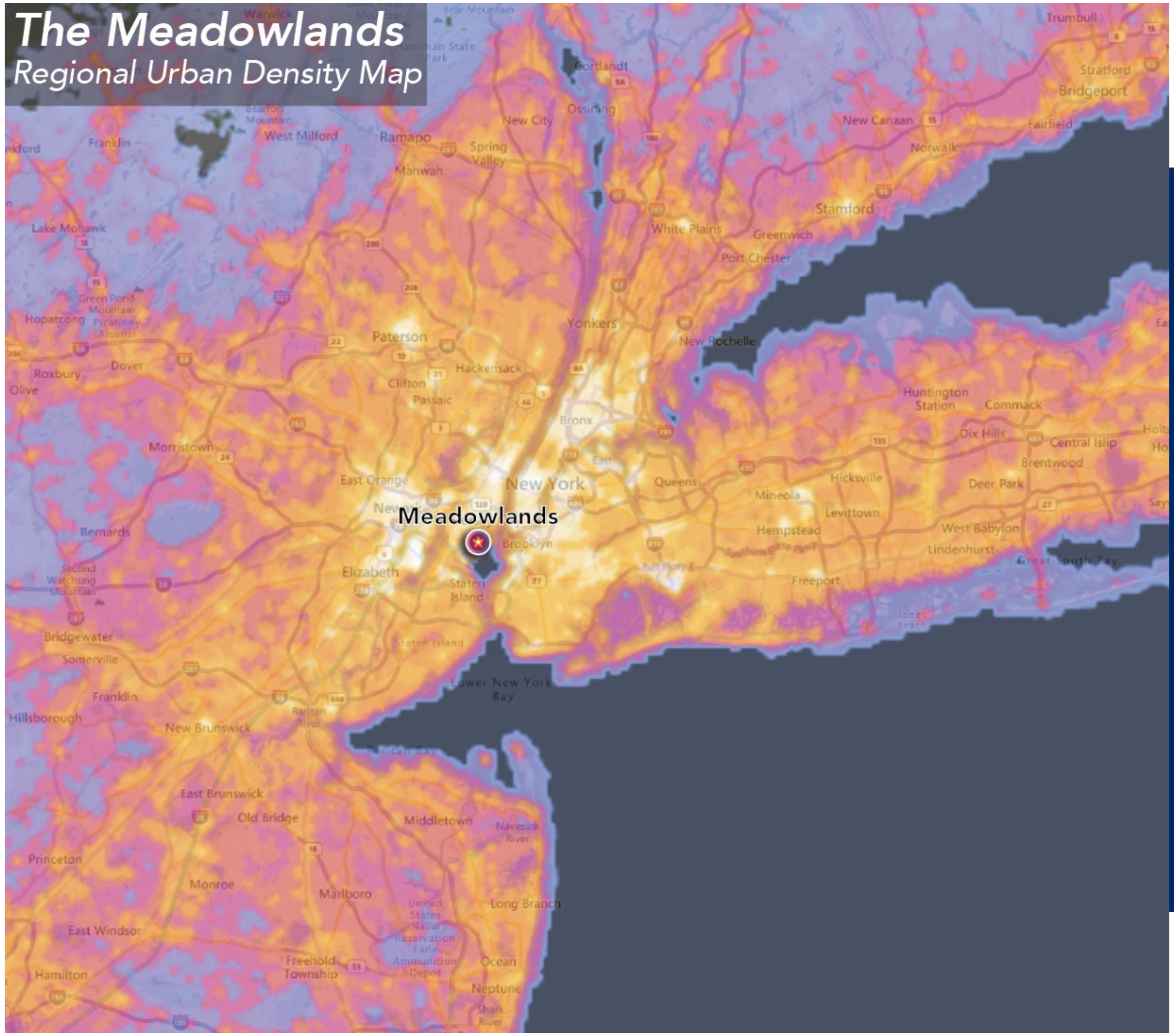


Regional Population Density

The map to the right shows the areas that have higher and lower levels of population density.

Areas with larger populations tend to attract large amounts of visitation and act as large nodes of economic activity.

New York City has the greatest population density in the area and attracts international visitors.



Income & Spending

The local area has strong incomes across populations. The median value of home is nearly twice the United States average, though. This means these populations have more disposable income that can be spent near and around a potential new facility in the area.

Income, Spending and Other Demographic Data

Category	United States	New Jersey	NY-NJ-PA MSA	Bergen County	Hudson County
Homeownership rate, 2015-2019	64.0%	63.9%	51.0%	64.8%	31.7%
Median value of owner-occupied housing units, 2015-2019	$217,500	$335,600	$482,900	$469,500	$378,000
Persons per household, 2015-2019	2.62	2.69	2.7	2.71	2.56
Median household income, 2015-2019	$62,843	$82,545	$83,160	$101,144	$71,189
Persons below poverty level, percent	10.5%	9.2%	11.6%	5.7%	13.7%
Total employment, 2019	132,989,428	3,805,357	9,686,984	446,836	243,114
Total employment, percent change, 2018-2019	1.6%	1.8%	-2.5%	0.1%	3.7%

Source: U.S. Census Bureau

Tapestry Segmentation

HSP performed a tapestry segmentation analysis which classifies neighborhoods using 67 unique segments based not only on demographics, but also socioeconomic characteristics.

The five largest segments for the NY-NJ-PA MSA make up more than 44% of the total. The top three segments are profiled in more detail on the following slides.

Understanding the segmentation profile of the region helps to understand the residents in the area.

NY-NJ-PA MSA - 2021 Tapestry Segmentation

Rank	Name	Percent	Cumulative Percent
1	Pleasantville (2B)	12.1%	12.1%
2	City Strivers (11A)	8.6%	20.7%
3	City Lights (8A)	8.3%	29.0%
4	Downtown Melting Pot (8D)	8.1%	37.1%
5	Diverse Convergence (13A)	7.1%	44.2%
	Subtotal	44.2%	-

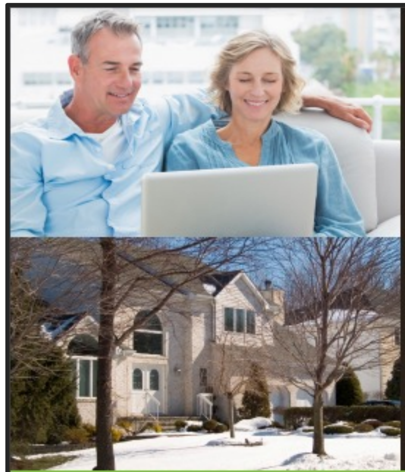
Source: ESRI

Tapestry Segmentation

Pleasantville makes up 12.1 percent of the MSA population.

This group is comprised of well-educated middle-aged persons with above-average incomes.

The majority of individuals work in the finance, information/technology, education, or management fields.



LifeMode Group: Upscale Avenues

Pleasantville

2B

Households: 2,718,100

Average Household Size: 2.88

Median Age: 42.6

Median Household Income: $92,900

WHO ARE WE?

Prosperous domesticity best describes the settled denizens of *Pleasantville*. Situated principally in older housing in suburban areas in the Northeast (especially in New York and New Jersey) and secondarily in the West (especially in California), these slightly older couples move less than any other market. Many couples have already transitioned to empty nesters; many are still home to adult children. Families own older, single-family homes and maintain their standard of living with dual incomes. These consumers have higher incomes and home values and much higher net worth (Index 364). Older homes require upkeep; home improvement and remodeling projects are a priority—preferably done by contractors. Residents spend their spare time participating in a variety of sports or watching movies. They shop online and in a variety of stores, from upscale to discount, and use the Internet largely for financial purposes.

TAPESTRY SEGMENTATION
esri.com/tapestry

OUR NEIGHBORHOOD

- Suburban periphery of large metropolitan areas, primarily in Middle Atlantic or Pacific states.
- Most homes owned (and mortgaged) (Index 146).
- Households composed of older married-couple families, more without children under 18, but many with children over 18 years (Index 141).
- Older, single-family homes: two-thirds built before 1970, close to half from 1950 to 1969.
- One of the lowest percentages of vacant housing units at 4.5% (Index 39).
- Suburban households with 3 or more vehicles and a longer travel time to work (Index 132).

SOCIOECONOMIC TRAITS

- Education: 66% college educated, 37% with a bachelor's degree or higher.
- Higher labor force participation rate at 67% (Index 107); higher proportion of HHs with 2 or more workers (Index 118).
- Many professionals in finance, information/technology, education, or management.
- Median household income denotes affluence, with income primarily from salaries, but also from investments (Index 130) or Social Security (Index 106) and retirement income (Index 122).
- Not cost-conscious, these consumers willing to spend more for quality and brands they like.
- Prefer fashion that is classic and timeless as opposed to trendy.
- Use all types of media equally (newspapers, magazines, radio, Internet, TV).

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by MRI-Simmons.

Tapestry Segmentation

City Strivers makes up 8.6 percent of the MSA population.

This group is comprised of younger, often foreign-born, middle-aged persons living in dense city neighborhoods. This demographic has an average median household income slightly below the national average.

Major industries of employment include sales, office and administrative support, transportation and material movement, and healthcare.

LifeMode Group: Midtown Singles

City Strivers

11A

Households: 962,900

Average Household Size: 2.78

Median Age: 35.3

Median Household Income: $44,700

WHO ARE WE?

These high-density city neighborhoods are characterized by a relatively young foreign-born population who have embraced the American lifestyle, yet retained their cultural integrity. To support their lifestyle, *City Strivers* residents commute long distances to find work in the service, health-care, or retail industry. Their hard-earned wages and salary income goes toward relatively high rents in older multiunit buildings. Single parents rely on this close-knit community to provide invaluable support while they work. *City Strivers* consumers are bold in their purchasing decisions; they seek out deals on branded clothing, sometimes indulge in restaurants and personal services, and splurge on their cable TV package.

OUR NEIGHBORHOOD

- Densely populated neighborhoods located primarily in New York, Boston, Washington, or Chicago.
- Primarily renters living in older, multiunit structures built before 1950; smaller build-ings with 2–4 units the most popular in this market; relatively high rental rates at more than $1,100 monthly (Index 108).
- A blend of family households, married couples and single parents with younger or adult children, as well as single-person households; average household size 2.78.
- Work outside their county of residence, with almost one-fourth commuting 60 or more minutes to work; average travel time to work of 38 minutes the highest of any Tapestry market; use of public transporta-tion common.

SOCIOECONOMIC TRAITS

- *City Strivers* residents rely on wage and salary income. Half have some college education.
- Labor force participation is slightly below the national average .
- Residents work in health care, transporta-tion, social services, and protective services.
- Current trends are a strong influence on shopping habits.
- Often make impulse purchases and try new brands and technologies, but do look for the approval of friends.
- These sociable consumers exhibit boldness in their decisions and aren't afraid to share their opinion.

TAPESTRY SEGMENTATION
esri.com/tapestry

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by MRI-Simmons.

Tapestry Segmentation

City Lights make up 8.3 percent of the MSA population.

The City Lights demographic are middle-aged citizens of densely-populated cities with household incomes slightly above the national average.

Major industries of employment are office and administrative support, sales, management, and education.

LifeMode Group: Middle Ground

City Lights

8A

Households: 1,813,400

Average Household Size: 2.59

Median Age: 39.3

Median Household Income: $69,200

WHO ARE WE?

City Lights is a densely populated urban market. The wide-ranging demographic characteristics of residents mirror their passion for social welfare and equal opportunity. Household types range from single person to married-couple families, with and without children. A blend of owners and renters, single-family homes and town homes, midrise and high-rise apartments, these neighborhoods are racially and ethnically diverse. Many residents have completed some college or have a degree, and they earn a good income in professional and service occupations. Willing to commute to their jobs, they work hard and budget well to support their urban lifestyles, laying the foundation for stable financial futures.

TAPESTRY SEGMENTATION
esri.com/tapestry

OUR NEIGHBORHOOD

- More than half of the homes are single-family residences or townhomes.
- Tenure is 50-50: about half of households are owned and half are rented. Median home value (Index 185) and average gross rent (Index 129) exceed US values.
- Households include families, both married couples and single parents, as well as singles. The distribution is similar to the US, with slightly more single-person households (Index 109).
- Housing is older in this market: nearly 2 out of 3 homes were built before 1970.
- Most households own one vehicle, but public transportation is still a necessity for daily commutes.

SOCIOECONOMIC TRAITS

- *City Lights* residents earn above average incomes, but lag the nation in net worth.
- Labor force participation exceeds the US average (Index 108). Residents work hard in professional and service occupations but also seek to enjoy life.
- These consumers save for the future, often to achieve their dream of home ownership. They often engage in discussion about financial products and services among their peers. They earn dividend incomes from their portfolios but steer away from risky investments.
- These consumers are price savvy but will pay for quality brands they trust.
- Residents stand by their belief in equal opportunity.
- Attuned to nature and the environment, and when they can, purchase natural products.

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by MRI-Simmons.

Employment

The table to the right provides information on employment in the NY-NJ-PA MSA as of 2019. The leading industries are:

Health Care and Social Assistance

Retail Trade

Professional, Scientific, and Technical Services

Understanding the industries of employment surrounding a convention and event center can indicate types of events that may incite increased presence of local and regional businesses.

NY-NJ-PA MSA Employment by Industry - 2019

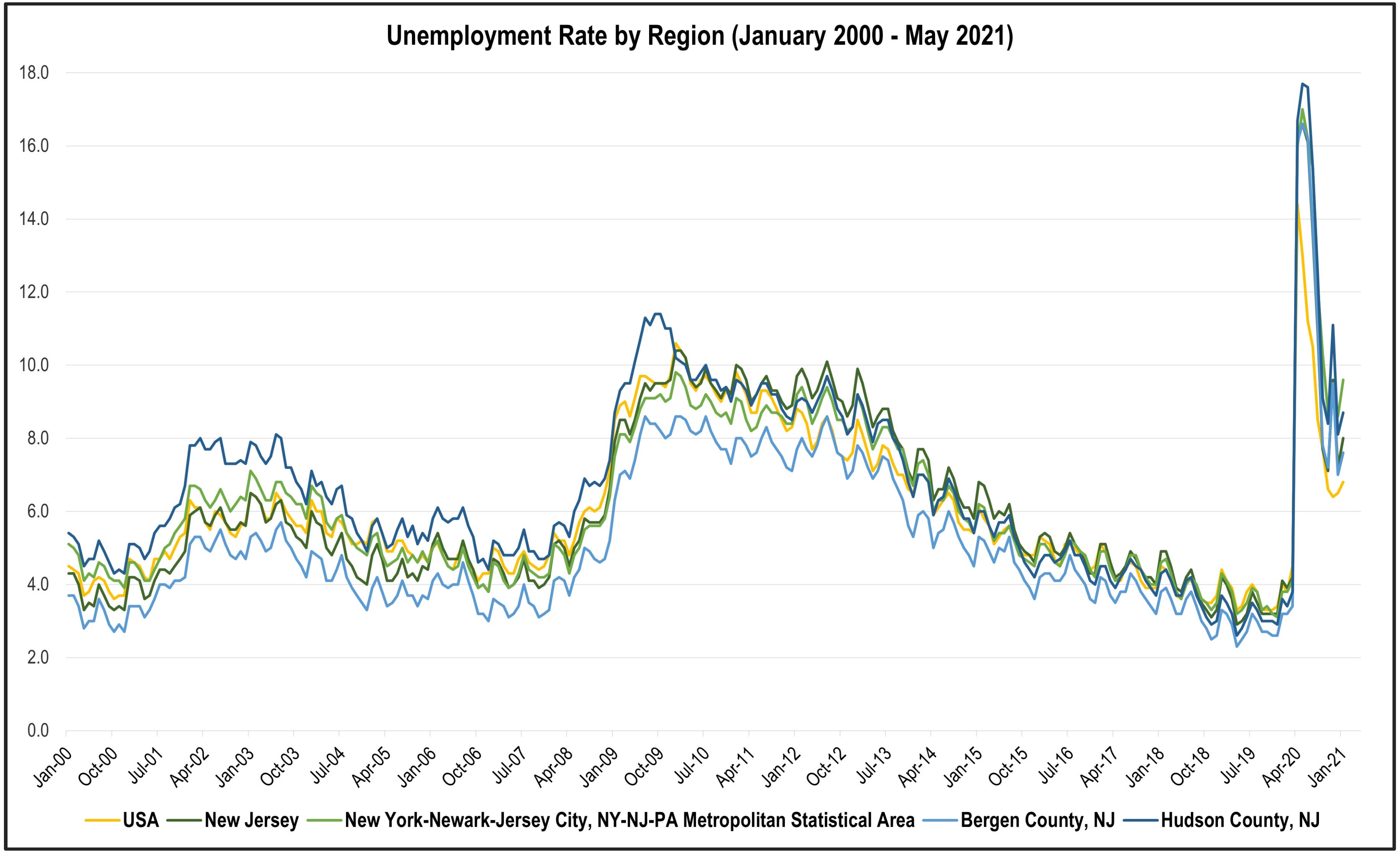
Description	Employees	Percentage of Total
Total employment (number of jobs)	13,142,753	100%
By type		
Wage and salary employment	9,874,654	75.13%
Proprietors employment	3,268,099	24.87%
By industry		
Nonfarm employment	13,132,139	99.92%
Farm employment	10,614	0.08%
Private nonfarm employment	**11,818,010**	**89.92%**
Health care and social assistance	1,805,989	13.74%
Retail trade	1,053,165	8.01%
Professional, scientific, and technical services	1,192,870	9.08%
Real estate and rental and leasing	875,831	6.66%
Finance and insurance	1,045,892	7.96%
Wholesale trade	429,707	3.27%
Other services (except government and government enterprises)	755,526	5.75%
Administrative and support and waste management and remediation services	769,245	5.85%
Accommodation and food services	813,816	6.19%
Construction	577,813	4.40%
Educational services	432,910	3.29%
Arts, entertainment, and recreation	400,079	3.04%
Management of companies and enterprises	205,028	1.56%
Information	345,703	2.63%
Forestry, fishing, and related activities	(D)	-
Manufacturing	(D)	-
Mining, quarrying, and oil and gas extraction	(D)	-
Transportation and warehousing	(D)	-
Utilities	(D)	-
Government and government enterprises	1,314,129	**10.00%**
Federal civilian	104,831	0.80%
Military	35,246	0.27%
State and local	1,174,052	8.93%
Local government	1,002,152	7.63%
State government	171,900	1.31%

Source: Bureau of Economic Analysis

Unemployment

As shown to the right, the unemployment rate for both Bergen County and the United States trend in tandem.

Hudson County consistently has a higher unemployment rate than the country, state, MSA, and Bergen County. This is especially evident in the unemployment spike brought on by COVID-19 between April 2020 and August 2020.



Local Corporations

Big Corporate Presence = Events

Corporations of all sizes host events, trainings, conferences, job fairs, holiday parties and other events. However, big corporations host big events at big facilities.

With few facilities in New Jersey vs. the number of major corporations headquartered there, not to mention the hundreds of large companies headquartered in NYC that may be looking for a compelling space at a lower price than at a Manhattan hotel, there is significant opportunity for a new convention center complex to host hundreds of corporate events per year.

Fortune 1,000 Companies Headquartered in NYC/NJ

Rank	New York City	Rank	New Jersey
19	JP Morgan Chase	36	Johnson & Johnson
20	Verzion Communications	55	Prudential Financial
33	Citigroup	65	Merck
46	MetLife	177	Becton Dickinson
58	Stone X Group	185	Cognizant Technology Solutions
59	Goldman Sachs Group	203	PBF Energy
61	Morgan Stanley	208	Automatic Data Processing
67	New York Life Insurance	280	Bed Bath & Beyond
72	American International Group	318	Public Service Enterprise Group
75	Bristol Meyers Squibb	324	Quest Diagnostics

Source: Fortune

Higher Education

Strong Higher Education Presence = Events

School-related events such as career fairs, conferences and graduation ceremonies are often held in convention and event centers.

Within 50 miles of the Project there are:

- Nearly one million students.
- 210 institutions
- 920,000 students

In New Jersey, there are 13 colleges and universities with more than 5,000 students within 50 miles.

New Jersey Colleges and Universities (5,000+ Enrollment, Within 50 Miles)

Institution	Location	Distance from 07073 (Miles)	Highest Degree Offered	Enrollment
Montclair State University	Montclair, NJ	5.1	Doctorate	21,005
Fairleigh Dickinson University-Metropolitan Campus	Teaneck, NJ	6.2	Doctorate	7,479
Stevens Institute of Technology	Hoboken, NJ	7.2	Doctorate	7,257
New Jersey Institute of Technology	Newark, NJ	8.0	Doctorate	11,652
Rutgers University-Newark	Newark, NJ	8.0	Doctorate	13,231
New Jersey City University	Jersey City, NJ	9.3	Doctorate	7,550
Seton Hall University	South Orange, NJ	10.3	Doctorate	9,814
William Paterson University of New Jersey	Wayne, NJ	10.6	Doctorate	9,635
Kean University	Union, NY	13.2	Doctorate	14,064
Ramapo College of New Jersey	Mahwah, NJ	16.7	Doctorate	6,042
Rutgers University-New Brunswick	New Brunswick, NJ	30.2	Doctorate	50,411
Monmouth University	West Long Branch, NJ	38.1	Doctorate	5,674
Princeton University	Princeton, NJ	44.7	Doctorate	7,853

Source: National Center for Education Statistics

Accessibility & Transportation Overview

STRENGTHS

Gateway to the U.S. Three of the country's largest airports are easily accessible. Largest Air Market in the U.S.

Roadway access: I-95, I-80, I-78, NJ 3

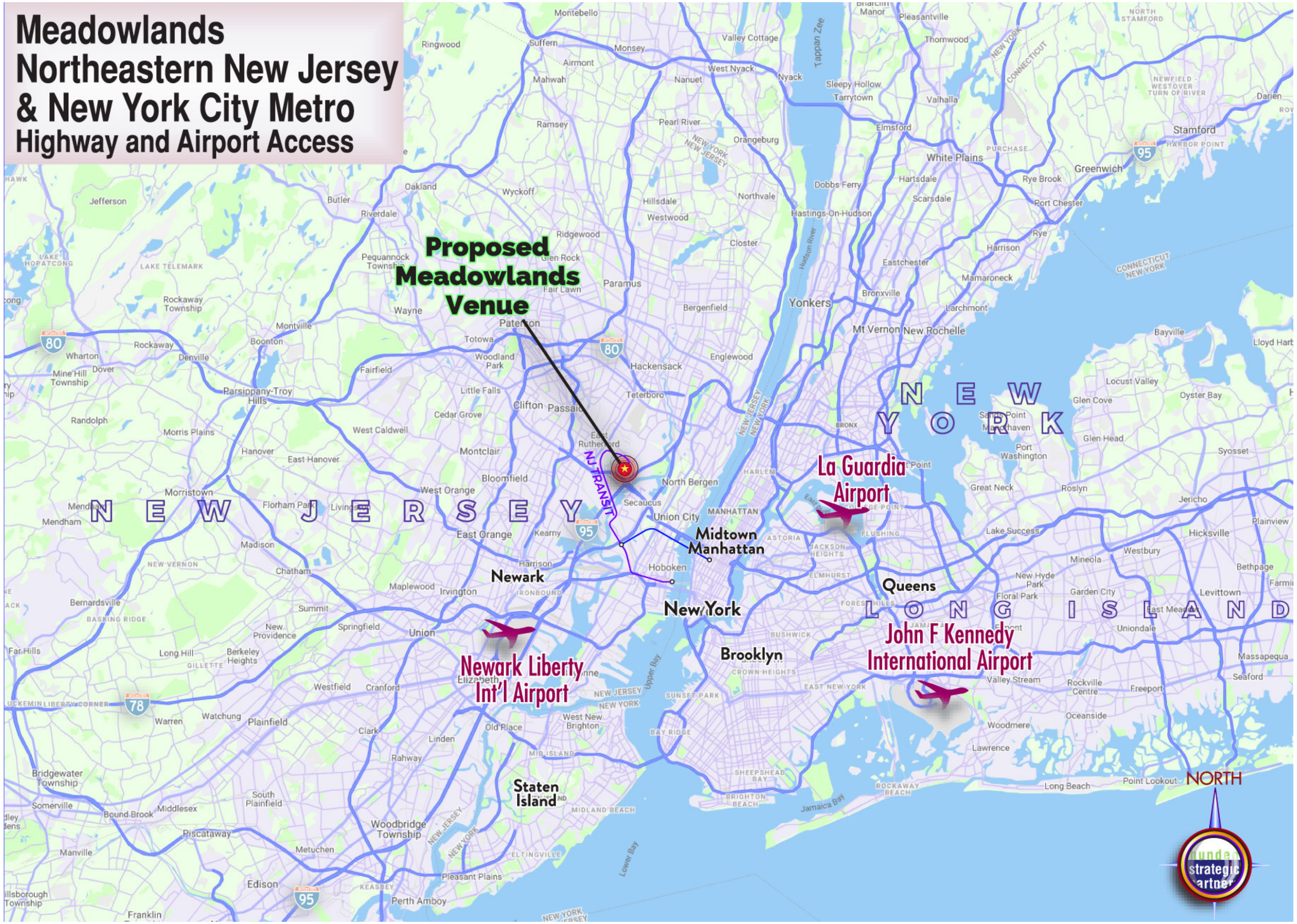
Parking Availability on non-NFL days

OPPORTUNITIES

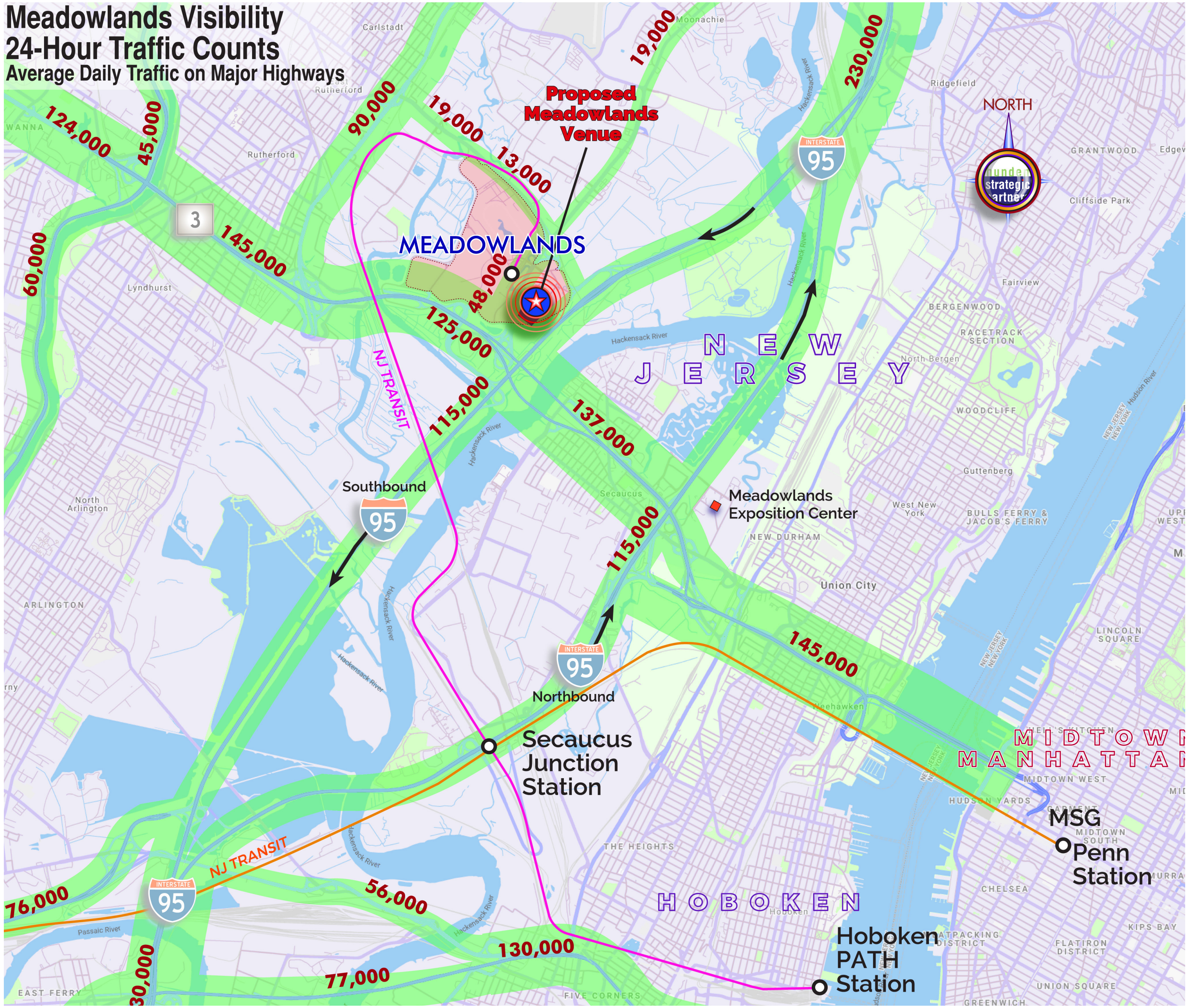
Connectivity: Mitigate congestion from cars, public transit, and rideshare/taxi services during large events.

Creation of additional circulation infrastructure

Accessibility



Accessibility



Highway & Public Transit Infrastructure

The Meadowlands Complex and proposed Project sit at the corner of the Route 3 highway and the New Jersey Turnpike.

Much attention is being paid to increasing mobility to and within the site. Studies are currently underway to strongly enhance connectivity and walkability.

Largest Airlift

Largest air market in the U.S. and gateway and #2 in the *world*. 70 million enplanements annually.

The Meadowlands is easily accessible from three of the country's largest airports: JFK, EWR, and LGA.

JFK is projected to have the country's highest annual growth rate for enplanements and operations through 2045.

World's Busiest City Airport Systems By Passenger Traffic 2019

Rank	Metropolitan Area	Country	Total Passengers	Airport(s) included
1	London	United Kingdom	180,957,374	Heathrow, Gatwick, Stansted, Luton, City, Southend
2	New York	United States	143,797,000	JFK, Newark, LaGuardia, Newburgh, Islip, White Plains
3	Tokyo	Japan	128,706,040	Haneda, Narita, Chofu, Ibaraki
4	Shanghai	China	121,791,337	Pudong, Hongqiao
5	Los Angeles	United States	113,876,671	LAX, Long Beach, Burbank, Orange County, Ontario
6	Paris	France	112,004,890	CDG, Orly, Beauvais-Tille
7	Atlanta	United States	110,531,300	Atlanta
8	Beijing	China	108,209,128	Capital, Nanyuan, Daxing
9	Bangkok	Thailand	106,796,098	Suvarnabhumi, Don Mueang
10	Chicago	United States	105,743,975	O'Hare, Midway, Rockford
11	Istanbul	Turkey	103,682,634	Ataturk, Sabiha Gokcen
12	Moscow	Russia	103,012,403	Sheremetyevo, Domodedovo, Vnukovo, Zhukovsky
13	Dubai	United Arab Emirates	101,645,868	Dubai, Al Maktoum, Sharjah
14	Seoul	South Korea	96,618,138	Incheon, Gimpo
15	Dallas	United States	91,847,114	DFW, Love Field

Source: Various

Largest Airlift

Largest air market in the U.S. and gateway. 70 million enplanements annually.

The Meadowlands is easily accessible from three of the country's largest airports: JFK, EWR, and LGA.

JFK is projected to have the country's highest annual growth rate for enplanements and operations through 2045.

Regional Airport Enplanements Summary

Airport	2019	2045 (Projected)	Annual Growth Rate: 2019-2045
John F. Kennedy Int'l Airport	31,098,349	51,554,478	5.3%
Newark Liberty Int'l Airport	23,019,514	35,990,059	4.5%
LaGaurdia Airport	15,360,464	18,552,864	3.8%

Source: Federal Aviation Administration

Regional Airport Takeoffs Summary

Airport	2019	2045 (Projected)	Annual Growth Rate: 2019-2045
John F. Kennedy Int'l Airport	465,003	747,166	4.1%
Newark Liberty Int'l Airport	448,622	624,404	3.3%
LaGaurdia Airport	374,397	394,510	2.5%

Source: Federal Aviation Administration

Meadowlands Rail Service

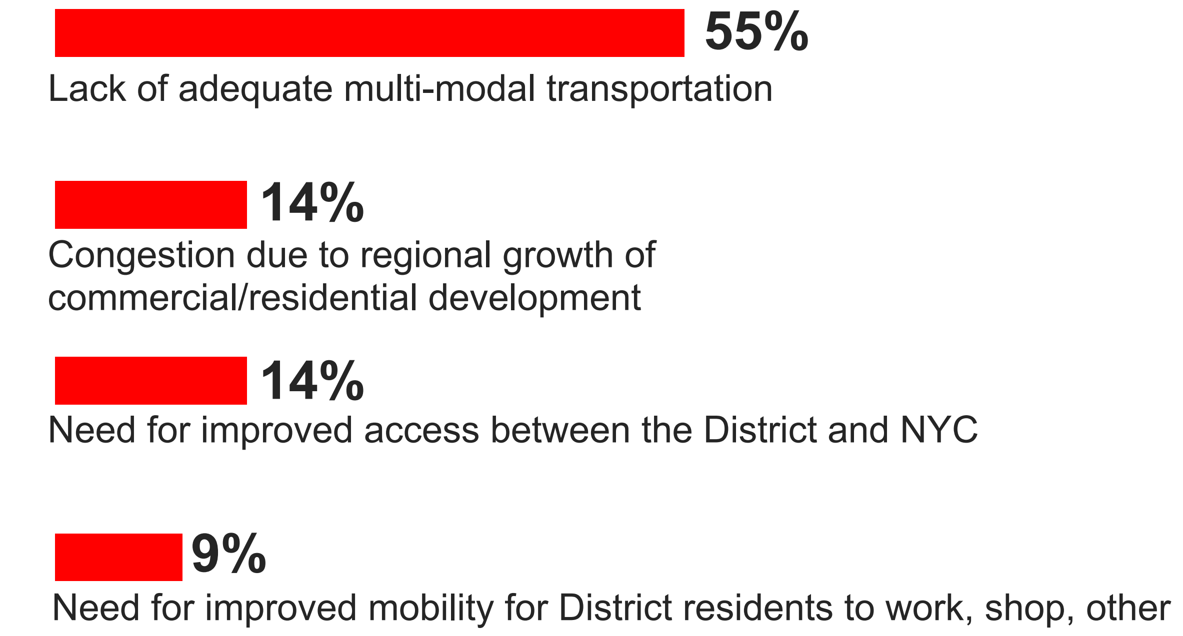
NJ Transit operates the Meadowlands Rail Service during large events. This train departs from Secaucus Junction and arrives at Meadowlands Rail Station, steps away from the stadium.

While this is the most convenient method of public transportation to the Meadowlands, the train can experience extreme congestion and does not efficiently transport riders. Events such as the 2014 Super Bowl caused thousands of attendees to wait several hours for train service.

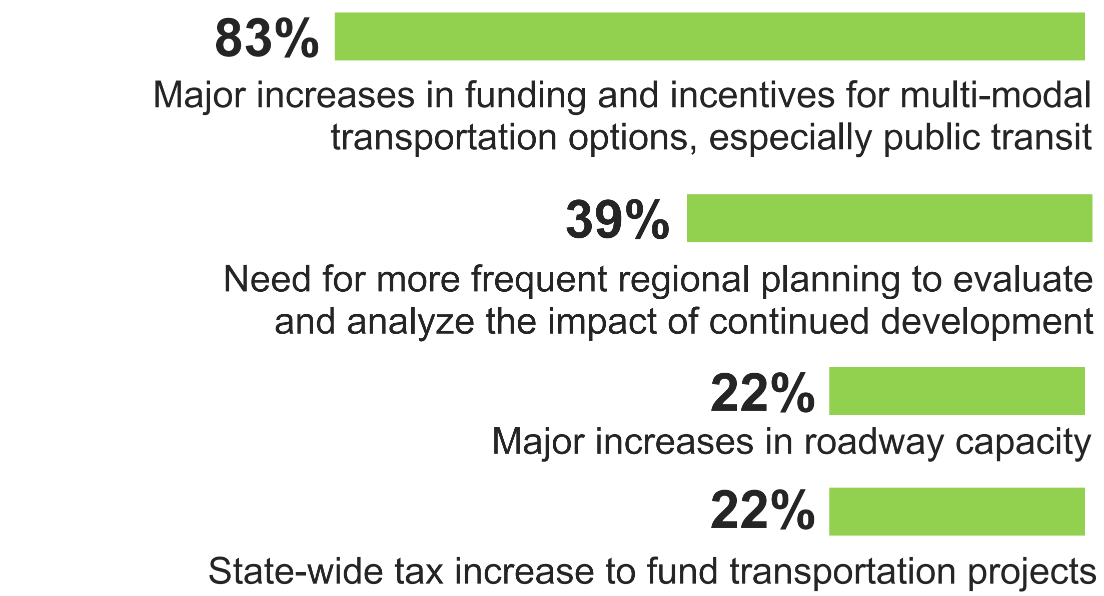
Meadowlands 2040 Plan

The Meadowlands District Transportation Plan 2045 (MDTP) is tasked with identifying opportunities to improve mobility and decrease congestion in the Hackensack Meadowlands District (District). MDTP conducted a survey of local stakeholders to determine the public's opinion.

What do you consider the most pressing transportation issue currently facing the District?



What types of solutions are necessary?



Meadowlands Bus Service - Stadium Shuttle

351 meadowlands express bus: Port Authority bus terminal in NYC to MetLife

160 and 703 buses go to racetrack and stadium

353 Shuttles from Secaucus to MetLife for select events

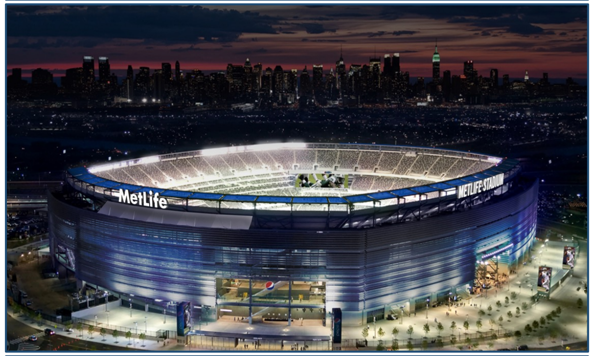
Implications

- Most Populated Market in the U.S.
- Biggest Air Market in the U.S.
- Excellent Rail and Bus Connectivity
- Major Highway Accessibility with 21 million drivable within 90 min
- Significant Disposable Income for Entertainment, Events
- Less than 30 min into Midtown Manhattan
- All the benefits of Manhattan without the cost

Meadowlands Complex

The Meadowlands Sports Complex

American Dream Mall
AD spans 3-million square feet consisting of 55 percent entertainment facilities and 45 percent retail locations. AD is home to a waterpark, theme park, indoor ski hill, aquarium, ice rink and a growing number of dining options. The Convention Center would be attached to AD.



MetLife Stadium
The stadium is home to the New York Jets and Giants. The stadium also hosts concerts and other events: 30+ event days a year.

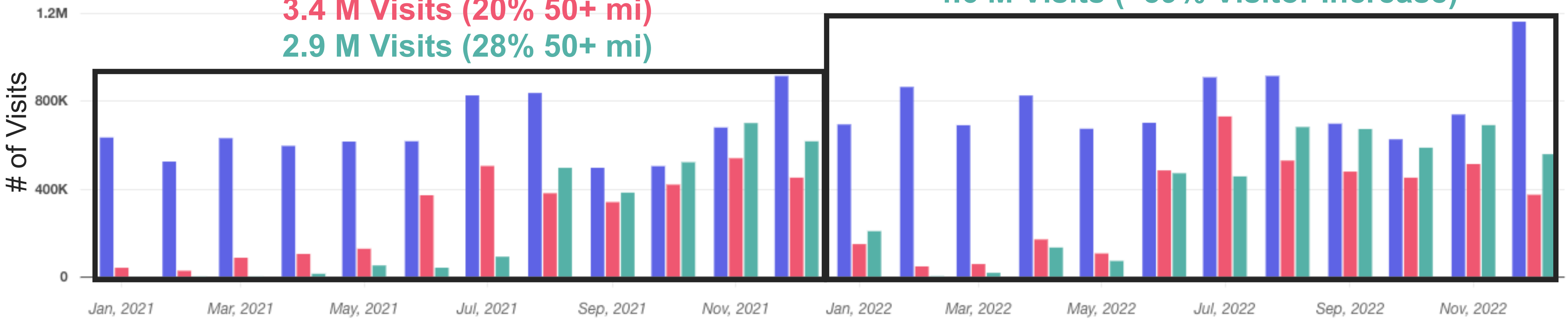
Meadowlands Racing & Entertainment
The Meadowlands racetrack is the most famous standardbred track in the United States. In 2021, the track hosted 96 race days. The track is also home to the largest FanDuel Sportsbook in the United States.

Meadowlands Complex Visitation

LEGEND
American Dream Mall
Meadowlands Racetrack
MetLife Stadium

2021
7.9 M Visits (19% 50+ mi)
3.4 M Visits (20% 50+ mi)
2.9 M Visits (28% 50+ mi)

2022
9.5 M Visits (+20% Visitor Increase)
4.1 M Visits (+21% Visitor Increase)
4.6 M Visits (+59% Visitor Increase)



American Dream Visitation

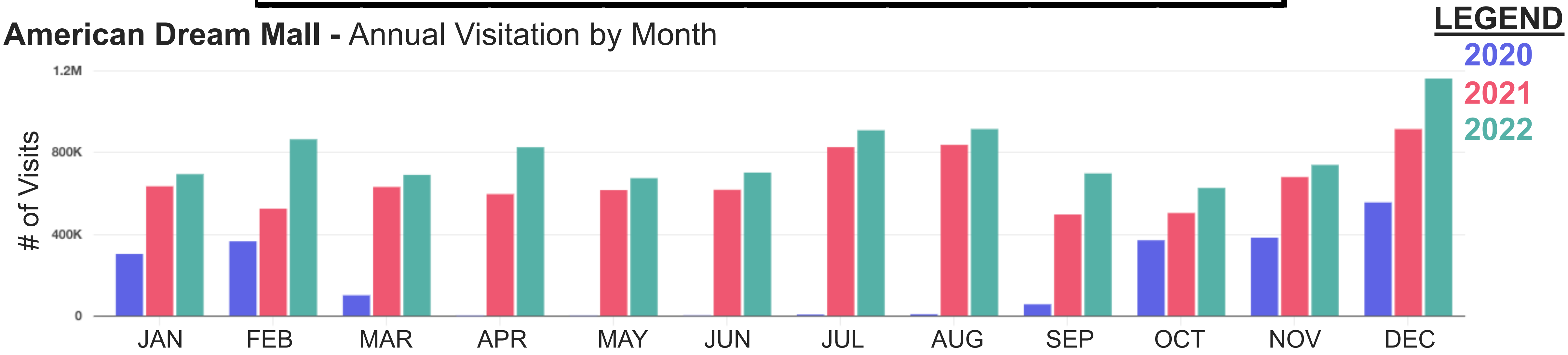
American Dream Visitor Trends

American Dream Mall
2020 - 2022 Visitation Comparison

Year	# of Visits	% Increase	Within 15 Mi % of Visits	15-50 Mi % of Visits	50+ Mi % of Visits	# of Unique Customers	% Increase
2020	2,200,000	-	64%	22%	14%	1,286,550	-
2021	7,900,000	259%	63%	18%	19%	3,910,891	204%
2022	9,500,000	20%	61%	19%	20%	4,896,907	25%

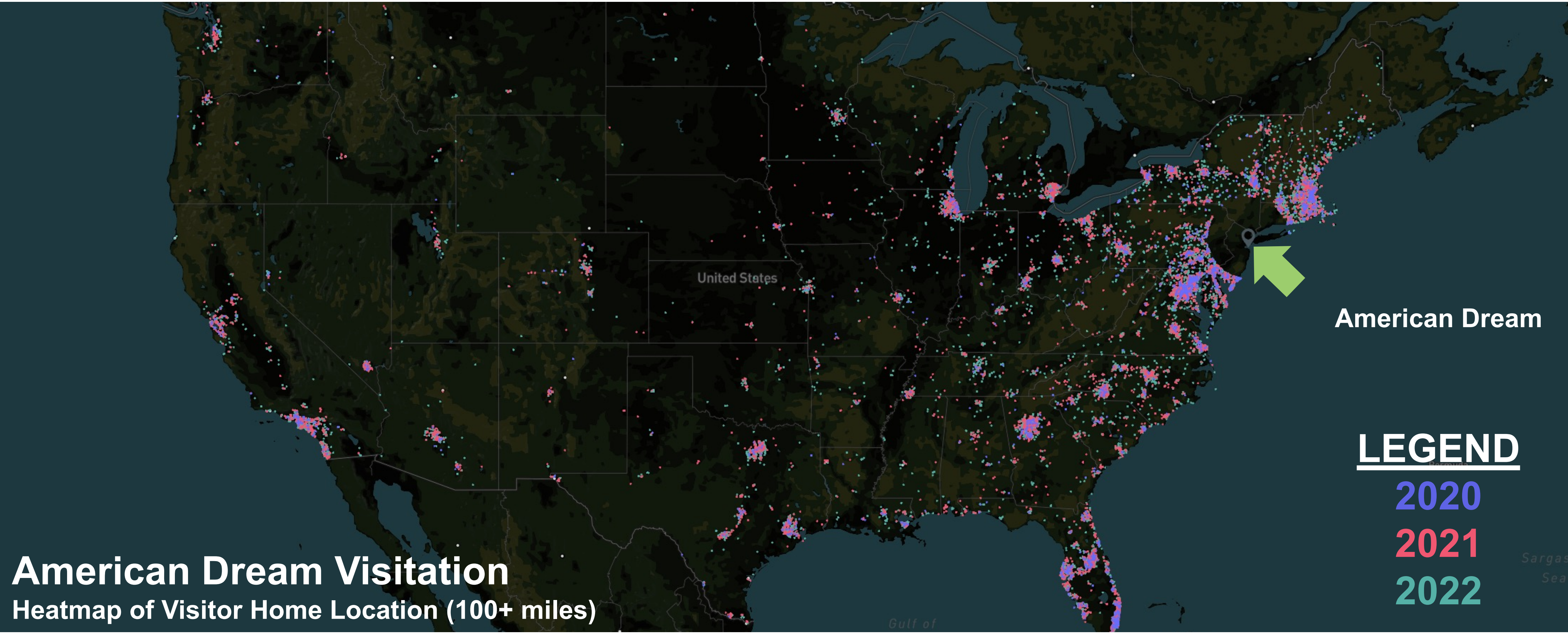
Source: Placer.ai, Hunden Strategic Partners

American Dream Mall - Annual Visitation by Month



Visitor Home Location

American Dream



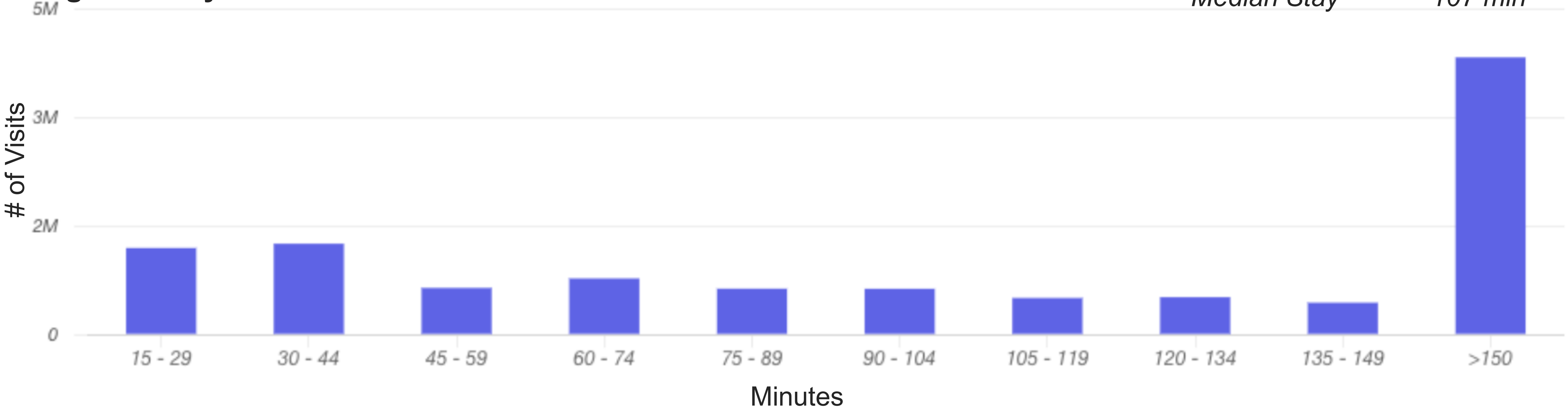
Length of Stay

American Dream

American Dream Visitation (2022)

Length of Stay

Average Stay *143 min*
Median Stay *107 min*



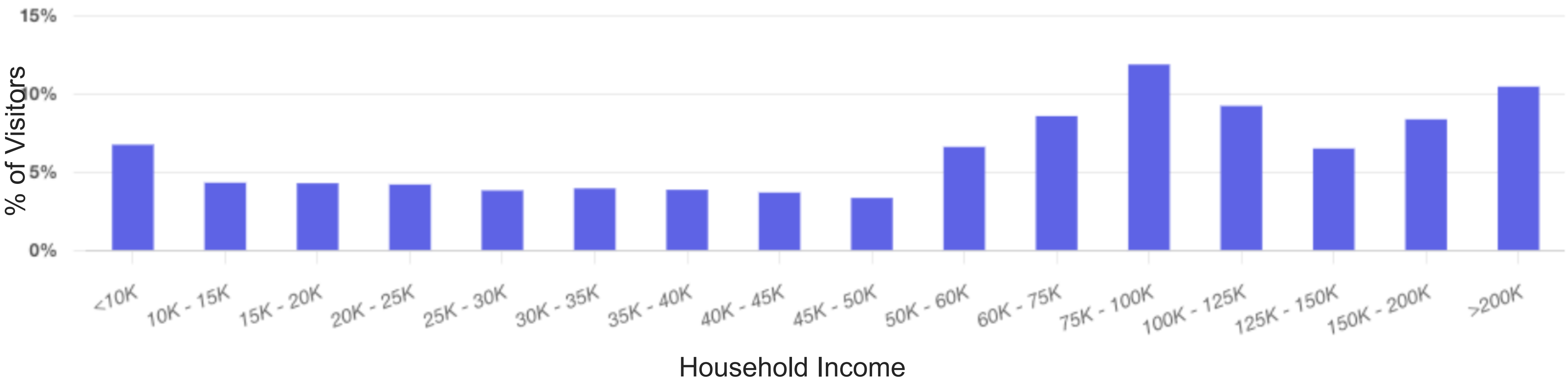
Household Incomes

American Dream

American Dream Visitation (2022)

Household Income

Average Income *98K*
Median Income *69K*



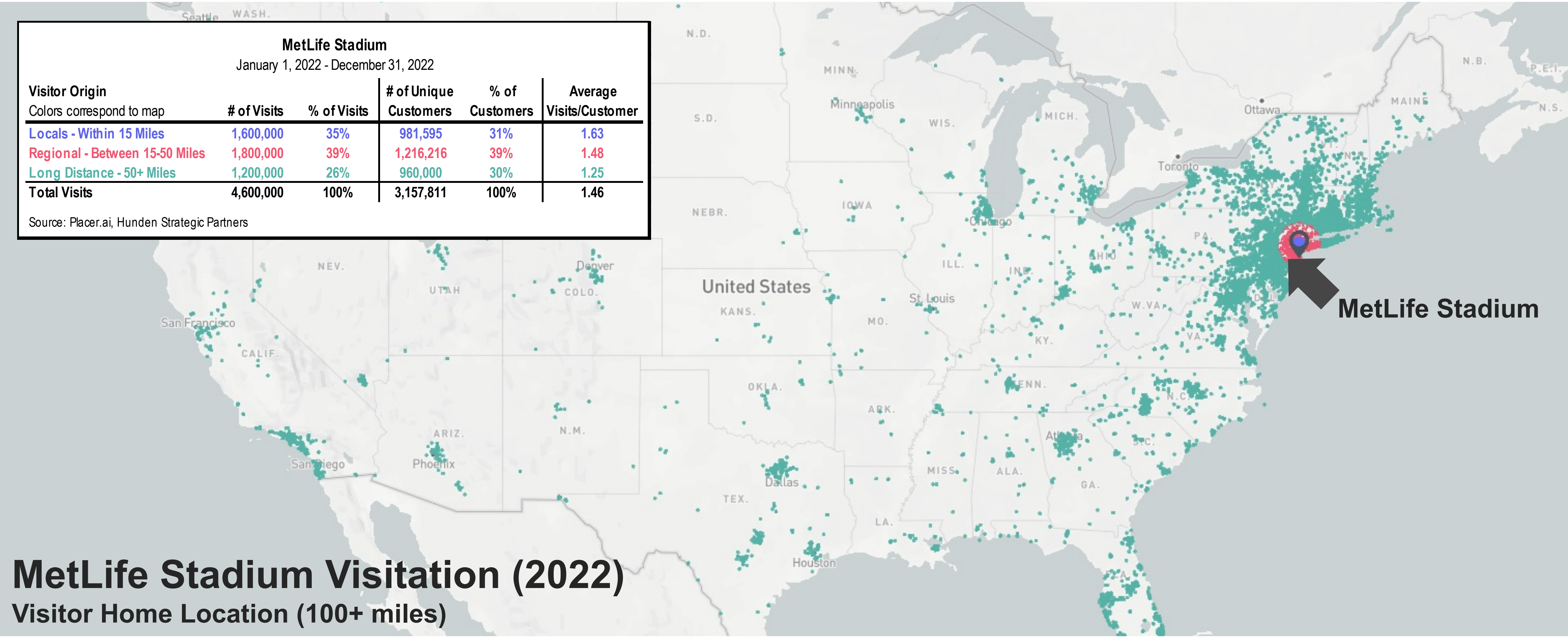
MetLife Stadium & Meadowlands Racetrack Visitation

Visitation

MetLife Stadium

MetLife Stadium January 1, 2022 - December 31, 2022					
Visitor Origin Colors correspond to map	# of Visits	% of Visits	# of Unique Customers	% of Customers	Average Visits/Customer
Locals - Within 15 Miles	1,600,000	35%	981,595	31%	1.63
Regional - Between 15-50 Miles	1,800,000	39%	1,216,216	39%	1.48
Long Distance - 50+ Miles	1,200,000	26%	960,000	30%	1.25
Total Visits	4,600,000	100%	3,157,811	100%	1.46

Source: Placer.ai, Hunden Strategic Partners



MetLife Stadium Visitation (2022)

Visitor Home Location (100+ miles)

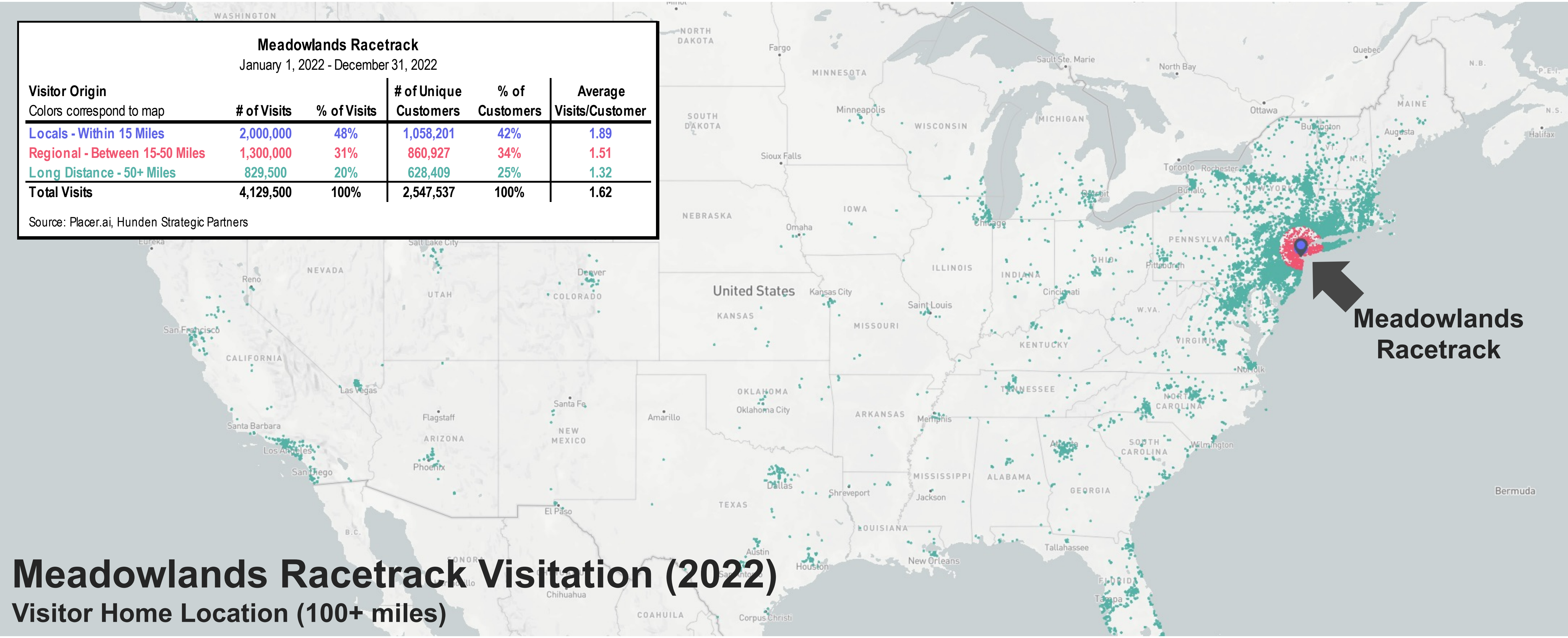
Visitation

Meadowlands Racetrack

Meadowlands Racetrack
January 1, 2022 - December 31, 2022

Visitor Origin Colors correspond to map	# of Visits	% of Visits	# of Unique Customers	% of Customers	Average Visits/Customer
Locals - Within 15 Miles	2,000,000	48%	1,058,201	42%	1.89
Regional - Between 15-50 Miles	1,300,000	31%	860,927	34%	1.51
Long Distance - 50+ Miles	829,500	20%	628,409	25%	1.32
Total Visits	4,129,500	100%	2,547,537	100%	1.62

Source: Placer.ai, Hunden Strategic Partners



Meadowlands Racetrack Visitation (2022)

Visitor Home Location (100+ miles)

Meadowlands is a Value Destination

Cost Comparison Index for Major Expenses - Event Attendees & Producers

Item	New Jersey (Baseline)	New York City (Manhattan)	NYC Difference
Labor at Convention Center	100	148	48%
Hotels	100	220	120%
Restaurants	100	136	36%
Hotel Parking, per night	100	550	450%
Transportation	100	120	20%

Sources: STR, Numbeo, EDPA Labor Report, Hunden Strategic Partners

Attendees to events at a Meadowlands complex will have easy access to Manhattan without the 20 – 450% increase in prices for typical travel/event expenses.

Meadowlands Costs for an Event Planner, Producer or Attendee are Low vs. NYC:

- For Attendees, especially those driving, costs are much lower for hotels and parking, saving hundreds per day.
- During typical peak seasons (spring/summer/fall), hotel rates can average $500 and overnight parking ranges from $40 - $90 at hotels.
- Labor rates are nearly 50% higher at Javits vs. Atlantic City and similar is expected at Meadowlands.

Implications

Within the Meadowlands, the development of American Dream Mall, including the waterpark, theme park and new luxury wing, provides the very type of entertainment, dining and drinking **options that visitors want** connected and walkable from their meeting location. Access/convenience is key.

Beyond the site, access to **Manhattan is a critical feather in the cap** of the destination. Visitors can extend their stay or simply go into the city for the night, for dinner and show, or any reason, without much complication or cost.

The Meadowlands offers a combination of **accessibility and cost/value** that should serve it well as an event destination.

The lack of walkable, large, high-quality **hotel rooms can be addressed** by inducing the development of an attached 1,000-room HQ hotel, as well as the potential upcoming development of hotels in the district.

02

Convention Center Trends

HUNDEN STRATEGIC PARTNERS

Event Opportunities

Trade Shows offer a forum for exchanging industry ideas. They are more product- and sales-oriented than conventions. Trade shows typically attract many attendees, who often originate from outside the host city, but tend to have a shorter average stay.

Conventions are **high-impact events** from an economic standpoint because a large percentage of attendees originate from outside the local area and typically stay several nights while spending money on accommodations, food, transportation, retail and entertainment. Spouses, family, or companions typically accompany a significant number of attendees. Associations, professional groups and other membership organizations hold conventions.

Event Opportunities

Consumer Shows are public, ticketed events featuring exhibitions of merchandise for sale or display. Consumer shows range in size from small local and specialized shows with a few hundred attendees to large shows with thousands of attendees. The larger consumer shows may occur in convention centers, shopping malls, fairgrounds and other public-assembly facilities with large exhibition areas. Most attendees are local, but exhibitors often come from out of town.

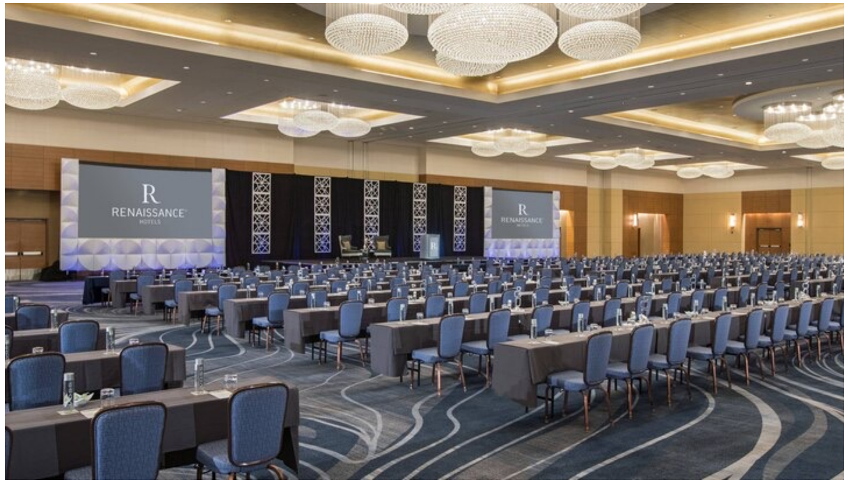
Assemblies are social, military, educational, religious, and fraternal (SMERF) events. They can attract large numbers of people and require seating arrangements to support all visitors. Larger assemblies are held in arenas or stadiums while smaller assemblies are held in venues such as school auditoriums, churches and community centers. Like conventions, many attendees originate from outside the host city, but, unlike conventions, these events do not usually require large amounts of exhibit and meeting room space.

Event Opportunities

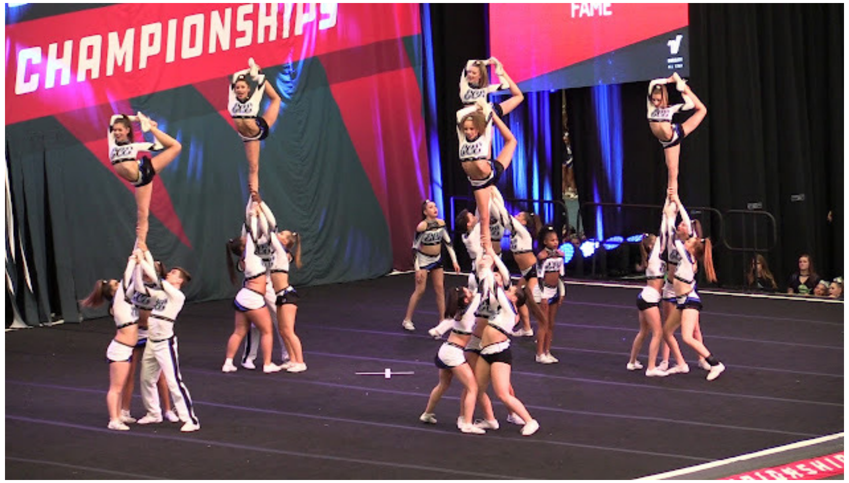
Conferences are meetings typically held by associations, professional groups, and other membership organizations. Educational institutions also host conferences. These events do not usually require exhibit space, but otherwise the facility demands are like those of a convention – including meeting space for general sessions, food service facilities and breakout rooms. Hotels and conference centers typically serve as venues for conferences.

Banquets are typically locally-generated events, from social and wedding events to an annual Chamber of Commerce event, which can be the largest of its kind in a given city. A mainstay of hotels and convention centers, banquets provide significant catering income and provide the community with its largest dining room, in most cases.

Event Opportunities



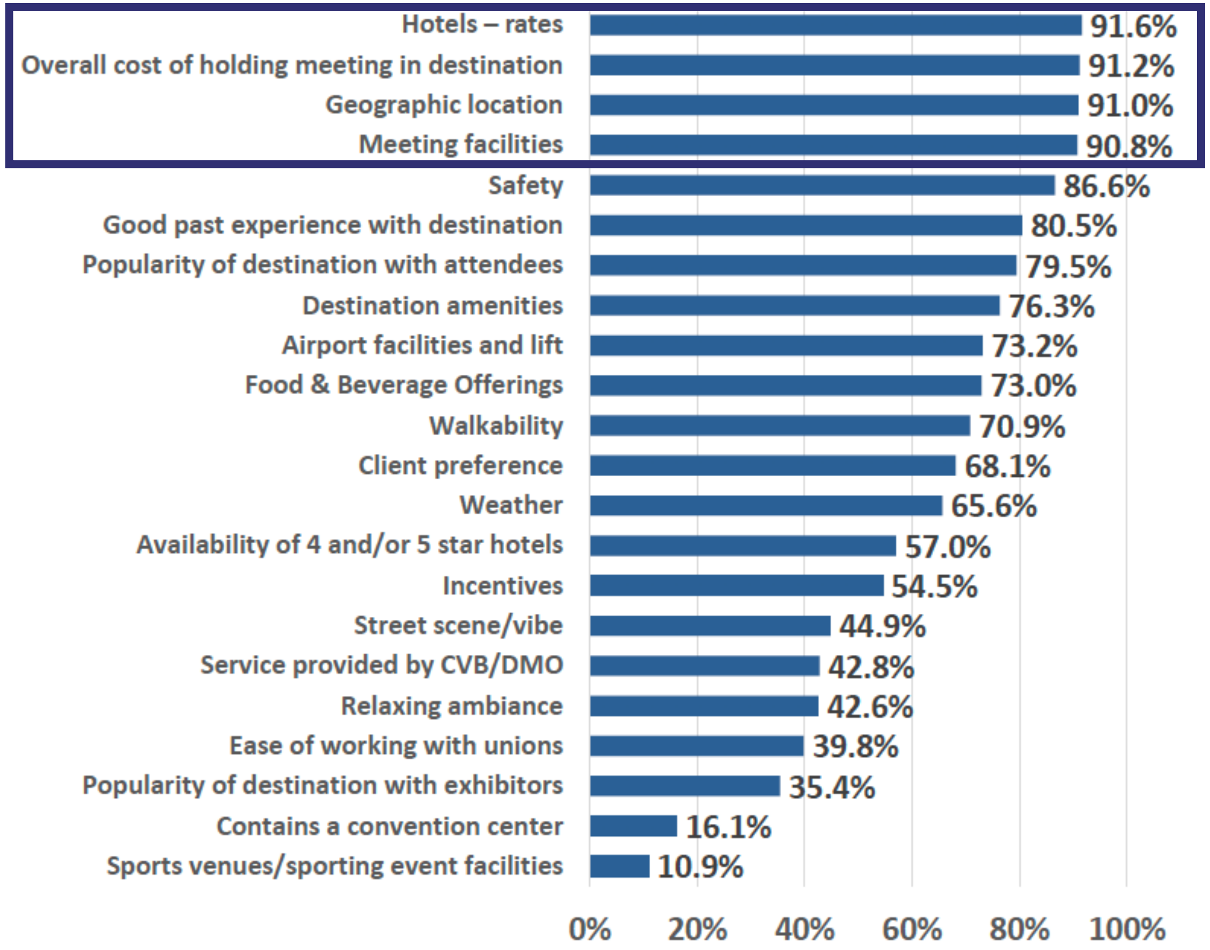
Corporate Meetings & Trainings include training seminars, professional and technical conferences, business/job fairs, incentive trips and management meetings. Corporate meeting planners and attendees demand high-quality facilities. High-quality and flexible technology capabilities are essential elements that corporate and business users require when selecting meeting facilities.



Competitions include youth and adult amateur sports and other competitions. Youth sports tournaments and ‘sport-cations’ have exploded in the past 10 years, where families make a vacation out of a major sports tournament. Convention centers are popular hosts for mega volleyball, wrestling, basketball, dance and cheer events. These are high-impact events since parents, siblings and grandparents often accompany the teams.

Corporate & Trade Show Planner Surveys

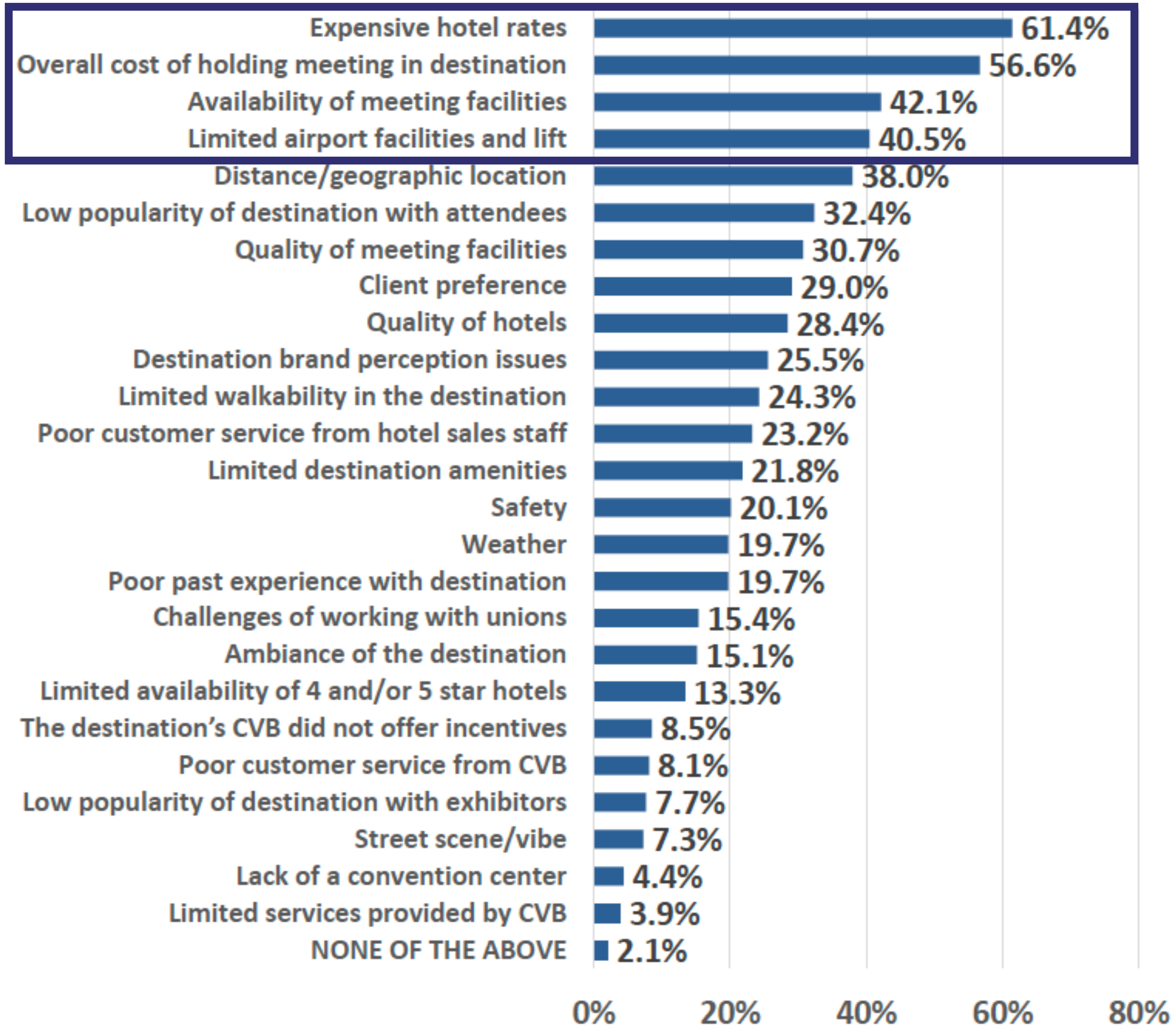
HOTELS - COST - LOCATION - FACILITIES: What Groups Demand



TOP TWO BOX SCORE	CORP.	3RD PARTY	ASSOC.	SMERF
Hotels – quality	95.3%	96.5%	93.0%	93.0%
Hotels – rates	91.3%	95.1%	95.2%	91.1%
Overall cost of holding meeting in destination	89.7%	95.1%	95.6%	93.0%
Geographic location	92.1%	95.1%	91.1%	89.7%
Meeting facilities	91.7%	95.1%	91.9%	91.1%
Safety	86.6%	89.5%	89.6%	87.8%
Good past experience with destination	82.6%	88.1%	82.2%	81.7%
Popularity of destination with attendees	81.0%	88.1%	83.3%	78.9%
Destination amenities (restaurants, entertainment, etc.)	80.6%	83.9%	79.3%	75.1%
Airport facilities and lift	77.1%	79.0%	74.4%	70.4%
Food & Beverage Offerings	78.7%	76.2%	74.8%	73.2%
Walkability	68.0%	69.2%	75.2%	69.0%
Client preference	78.7%	95.1%	71.9%	75.6%
Weather	71.5%	67.1%	67.4%	63.8%
Availability of 4 and/or 5 star hotels	69.2%	69.9%	57.8%	54.5%
Incentives	59.7%	69.9%	56.7%	58.2%
Street scene/vibe	46.2%	45.5%	46.3%	43.2%
Service provided by CVB?DMO	40.3%	55.2%	49.3%	50.7%
Relaxing ambiance	46.6%	44.8%	43.7%	47.4%
Ease of working with unions	44.3%	53.1%	44.1%	36.6%
Popularity of destination with exhibitors	39.9%	49.0%	40.4%	39.4%
Contains a convention center	14.2%	13.3%	17.8%	12.2%
Sports venues/sporting event facilities	16.6%	12.6%	8.5%	11.7%

Source: Destination Analysts – The CVB and the Future of the Meetings Industry

What Causes Groups to Go Elsewhere

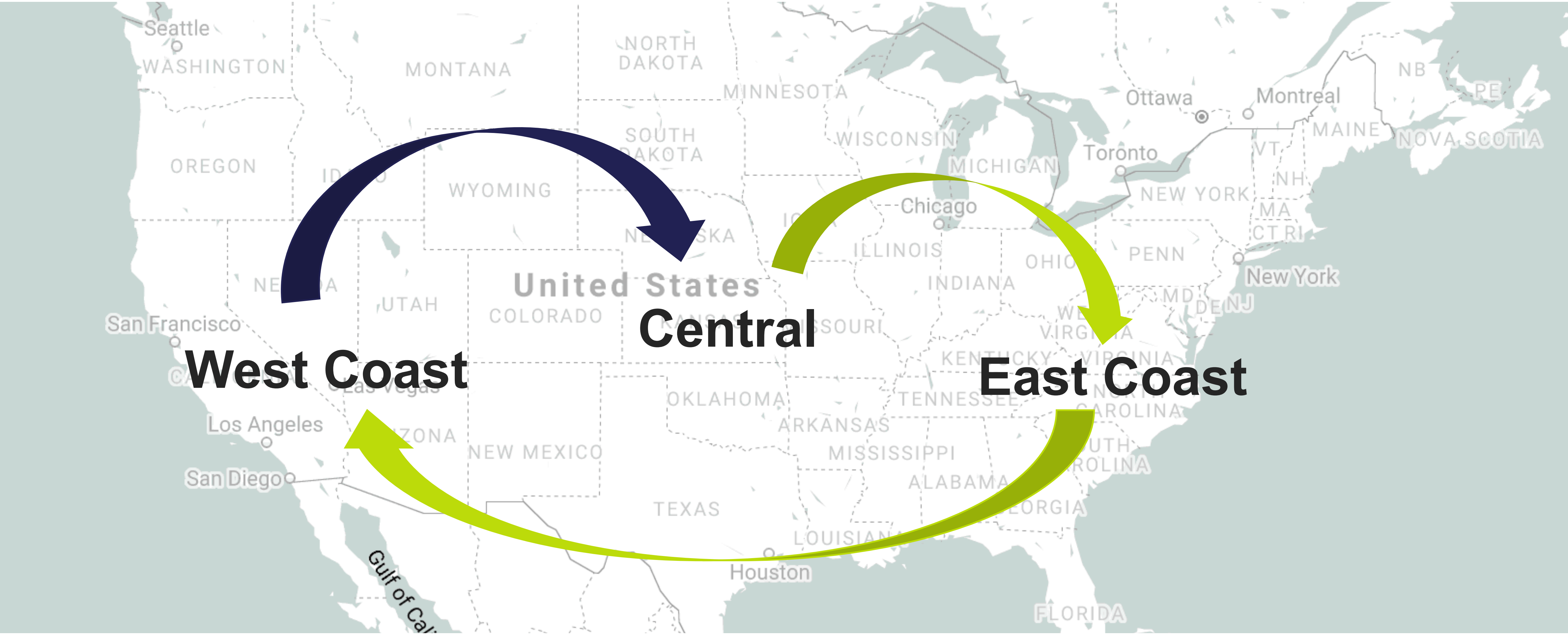


	CORP.	3RD PARTY	ASSOC.	SMERF
Expensive hotel rates	54.7%	64.3%	68.4%	66.2%
Overall cost of holding meeting in destination	51.6%	58.0%	62.9%	58.3%
Availability of meeting facilities	37.9%	39.2%	42.3%	40.7%
Limited airport facilities and lift	42.6%	43.4%	40.8%	40.3%
Distance/geographic location	34.4%	35.7%	39.3%	35.2%
Low popularity of destination with attendees	33.2%	42.0%	37.1%	37.5%
Quality of meeting facilities	29.3%	31.5%	33.1%	37.0%
Client preference	36.7%	53.1%	31.3%	34.7%
Quality of hotels	33.6%	32.9%	28.7%	29.6%
Destination brand perception issues	26.2%	37.1%	30.9%	27.8%
Limited walkability in the destination	18.0%	21.0%	27.6%	27.3%
Poor customer service from hotel sales staff	25.4%	27.3%	27.2%	29.2%
Limited destination amenities (restaurants, entertainment, etc.)	21.1%	21.0%	22.4%	24.1%
Safety	20.7%	21.7%	23.2%	20.8%
Poor past experience with destination	22.7%	26.6%	22.8%	25.9%
Weather	23.0%	27.3%	23.2%	21.8%
Challenges of working with unions	18.0%	18.9%	15.4%	12.0%
Ambiance of the destination did not fit the meeting	16.4%	16.1%	16.5%	13.4%
Limited availability of 4 and/or 5 star hotels	18.0%	17.5%	14.0%	13.0%
The destination's CVB did not offer incentives	7.0%	12.6%	11.4%	11.1%
Poor customer service from Convention & Visitors Bureau	7.8%	7.7%	8.5%	8.8%
Low popularity of destination with exhibitors	7.4%	9.1%	10.3%	7.9%
Street scene/vibe	6.6%	4.9%	9.6%	4.6%
Lack of a convention center	2.7%	3.5%	5.1%	3.2%
Limited services provided by Convention & Visitors Bureau	4.3%	4.2%	5.5%	5.1%

Source: Destination Analysts – The CVB and the Future of the Meetings Industry

Top Trade Shows

Trade Show Rotation Pattern



Top U.S. Trade Shows

While trade shows are not the only large events (youth sports tournaments often take up large amounts of space), they have typically represented most large events.

The table shows total top events held over a six-year period.

- New York City is **fourth** in number of events held, despite its dense population. The 99 events held in the city represents just under eight percent of the top 250 trade shows.
- Annually New York ranks 11th in attendance per event.

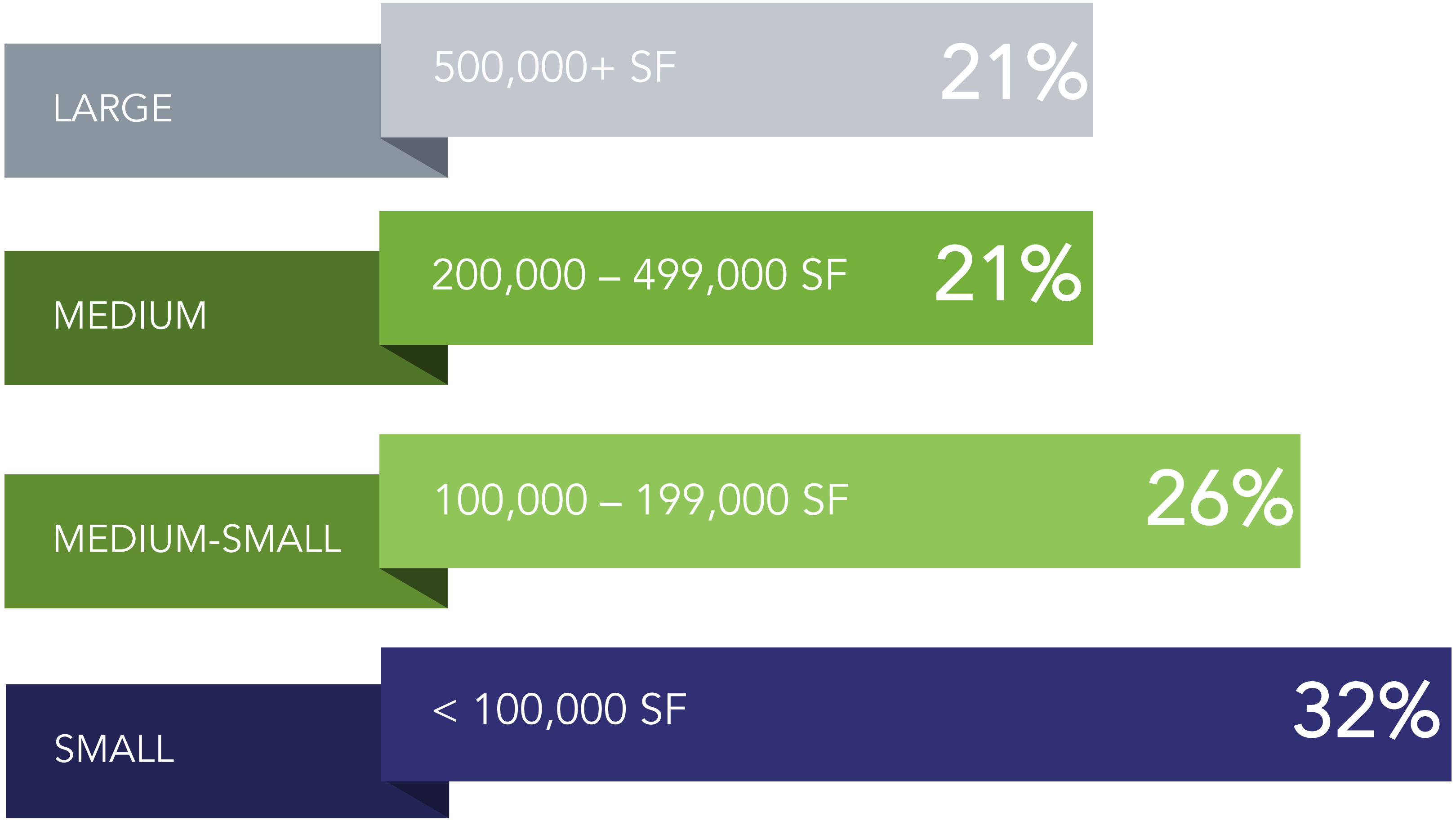
The highlighted rows represent trade shows on the eastern seaboard.

Top 250 Trade Shows Historical Event Performance (2014-2019)

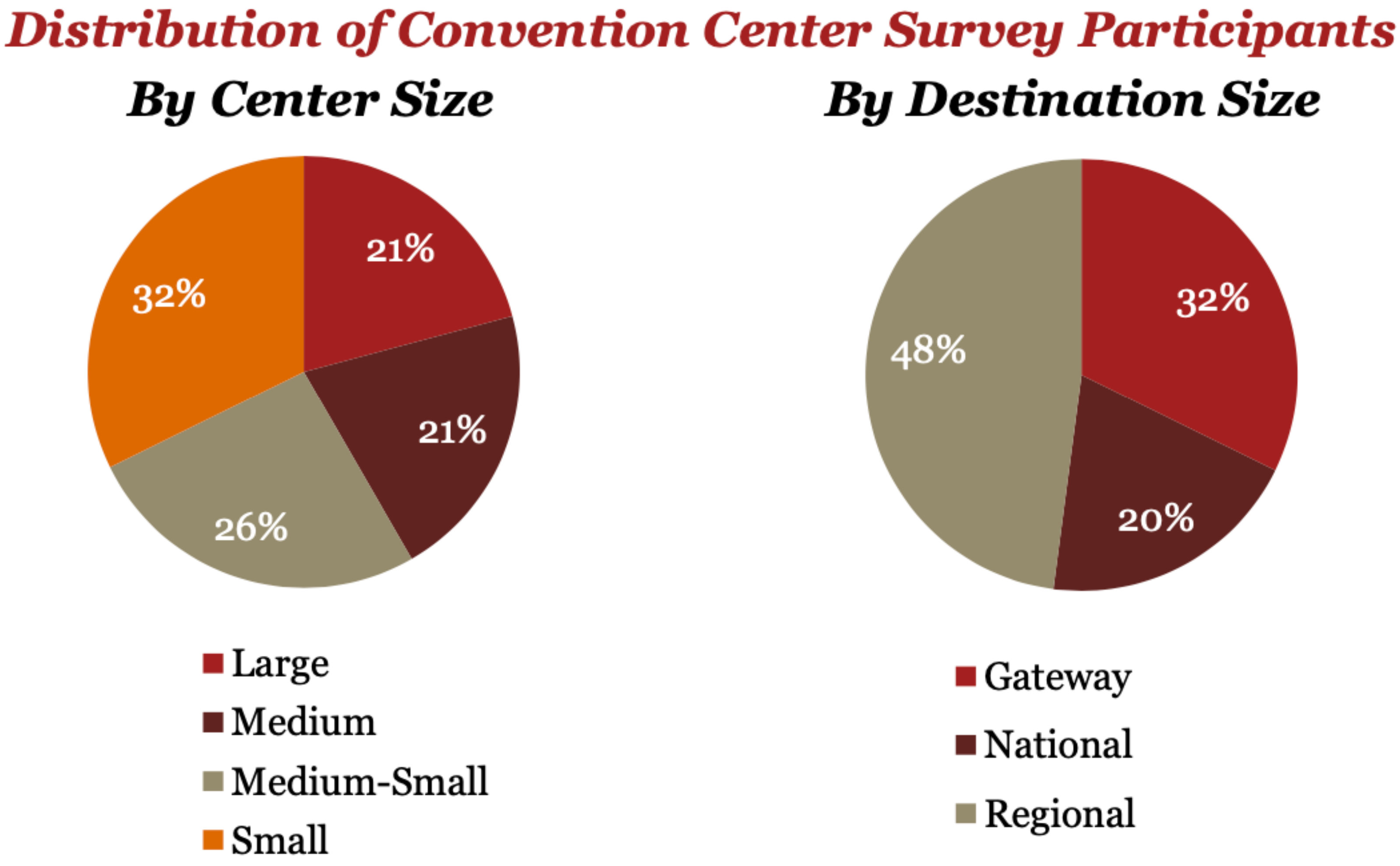
City	Total Events	Attendance	Total Net Square Footage (millions)
Las Vegas, NV	311	7,828,281	126.4
Orlando, FL	138	2,036,327	36.8
Chicago, IL	122	2,861,462	40.1
New York, NY	99	1,389,835	20.6
Atlanta, GA	94	1,983,560	30.6
New Orleans, LA	57	481,287	9.0
Anaheim, CA	47	1,275,296	13.5
San Diego, CA	46	454,147	5.6
Boston, MA	44	953,194	4.7
Indianapolis, IN	39	573,796	11.1
Dallas, TX	33	573,796	5.3
San Francisco, CA	30	380,284	4.3
Washington, DC	26	344,770	3.4
Denver, CO	26	180,272	3.9
San Antonio, TX	23	102,530	2.2
Philadelphia, PA	22	193,858	2.6
Houston, TX	21	425,186	5.9
Nashville, TN	20	192,208	2.0
Los Angeles, CA	20	315,095	3.5
Miami Beach, FL	10	75,921	1.6
Seattle, WA	8	37,900	0.6
Austin, TX	8	57308	0.7
Detroit, MI	5	23,309	0.4
Average	**54**	**988,679**	**14.6**

Source: TSNN

Convention Facility Size Distribution



Convention Center Profile



Top Trade Shows by Size

Only 16 percent of the top 250 trade shows need over 400,000 square feet of space each year.

Convention centers historically have sought to enlarge exhibit space to avoid splitting exhibit space between multiple buildings (or stack) in order to accommodate large events, though this may not be necessary to capture 84 percent of events.

Top 250 Trade Shows by Net Square Footage

	2018		2019	
Square Footage	Total Shows	Percentage	Total Shows	Percentage
Shows Under 400K SF	207	83%	193	83%
Between 400 - 500K SF	8	3%	12	5%
Between 500 - 599K SF	7	3%	7	3%
Between 600 - 699K SF	8	3%	5	2%
Between 700 - 800K SF	2	1%	4	2%
Shows over 800K SF	16	6%	12	5%

Source: TSNN

Management Types

Convention Centers - Management Type (% of Respondents)

	Private Company	Quasi-Public Authority	Local Government	Other
Center Size:				
Large	30%	40%	30%	0%
Medium	47%	11%	21%	21%
Medium-Small	36%	40%	20%	4%
Small	26%	26%	32%	16%
Destination Size:				
Gateway	27%	37%	30%	7%
National	47%	5%	32%	16%
Regional	33%	35%	22%	11%

Source: PwC Convention Center Report 2018

Convention Centers - Personnel (Average Head Count)

	Full-Time Total	Full-Time Sales Staff	Full-Time Equivalent
Center Size:			
Large	231	10	375
Medium	155	9	200
Medium-Small	54	5	87
Small	42	4	58
Destination Size:			
Gateway	202	8	298
National	78	5	121
Regional	57	6	85

Source: PwC Convention Center Report 2018

Average Rental Rates by Event Type

Average Daily Rent (PSF)			
Year	**Conventions/Trade Shows**	**Consumer Shows**	**Other Events**
2014	$0.055	$0.060	$0.085
2015	$0.065	$0.060	$0.100
2016	$0.070	$0.060	$0.100
2017	$0.070	$0.070	$0.110
2018	$0.070	$0.070	$0.110

Source: PwC Convention Center Report 2018

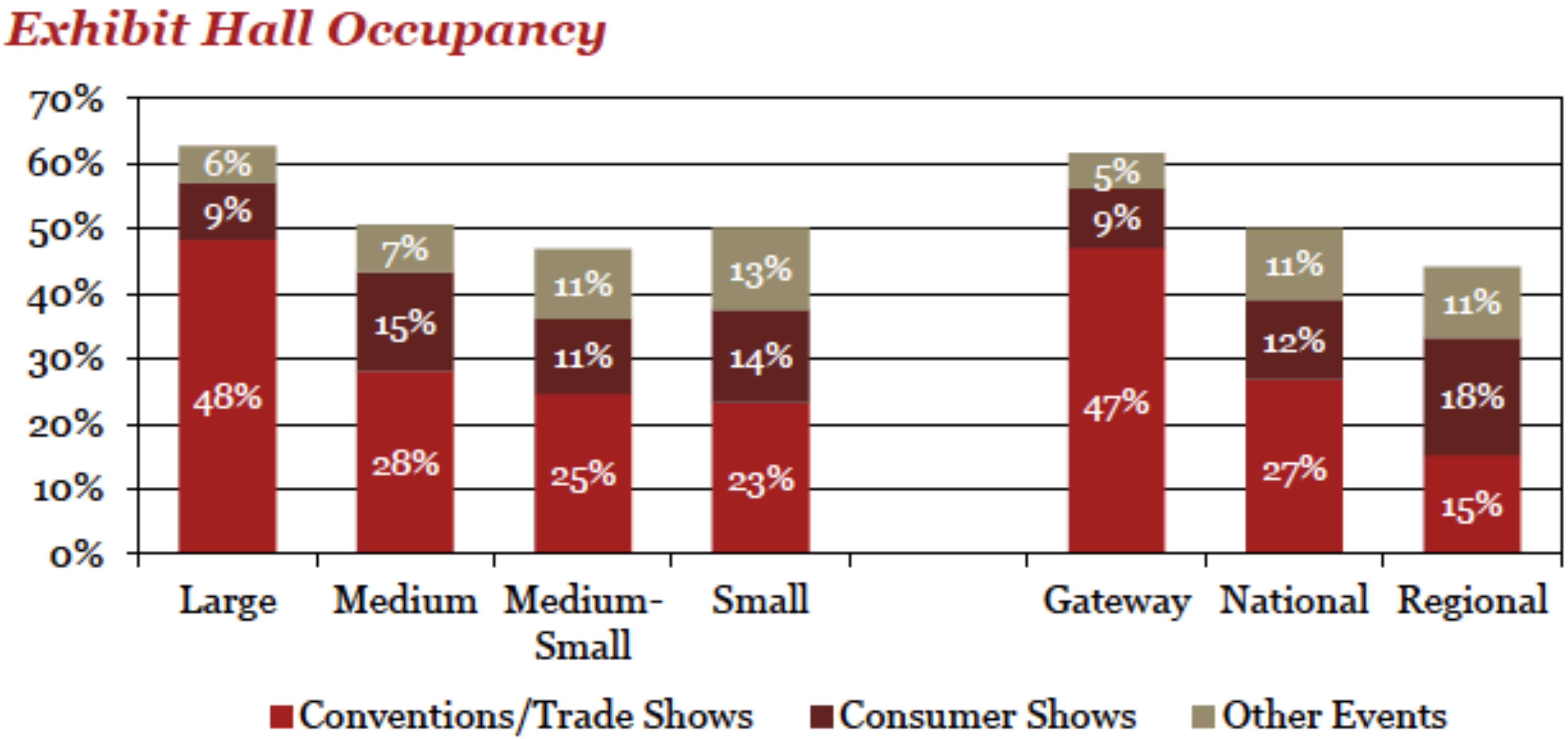
Event Attendance

Event Volume & Attendance (All Events)

	Total Events	Total Attendance
Center Size		
Large	217	1,330,200
Medium	285	553,700
Medium-Small	293	441,700
Small	252	230,100
Destination Size		
Gateway	221	1,061,600
National	247	543,500
Regional	295	291,700

Source: PwC 2018 Convention Center Report

Exhibit Hall Occupancy



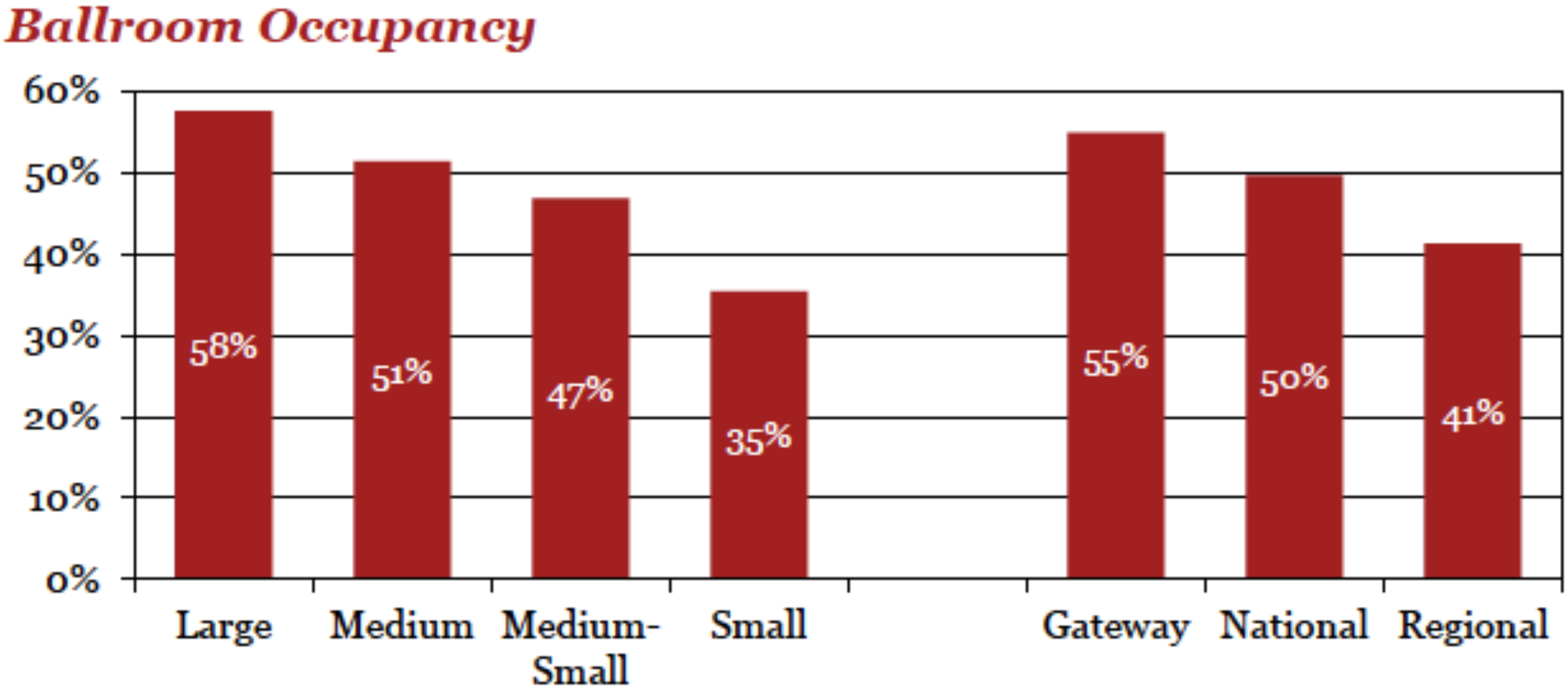
Source: PwC 2018 Convention Center Report

Exhibit Hall Occupancy

Exhibit Hall - Attendance per Event	Conventions / Trade Shows	Consumer Shows
Center Size		
Large	10,900	39,600
Medium	4,000	14,700
Medium-Small	3,400	8,600
Small	1,600	2,900
Destination Size		
Gateway	8,400	30,500
National	4,700	11,300
Regional	2,000	5,900

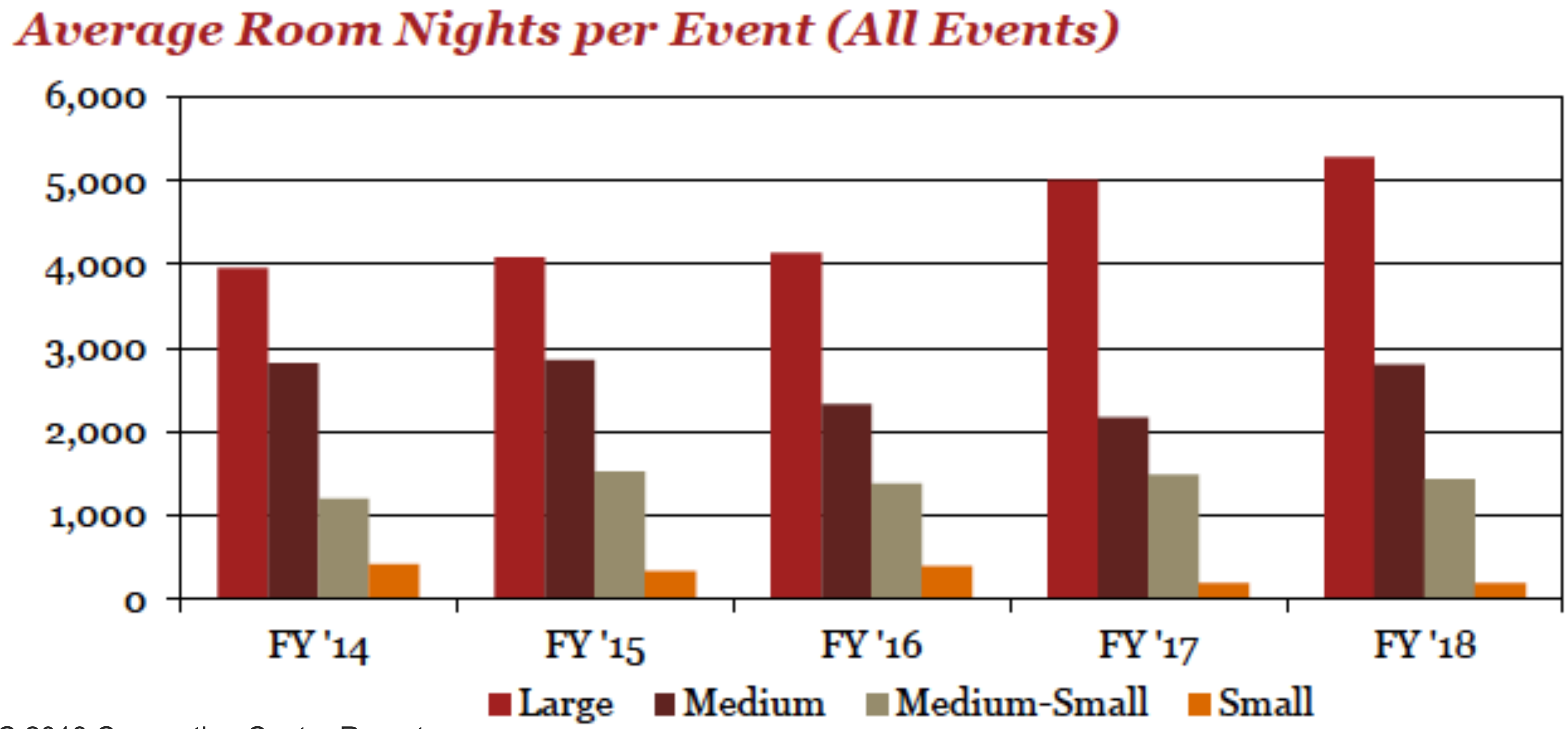
Source: PwC 2018 Convention Center Report

Ballroom Occupancy



Source: PwC 2018 Convention Center Report

Hotel Impact by Event Size



Source: PwC 2018 Convention Center Report

Implications

Event planners are looking for a combination of:

- Low Cost
- Great Destination
- Quality Facility that meets their exhibit, ballroom, meeting room needs
- Walkable/Connected Hotel Package that accommodates most attendees

Facilities with extreme flexibility for all event types are critical

Ideal Proximate Hotel Count = 15 hotel rooms per 1,000 SF of Exhibit Space, or 4,500 hotel rooms proximate to Meadowlands. Ideally 25% are connected/adjacent.

HQ Hotel to compete nationally should be 1,000+ keys

03

Convention Center Market Analysis

HUNDEN STRATEGIC PARTNERS

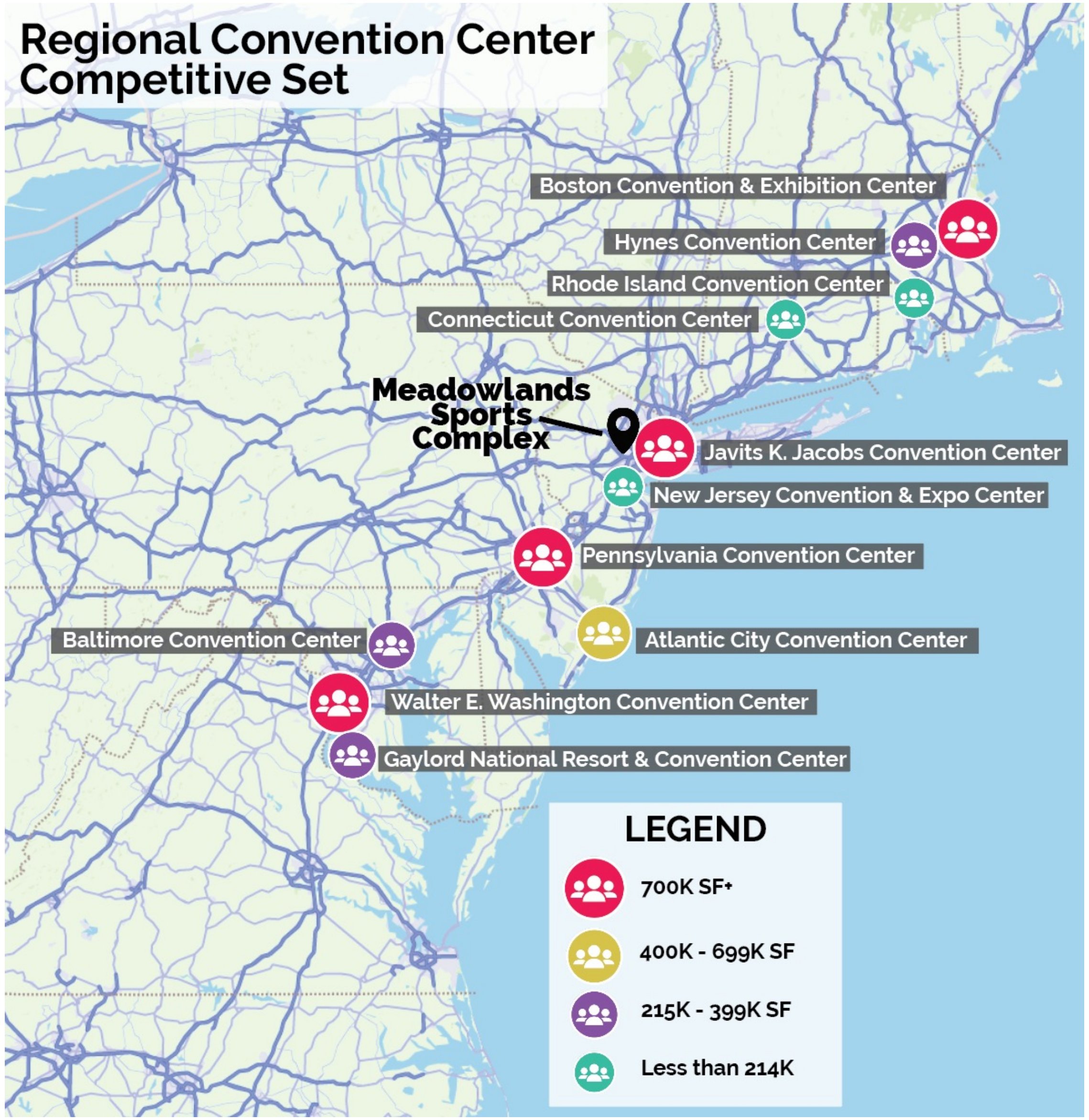
Competitive Set - Northeast

Meadowlands has a unique geographic and size opportunity.

The New Jersey facilities are non-competitive as they compete for different events in mostly different markets.

NJCEC is primarily an expo hall for pubic/consumer type events.

Atlantic City is a gaming destination with difficult airlift vs. Meadowlands with ultra-airlift and NYC as the draw.

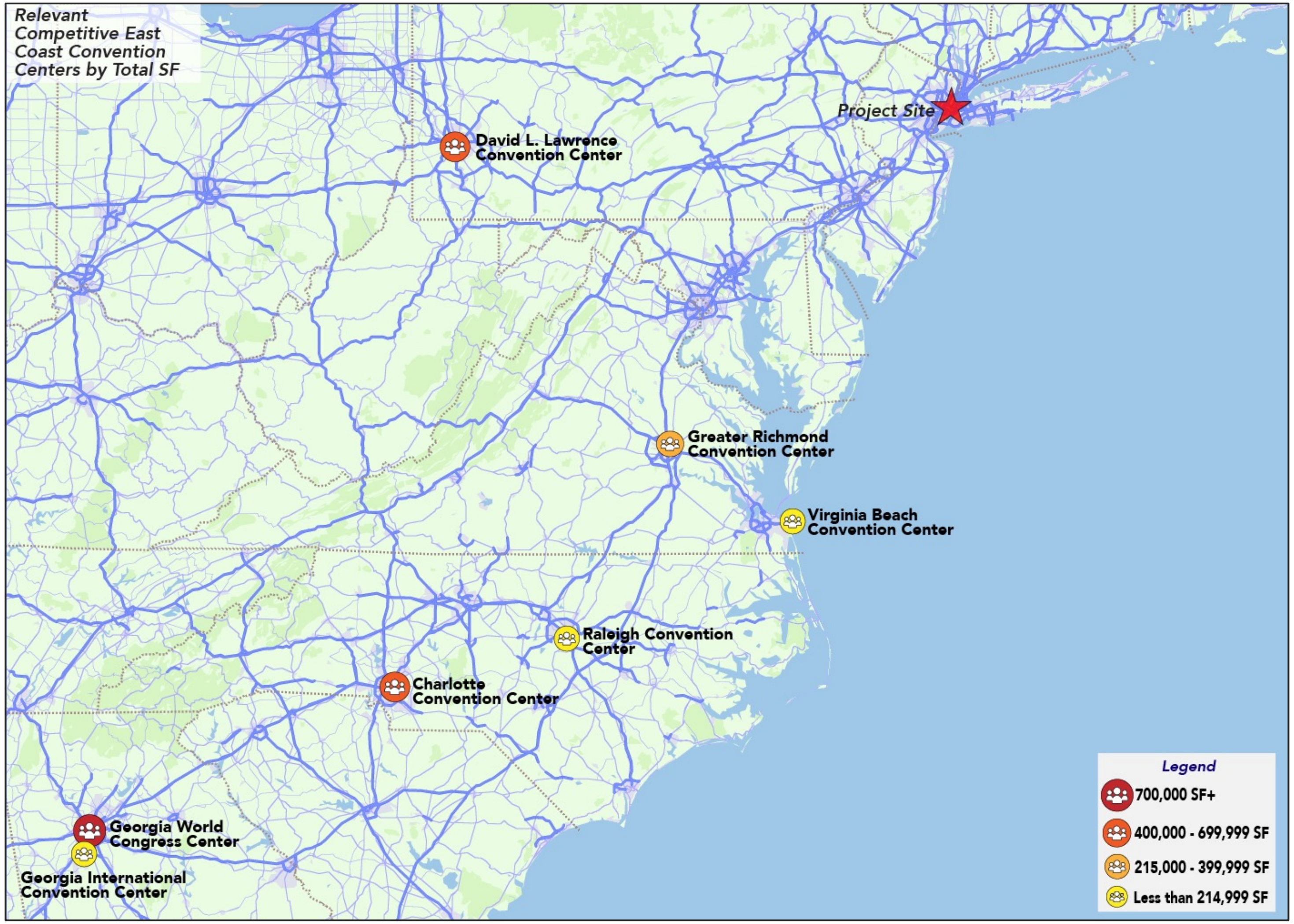


Competitive Set - Mid-Atlantic

Event planners choose amongst all Eastern Seaboard or nearby venues as they rotate around the U.S.

Meadowlands gets most of the NYC benefit without the cost. Compared to most cities and facilities in the region, Meadowlands has many benefits.

The recommended facility will have the optimal space flexibility and ballrooms/meeting rooms that today's market wants vs. many of the competitors.



Competitive Set - Convention Centers

Relevant Competitive East Coast Convention Centers

Name	City	State	Total SF	Exhibit SF	Ballroom SF	Meeting Room SF	Largest Ballroom SF	Number of Meeting Rooms
Georgia World Congress Center	Atlanta	GA	1,722,959	1,439,200	58,768	224,991	33,020	103
Pennsylvania Convention Center	Philadelphia	PA	945,713	713,960	85,358	146,395	55,408	75
Walter E. Washington Convention Center	Washington	DC	902,973	703,000	78,102	121,871	52,000	69
Jacob K. Javits Convention Center	New York	NY	888,774	715,000	145,700	28,074	54,400	40
Boston Convention and Exhibition Center	Boston	MA	704,151	516,000	52,963	135,188	40,020	77
Atlantic City Convention Center	Atlantic City	NJ	592,553	486,600	19,548	86,405	11,880	41
David L Lawrence Convention Center	Pittsburgh	PA	422,694	312,756	33,058	76,880	33,058	53
Recommended Meadowlands CC	Meadowlands	NJ	460,000	300,000	60,000	100,000	60,000	60
Charlotte Convention Center	Charlotte	NC	414,142	280,000	75,000	59,142	40,000	46
Baltimore Convention Center	Baltimore	MD	375,216	268,000	36,672	70,544	36,672	50
Gaylord National Resort & Convention Center	National Harbor	MD	334,196	178,787	92,719	62,690	39,855	58
Greater Richmond Convention Center	Richmond	VA	256,830	178,159	32,093	46,578	30,550	31
Hynes Convention Center	Boston	MA	235,491	150,720	24,308	60,463	24,308	35
Raleigh Convention Center	Raleigh	NC	212,061	146,843	32,617	32,601	32,617	20
Virginia Beach Convention Center	Virginia Beach	VA	207,097	150,012	31,029	26,056	31,029	23
Georgia International Convention Center	Atlanta	GA	206,320	151,200	40,040	15,080	40,040	27
Connecticut Convention Center	Hartford	CT	203,030	140,000	40,000	23,030	40,000	14
New Jersey Convention and Exposition Center	Edison	NJ	165,292	155,000	8,736	1,556	6,162	3
Rhode Island Convention Center	Providence	RI	136,640	100,000	24,104	12,536	20,100	14
Average			494,007	372,907	51,096	70,004	35,848	44

Competitive Set - Convention Centers

Perhaps the biggest factor in determining the supply / demand balance is the amount of legitimate non-hotel convention, ballroom and meeting room space. When comparing the NY/NJ market to the other top MSA's in the U.S., whether by population or tourists, the NY/NJ metro is short of prime convention space by 2 – 3 million square feet.

Largest US Metros and Convention Space Metrics

MSA	MSA Population	Rank	Estimated 2019 Tourism Visitors	Rank	Primary CC Function Space SF	Rank	Total Function Space SF (Primary & Suburban)	Rank	Function Space SF per 1,000 Residents	Rank	Function Space SF per 1,000 Visitors	Rank
New York/Meadowlands	19,352,724	1	66,600,000	1	888,774	8	1,118,644	9	58	13	17	13
Los Angeles	13,303,870	2	50,000,000	4	703,789	12	2,197,552	2	165	9	44	9
Chicago	9,506,045	3	58,000,000	2	3,130,343	1	4,436,063	1	467	1	76	1
Dallas	7,957,493	4	27,000,000	6	1,125,921	3	1,279,387	6	161	11	47	7
San Francisco	7,750,000	5	26,200,000	7	835,690	10	1,312,844	5	169	8	50	4
Houston	7,197,883	6	22,300,000	11	889,276	7	1,100,776	10	153	12	49	5
Miami	6,913,262	7	24,200,000	9	670,050	13	1,236,518	8	179	7	51	3
Atlanta	6,775,511	8	57,000,000	3	1,495,398	2	1,965,108	3	290	2	34	11
Washington DC	6,249,950	9	24,600,000	8	898,117	6	1,006,712	12	161	10	41	10
Philadelphia	6,096,372	10	46,000,000	5	945,713	4	1,248,321	7	205	5	27	12
Detroit	5,353,002	11	19,000,000	12	906,256	5	1,393,798	4	260	3	73	2
Phoenix	4,911,851	12	19,000,000	12	859,325	9	887,788	13	181	6	47	8
Boston	4,875,390	13	22,748,854	10	707,801	11	1,081,632	11	222	4	48	6
Average	8,172,566		35,588,373		1,081,266		1,558,857		205		47	
NY Metro Space Needed to Get to Avg.									**2,856,789**		**1,982,605**	
Proposed Total Function Space at Meadowlands									**460,000**		**460,000**	

Source: Hunden Strategic Partners, Various Convention Centers, Local Visitors Bureaus

Industry Interviews

Interview: Int’l Association of Venue Managers

IAVM represents public assembly venues around the globe, with experts in convention centers, arenas, exhibit halls, stadiums and more.

Conversations with representatives at IAVM are summarized below:

- Meadowlands is in an ideal position for a flexible convention and event venue.
- The most successful convention centers have a hotel attached, if not two. Ideally this facility would have 4,500 walkable/proximate hotel beds.

Ideally the Facility:

- Would have up to 75 meeting rooms,
- Any retractable arena function would have a capacity of 6,000 to 7,000, with portable walls and lots of exhibit space, and

Interview: Int’l Assoc. of Exhibitions and Events

IAEE is the leading trade association for global exhibitions and events.

Conversations with representatives at IAEE are summarized below:

Demand for conventions and consumer shows were strongly affected during COVID-19 and are not projected to stabilize for three years at least. However, a rush of events this year to reconnect face-to-face meetings.

Trends:

- Meeting space is a make or break for convention centers
- Ballrooms offer flexibility and are key as well
- As a result of COVID-19, up-to-date technology is necessary within convention centers as many meetings are increasingly hybrid.
- Sustainability initiatives are strong demand drivers, especially within the corporate world.

Interview: Convention Center Operators

Conversations with representatives of various convention center operators are summarized below:

- The fall, winter and spring are the busiest for convention centers, though demand changes based on location in the United States.
- Youth sports are key to helping a convention center stay busy during the summer months.
- Volleyball, wrestling, basketball, cheerleading are big demand drivers and generate overnight stays a large majority of the time.
- Accessibility to the Meadowlands CC would only truly be tough on game and race days, a better infrastructure plan could make it much easier to transport people in and out.

Interview: Atlantic City Convention Center Mgmt.

Conversations with representatives at the Atlantic City Convention Center are summarized below:

- There are **17,000 walkable hotel rooms** in the Atlantic City Convention Center market.
- The convention center benefits from lots of repeat business each year, but loses business each year from a **lack of airports**.
- Casinos have been taking ACC's smaller business for years, offering hotel discounts.
- The 500,000 SF convention center only sold out once over a four-year period (consumer boat show). The only consumer shows that come to Atlantic City are RV and boat shows.

Recommendation for Meadowlands:

- 250,000 to 300,000 SF exhibit space
- 60-80 breakout rooms, average of 1,500 SF /room, 1,200 SF if they are linear

Interview: Northstar Meetings Group

Northstar is a B-to-B information and marketing solutions company covering many industries including meetings and travel. A summary of the conversation is shown below:

- After the pandemic, cost, accessibility and safety have become the biggest demands for meeting planners. Larger markets convention centers such as San Francisco, New York have been hurt in recent years with rising crime and homelessness. The Meadowlands could also benefit from being the safer, less expensive option versus Javits.
- Accessibility and cost is a big factor in markets with two convention centers. For example, Chicago's McCormick Place and Rosemont's convention center would be similar to the role Meadowlands could play in relation to Javits. Rosemont is the closer to air travel, does not require going through the same traffic, is less expensive and thus garners a good share of conventions and events. This also occurs in Atlanta and Los Angles/Anaheim.
- Sports is an untapped market in the New York City market. A Meadowlands Convention Center likely would be used more often than expected for youth sports tournaments. With the American Dream, players would bring their entire family, with something to do for everyone.

Interview: MTM Consulting

HSP had a conversation with the former general manager of the Javits Center in New York. A summary of the conversation is shown below:

- During the 90s the Javits Center operated at around a 70 percent occupancy rate (essentially 100% in the convention center world). Javits would pull business through the door to fill calendar days and then select the best groups to become repeat business.
- The Philadelphia market would gain groups that left Javits, but after a year or two many of the groups would return because they needed to be in New York City.
- Groups would love to go to the Meadowlands as an alternative to meeting spaces within NYC. A Meadowlands convention center could charge just a 15 percent discount to Javits and become a very likely alternative, even though costs in New Jersey are often 40 percent lower. Constant monitoring of expenses through contractors would be needed.
- Meadowlands is also a better alternative as it is safer. Groups have begun leaving cities such as San Francisco and Chicago to move to safer markets.
- There are concerns about ease of access in the area and traffic concerns on NFL game days and concerts at Metlife. Traffic and parking management are key to be able to host football and conventions/consumer shows simultaneously.

Implications

- The competitive position that the Meadowlands finds itself in is unique. If played correctly, it can leverage its location and amenities (AD, especially, plus accessibility to Manhattan) to compete on a national level.
- Any facility competes differently depending on the type of event it is chasing.
- The Meadowlands sets up nicely as a super-regional player and national player in most event types.
- In the convention and trade show market, competition will be East Coast.
- For corporate, it will be a NYC/NJ player.
- For consumer shows, it will be a metro and regional player.
- The biggest impacts are from conventions/trade shows and sports/competitions.

04

Youth Sports Analysis

HUNDEN STRATEGIC PARTNERS

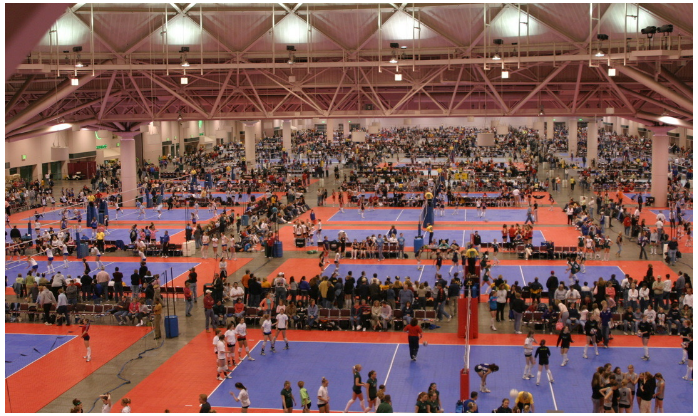
Opportunity: Youth Sports

Youth sports tournaments and events are a strong opportunity to generate economic activity and drive hotel room-nights for convention centers and municipalities.

The US youth sports industry is now worth more than $19 billion.

3.4 million residents within the NY-NJ-PA MSA are between the ages of five and 19.

56.1% of youth ages six to 17 participate in sports.



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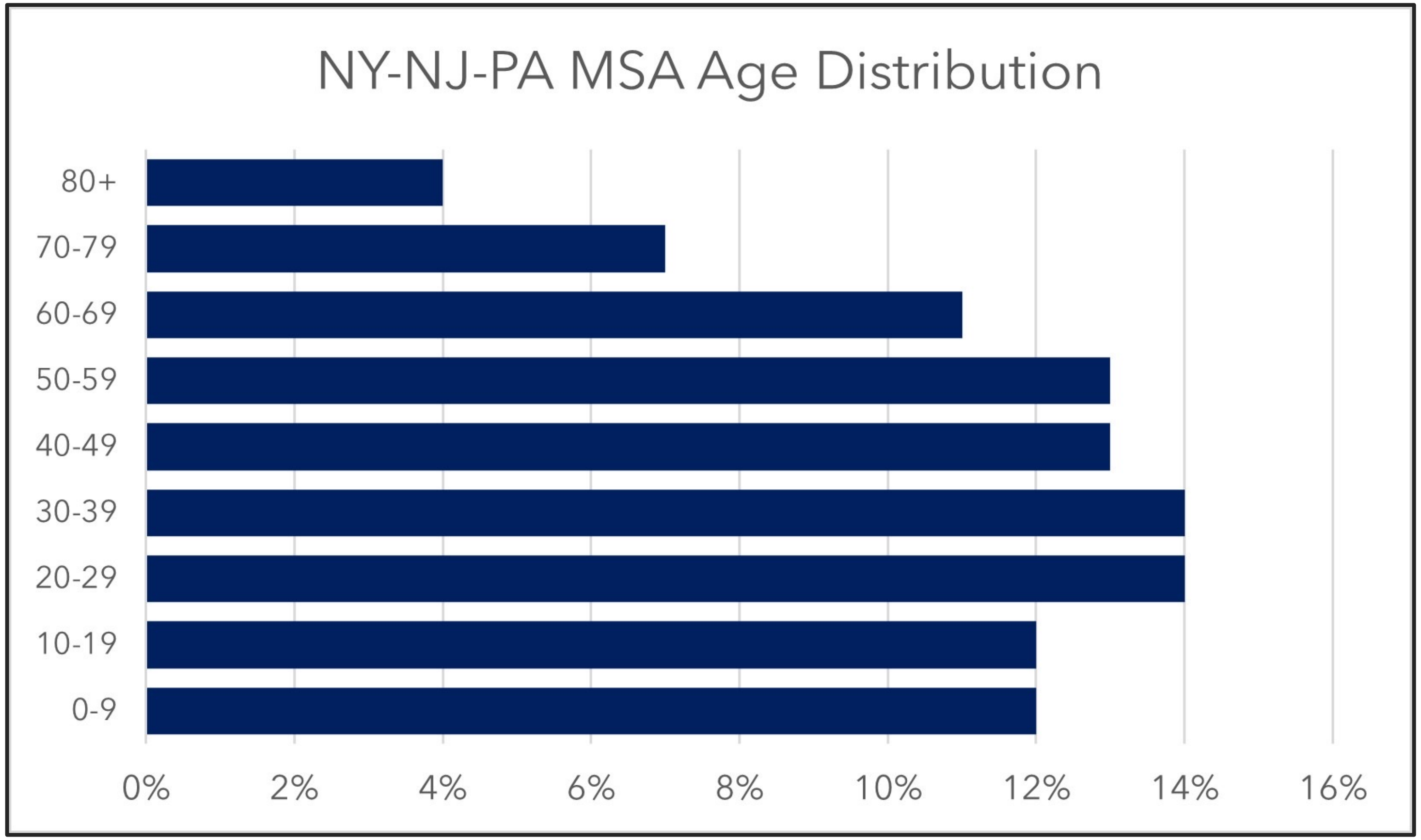


Youth Sports Supplies

Indoor youth and amateur sports tournaments and competitions (dance/cheer) are major users of convention centers, including in major cities.

The proposed Meadowlands exhibit space could accommodate 30 indoor basketball courts and 60 volleyball courts. The proposed ballroom can also accommodate numerous courts, mats, and competitive set-ups.

In the NY/NJ, there are no facilities that can accommodate more than 7 basketball courts. One needs to drive to Pennsylvania, near Philly, to access facilities that can accommodate 10 or more basketball courts. Atlantic City can also accommodate large tournaments.

Regional Athletic Complex Supply

Facility Name	Location	Distance from Project Site (Miles)	Indoor / Outdoor	Multipurpose	Multipurpose - Turf	Tennis	Pool	Indoor Basketball	Indoor Volleyball	Indoor Turf	Ice
SPORTIME Bethpage Multi-Sport	Bethpage, NY	25.6	Indoor	–	–	–	–	2	5	1	1
Long Island Sports Hub	Syosset, NY	25.8	Indoor	–	–	–	–	1	2	3	1
Island Garden Basketball	Garden City South, NY	35.4	Indoor	–	–	–	–	3	6	–	–
Aviator Sports and Events Center	Brooklyn, NY	53.9	Indoor / Outdoor	–	2	–	2	2	4	2	2
Match Point NYC	Brooklyn, NY	55.9	Indoor / Outdoor	–	1	8	–	2	–	–	–
House of Sports	Ardsley, NY	61.1	Indoor	–	1	–	–	4	4	1	–
Sportika	Manalapan, NJ	101.4	Indoor	–	–	–	–	7	4	1	–
Branchburg Sports Complex	Branchburg, NJ	104.0	Indoor	–	–	–	–	3	6	3	–
Connecticut Sports Arena	New Milford, CT	111.4	Indoor	–	–	–	–	3	6	–	–
Marlton Memorial Sports Complex	Evensham Township, NJ	142.8	Indoor / Outdoor	3	3	–	–	3	3	–	–
XL Sports World	Hatfield, PA	147.9	Indoor	–	3	–	–	3	3	3	–
Greater Philadelphia Expo Center	Oaks, PA	194.1	Indoor	–	–	–	–	18	22	–	–
New England Sports Center	Marlborough, MA	220.2	Indoor	–	–	–	–	–	–	–	10
Spooky Nook Sports	Manheim, PA	220.6	Indoor	–	–	–	–	10	10	3	–
York ExpoCenter	York, PA	240.3	Indoor	–	–	–	–	6	8	–	–
Average				**3**	**2**	**8**	**2**	**5**	**6**	**2**	**4**

Source: Various Sources

Youth Sports Facility Supply

Access, specifically drive times, to a youth sports facility is critical when trying to attract large, regional events.

The location of the proposed Project gives this site an advantage for attracting a large local and national population base.

With strong road and air access, people can easily commute regionally and nationally.

Youth Sports Interviews

Interview: Youth Sports

Conversations with representatives from USA Volleyball, USA Gymnastics, USA Table Tennis and USA/AAU Wrestling indicated the following:

- **Volleyball** - There are nine convention center events throughout the year and five one-day events at 75 different locations throughout the northeast.
  - Average 8 teams per court per tournament.
- **Gymnastics** - National Championships require a convention center with 100,000 SF of space, minimum 25-foot ceiling, 15 meeting rooms and a major airport
- **Table Tennis** - 40k – 50k SF of space needed for the national championship; usually brings 300 athletes per event.
- **Wrestling** - Major USA Wrestling events attract approximately 500 athletes and more than 1,000 spectators.
  - Eight basketball courts accommodates ~16 wrestling mats.
  - 18 mats is the typical larger event.

Interview: Teams 21 Conference

TEAMS *(Travel, Events, and Management in Sports)* is the world's leading conference and expo for the sports-event industry.

Conversations with attendees of the TEAMS 21 Conference are summarized below:

- National tournaments are a week-long, while regional events span three to four days on average.
- The minimum courts for a large regional tournament are eight to ten courts in one location.
- Dance and Cheer events usually use ballroom space in hotels. Typically, 25,000 square feet is required for one cheer event
- Decision makers decide on a location based on cost (often lowered with affiliation support), fun and unique experiences in the area, **location**, and extra excursions in the area – All of which the Meadowlands location checks
- In a potential facility, seating area would be a large concern for sporting event planners

Other Opportunities

Every community is looking for their “silver bullet” as it relates to hosting events and driving sports tourism.

Esports, for instance, certainly presents opportunity, but with a few exceptional game and competitions, they are not driving significant traffic to a destination (sports tourism) and, as a local draw, present challenges since the real money is being made by the brands who push online viewing.

Other trending non-traditional sports that may present opportunity at an indoor facility include:

- Badminton, Fencing
- Futsal, Team Handball, Weightlifting
- Martial Arts (all disciplines)

A few of these sports were identified as opportunities throughout the market analysis. While these sports are unlikely to drive multiple major annual events to a new complex in Pawtucket, a new venue would be able to accommodate a variety of other flat-floor sports.

05

Entertainment Analysis

HUNDEN STRATEGIC PARTNERS

Entertainment Options

Concerts are musical events held by famous musicians that can gather up to 60,000 people for one artist.

Music Festivals often gather the largest crowds, with multiple artists performing in one area. The Governors Ball Music Festival in New York City gathers around 150,000 people for a multi-day music festival.

Entertainment events range from performing arts shows, sporting events, carnivals, circuses, amusement parks, music shows, comedy shows and other shows like Disney on Ice.

Current Entertainment Market

Large-Scale Entertainment Venues

Large-Scale Entertainment Venues within 20 miles of East Rutherford, NJ (5,000 capacity+)

Venue	City	Type	Capacity	Avg. Tickets Sold	Miles from East Rutherford
Metlife Stadium	**East Rutherford, NJ**	**Stadium**	**82,500**	**25,971**	**2**
Yankee Stadium	Bronx, NY	Stadium	50,287	–	9
Citi Field	New York, NY	Baseball Field	42,500	39,726	15
Red Bull Arena	**Harrison, NJ**	**Stadium**	**30,000**	**–**	**7**
Madison Square Garden	New York, NY	Arena	20,789	14,357	8
Barclays Center	New York, NY	Arena	19,000	9,658	13
Prudential Center	**Newark, NJ**	**Arena**	**17,500**	**8,598**	**8**
USTA Louis Armstrong Stadium	Flushing, NY	Stadium	14,000	–	15
Forest Hills Stadium	Queens, NY	Stadium	13,500	8,898	16
MCU Park	Brooklyn, NY	Stadium	12,250	–	19
Grand Prospect Hall	Brooklyn, NY	Auditorium/Theatre	7,000	5,753	13
Radio City Music Hall	New York, NY	Auditorium/Theatre	6,013	5,269	8
Hulu Theater at Madison Square Garden	New York, NY	Auditorium/Theatre	5,600	3,687	8
Rumsey Playfield / Central Park	New York, NY	Amphitheatre	5,500	5,017	8
Ford Amphitheater at Coney Island Boardwalk	Brooklyn, NY	Amphitheatre	5,400	2,973	19
Hudson River Stage	New York, NY	Amphitheatre	5,250	–	10

Source: Pollstar


MetLife Stadium


Red Bull Arena

Prudential Center

Medium-Scale Entertainment Venues

Medium-Scale Entertainment Venues within 20 miles of East Rutherford, NJ (1,000-5,000 Capacity)

Venue	City	Type	Capacity	Avg. Tickets Sold	Miles from East Rutherford
Hammerstein Ballroom	New York, NY	Auditorium/Theatre	3,500	3,519	8
LIU Brooklyn Paramount Theatre	Brooklyn, NY	Auditorium/Theatre	3,500	–	14
Rooftop at Pier 17	New York, NY	Stadium	3,400	3,075	10
United Palace	New York, NY	Auditorium/Theatre	3,365	2,889	9
Kings Theatre	Brooklyn, NY	Auditorium/Theatre	3,101	2,661	15
Prudential Hall	**Newark, NJ**	**Auditorium/Theatre**	**2,868**	**1,855**	**8**
Beacon Theatre	New York, NY	Auditorium/Theatre	2,829	–	8
Stern Auditorium / Parelman Stage	New York, NY	Complex	2,804	–	10
Ritz Theatre	**Elizabeth, NJ**	**Auditorium/Theatre**	**2,761**	**–**	**13**
David Geffen Hall	New York, NY	Auditorium/Theatre	2,732	2,718	10
Amazura Concert Hall & Mega Club	New York, NY	Auditorium/Theatre	2,500	–	18
Wellmont Theater	**Montclair, NJ**	**Auditorium/Theatre**	**2,500**	**1,763**	**6**
Lehman Center for Performing Arts	Bronx, NY	Auditorium/Theatre	2,276	1,354	12
New York City Center	New York, NY	Auditorium/Theatre	2,245	–	7
Colden Auditorium	Flushing, NY	Auditorium/Theatre	2,085	1,458	17
Carteret Performing Arts Center	Cateret, NJ	Auditorium/Theatre	1,605	–	19
Apollo Theater	New York, NY	Auditorium/Theatre	1,526	1,217	8
Town Hall	New York, NY	Auditorium/Theatre	1,500	1,333	8
Bergen Performing Arts Centre	Englewood, NJ	Auditorium/Theatre	1,367	803	8
Union County Performing Arts Center	Rahway, NJ	Auditorium/Theatre	1,350	–	18
Mayo Performing Arts Center	Morristown, NJ	Auditorium/Theatre	1,319	916	20
Grand Ballroom	New York, NY	Auditorium/Theatre	1,200	–	8
Melrose Ballroom	Long Island City, NY	Auditorium/Theatre	1,100	–	11
Alice Tully Hall	New York, NY	Concert Hall	1,085	1,085	8
Sony Hall	New York, NY	Auditorium/Theatre	1,000	514	8

Source: Pollstar


Prudential Hall


Ritz Theatre


Wellmont Theater

Industry Interviews

Interview: Feld Entertainment

Feld Entertainment is a family show promoter that works with arenas around the country to host ice and dirt shows.

Conversations with representatives at Feld Entertainment are summarized below:

- A capacity of 5,000 would be too small, in terms of capacity and space, for Monster Jam, Supercross and larger family shows.
- In the proposed venue, Feld would only be able to host **stage shows**, making the facility competitive with nearby theaters. These shows are usually a one to two day play with 4 performances in total, bringing in an average of 1,500 visitors per showing.
- Marketing in the NYC/NJ market would be very easy, and filling shows should not be a worry.

Trends:

- **Monetizing Open Space**: VIP sections, Restaurants, bars to bring additional opportunities to spend time and money outside of the main offerings at a venue.
- Ice and dirt shows are mainly held from **September – May.**

Interview: LiveNation Entertainment

Live Nation Entertainment is a global leader in entertainment. They host 40,000 shows and sell 500 million tickets each year.

Conversations with representatives at Live Nation are summarized below:

- A 5,000-capacity venue would be best for mid-level county and mid-level artists. Depending on how frequently an artist performed, for a show the typical customer will **drive an hour and half with 2.5 people per car**, on average.
- A 5,000-capacity venue would be the **sweet spot** between arenas and theaters, bringing something new to the area. It would not compete with MetLife Stadium, especially considering seasonality of indoor/outdoor venues. Indoor venues are busiest from **October through April.**
- American Dream would be the perfect complement to a concert venue in the area, both facilities would benefit from a concert venue.
- Ideally this venue would be a **flat floor venue with telescopic seating**.

Interview: Cirque Du Soleil

Cirque Du Soleil is the largest contemporary circus producer in the world .

Conversations with representatives at Cirque Du Soleil are summarized below:

- The physical setup for their most common show is known as a half-house setup, where the upper bowl is usually not open and sellable capacity is between 4,000 and 6,000.
- Some popular support amenities in arenas around the country that Cirque Du Soleil highlighted include many small meeting/changing rooms for four to five people, office space, physical medicine and training areas, and a space in the arena where they can setup their own kitchen.
- Attendees usually travel up to a **45-minute drive** time to see their shows. Travel time is longer in more rural areas. Population, education levels and household incomes are important in attracting fans.

Implications

The current supply of venues in New Jersey contains arenas and smaller capacity theaters. These venues are not ideal for every act type. With a new facility, the options for touring concerts is greatly expanded.

There are no facilities in New Jersey area between the capacity range of 3,000 to 17,000. This means acts between this size will have to enter expensive New York City to find venues that fit their capacity.

- Medium-sized concerts steer clear from larger facilities because it will appear as though an act undersold their concert with vacant seats. Musicians need venues that are not too big nor too small.
- There is a market gap for facilities with 5,000 capacity in the New Jersey market. Adding a facility of this size will invite acts and customers of a new size, not cannibalizing other facilities current operations
- In addition to being a regular entertainment venue, a new venue would allow for two new experiences in the market: indoor music festivals and experiential opportunities:
  - Indoor Festivals are multi-concert same-day experiences held in one location. In convention centers, usually a festival has 3+ musicians/concerts in a given day and can be done during the winter and summer months.
  - Experiential Opportunities are large spaces connected to entertainment events and concerts. These large spaces create a complete experience with engaging experiences in various areas of a venue.

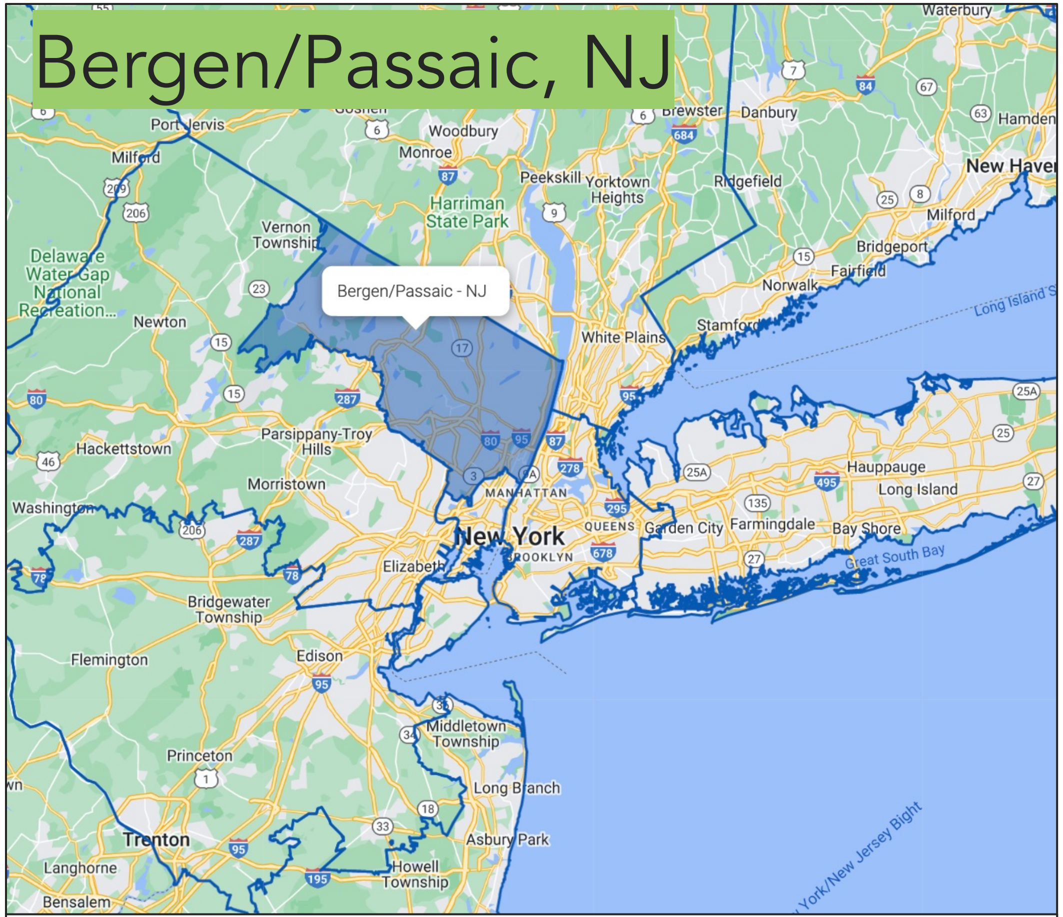
06

Hotel Market Analysis

HUNDEN STRATEGIC PARTNERS

Market Comparison

12 Mo Occupancy	12 Mo ADR	12 Mo RevPAR	12 Mo Supply	12 Mo Demand
63.6%	$227.39	$144.67	41.1M	26.1M



12 Mo Occupancy	12 Mo ADR	12 Mo RevPAR	12 Mo Supply	12 Mo Demand
57.6%	$119.35	$68.74	4M	2.3M

Source: CoStar

The New York Premium

Luxury and upper upscale hotels in New York have averaged an annual occupancy rate of 6.4 percent greater than the Bergen and Passaic market, historically.

The top-quality hotels in New York have demanded an average of a $200 premium per night compared to the Bergan market. This premium of 164 percent, proves the Meadowlands has been and will continue to be the cheaper alternative compared to the New York market.

New York vs Meadowlands Hotel Performance Comparison (Luxury & Upper Upscale Hotels Only)

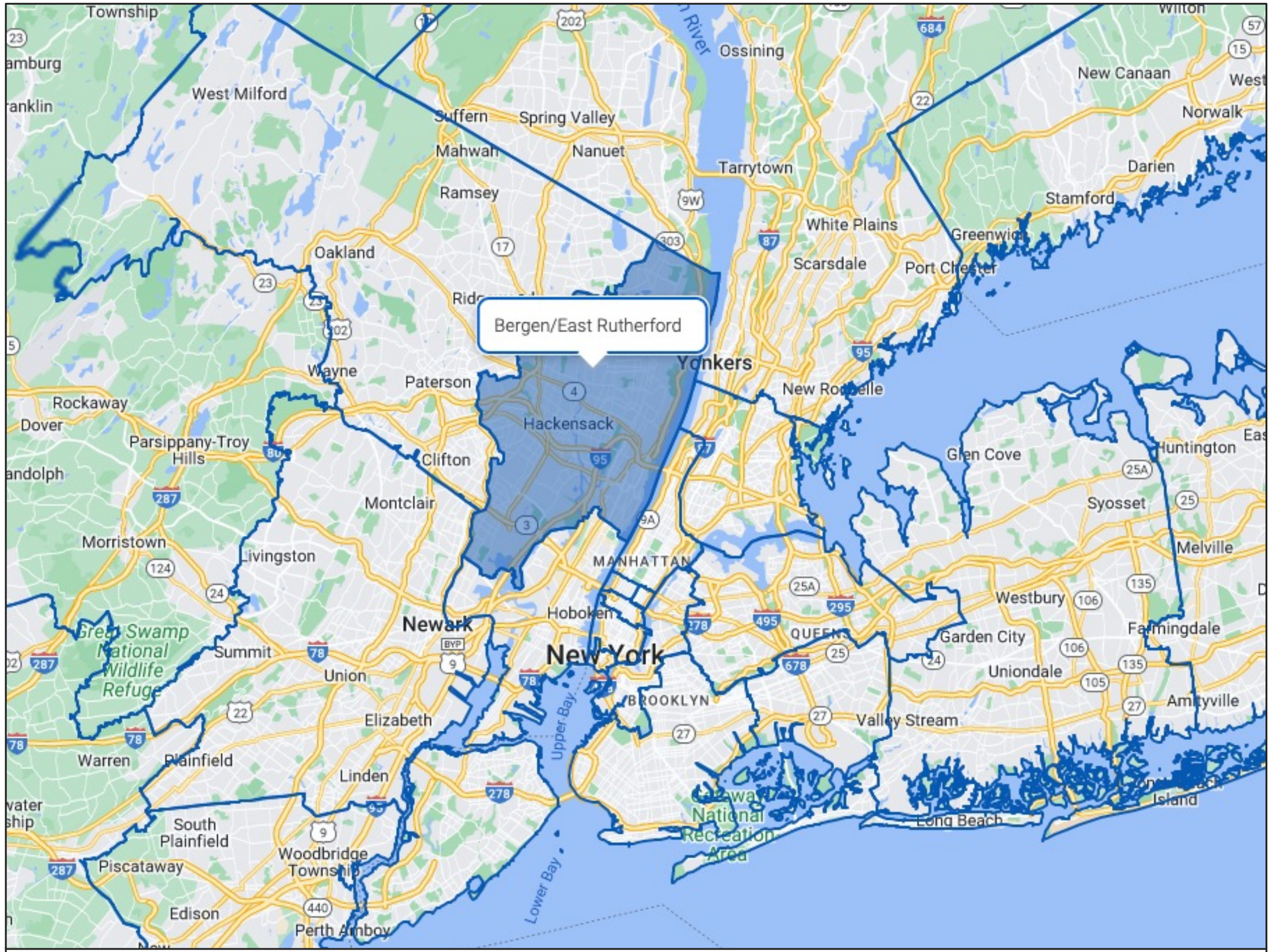
	Occupancy			Average Daily Rate			
Year	New York	Bergen/Passaic	NY Premium	New York	Bergen/Passaic	NY Premium	NY Premium %
2012	84%	73%	11.3%	$ 321.79	$ 116.22	$ 205.57	177%
2013	85%	73%	12.2%	$ 334.31	$ 119.43	$ 214.88	180%
2014	85%	75%	10.4%	$ 342.44	$ 123.85	$ 218.59	176%
2015	84%	77%	7.4%	$ 339.97	$ 125.22	$ 214.75	171%
2016	84%	74%	9.8%	$ 333.78	$ 127.38	$ 206.40	162%
2017	84%	74%	10.1%	$ 330.96	$ 126.18	$ 204.78	162%
2018	85%	75%	9.6%	$ 340.92	$ 128.05	$ 212.87	166%
2019	84%	74%	9.6%	$ 333.36	$ 127.27	$ 206.09	162%
2020	37%	41%	-3.5%	$ 221.01	$ 103.56	$ 117.45	113%
2021	51%	57%	-5.4%	$ 324.01	$ 119.08	$ 204.93	172%
YTD	55%	56%	-1.0%	$ 318.47	$ 124.30	$ 194.17	156%
2022	65%	65%	0.6%	$ 353.43	$ 135.18	$ 218.25	161%
2023	75%	73%	2.1%	$ 349.26	$ 140.63	$ 208.63	148%
2024	81%	75%	5.5%	$ 376.81	$ 143.57	$ 233.24	162%
2025	84%	76%	8.3%	$ 395.88	$ 146.93	$ 248.95	169%
2026	85%	76%	9.7%	$ 407.97	$ 151.01	$ 256.96	170%
Hist. Avg.	**74%**	**68%**	**6.4%**	**$ 321.91**	**$ 121.87**	**$ 200.04**	**164%**

Source: CoStar, Smith Travel Research

Hotel Submarket

The Meadowlands Complex is located in the Bergen & East Rutherford hotel submarket.

To understand the hotel market in the area, HSP included submarket performance data followed by an analysis of the competitive set of hotels.



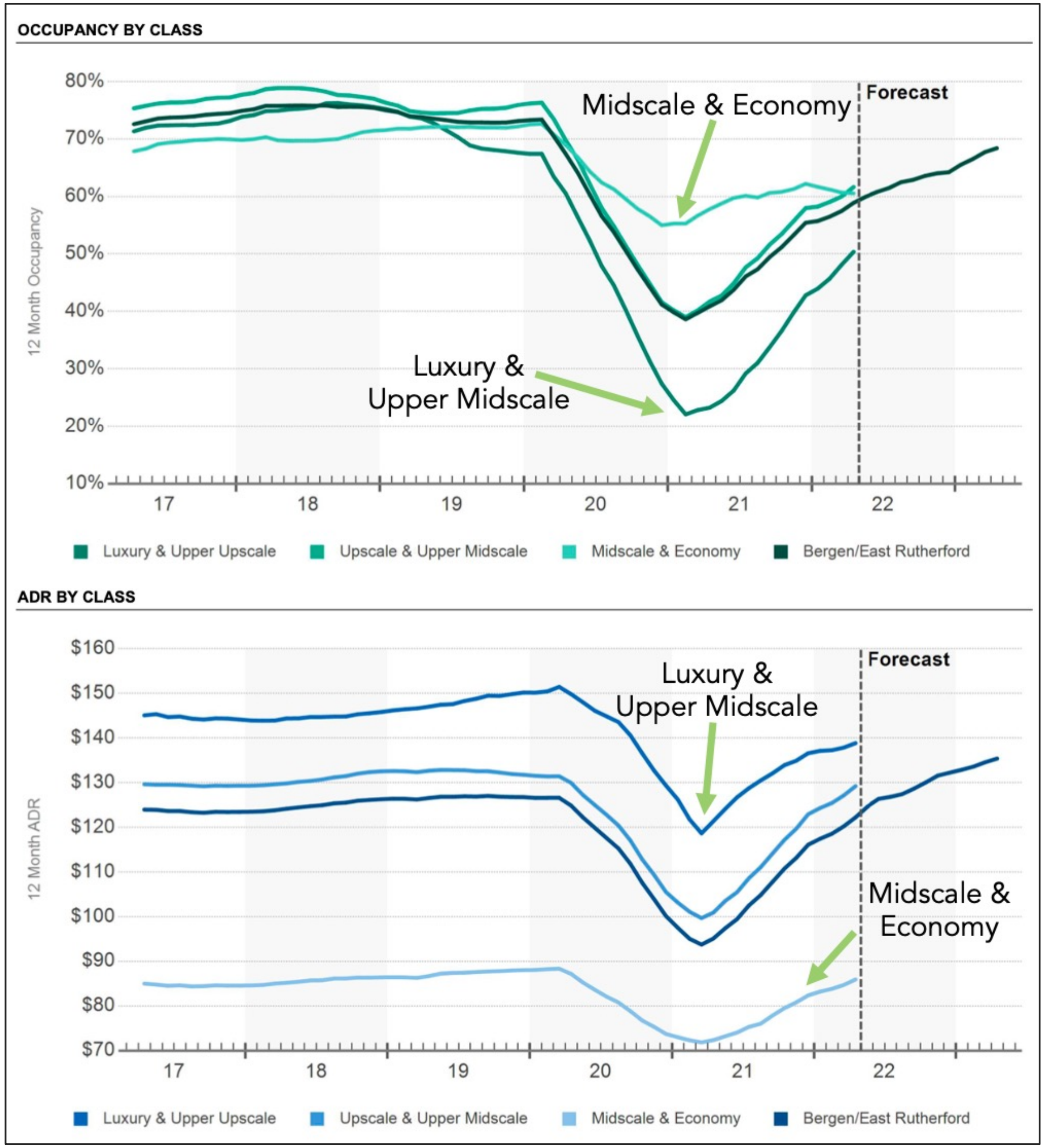
12 Mo Occupancy	12 Mo ADR	12 Mo RevPAR	12 Mo Supply	12 Mo Demand
58.9%	$122.21	$71.96	2.6M	1.5M

Source: CoStar

Submarket Performance

Luxury and upper midscale hotels were hit the hardest in terms of occupancy rates during the COVID-19 pandemic. Within the high-quality assets, occupancy rates decreased from a 2019 peak of 74 percent to 22 percent during March of 2020.

Luxury and upper midscale properties maintained relatively strong daily rates before and during the pandemic. These rates have experienced a strong recovery following the pandemic, currently sitting around $140 per night.



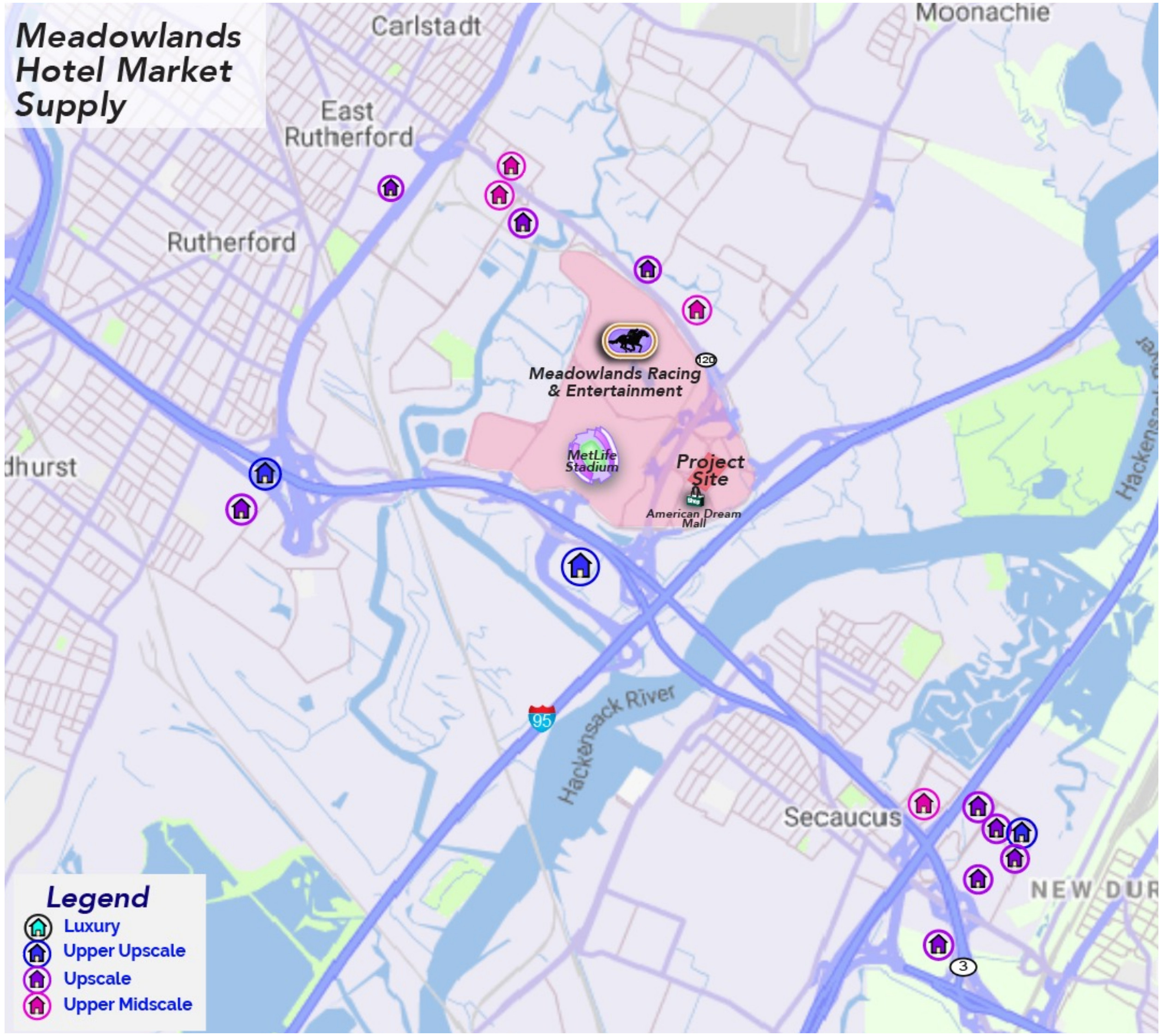
Source: CoStar

Hotels in the Meadowlands

In order to support a great convention and event complex, the Meadowlands will need to be able to offer a package of 4,500 proximate rooms. Proximate in this case will be a combination of walkable and an easy car ride.

Ideally will have 2,000+ walkable rooms onsite.

The other issue to address is the size/quality of hotels. Event attendees and planners want large, high-quality hotels so that they can easily block rooms. The fewer hotel contracts, the better. Currently, there are only three full-service branded hotels and only three hotels with more than 200 keys.



Walkability Comparison

HSP compared the potential Meadowlands Convention Center's hotel walkability compared to its regional competitors.

Without walkable hotel rooms, the Meadowlands Convention Center would not present a strong alternative to competitor facilities with walkable hotel rooms.

Relevant Competitive Convention Centers & Walkable Hotels

Convention Center	City	Exhibit SF	Walkable Hotels (0.3 miles)	Rooms	Exhibit SF / Room
Jacob K. Javits Convention Center	New York, NY	715,000	6	1,233	580
Pennsylvania Convention Center	Philadelphia, PA	713,960	15	4,555	157
Walter E. Washington Convention Center	Washington, D.C.	703,000	17	5,048	139
Boston Convention and Exhibition Center	Boston, MA	516,000	6	2,905	178
Atlantic City Convention Center	Atlantic City, NJ	486,600	1	502	969
David L Lawrence Convention Center	Pittsburgh, PA	312,756	8	2,056	152
Potential Meadowlands Convention Center	East Rutherford, NJ	300,000	0	0	0
Charlotte Convention Center	Charlotte, NC	280,000	17	4,128	68
Baltimore Convention Center	Baltimore, MD	268,000	11	3,482	77
Gaylord National Resort & Convention Center	Fort Washington, MD	178,787	6	875	204
Average (Not Including Meadowlands)		**463,789**	**10**	**2,754**	**280**

Source: Smith Travel Research

Competitive Hotel Set

There are 13 hotels in the competitive set which primarily consists of Upscale and Upper Midscale properties near the Project site. These properties were chosen based on quality, varied key counts, and proximity to the Project. The room counts range from 124 rooms to 427 rooms. The average age of hotels in the competitive set is just over 20 years.

Meadowlands Local Competitive Hotel Supply List

Property Name	City	Year Built	Rooms	Miles from Site (Walking)	Miles from Site (Driving)	Hotel Class
SpringHill Suites East Rutherford Meadowlands/Carlstadt	Carlstadt, NJ	2021	149	2.1	1.8	Upscale
Hampton by Hilton Inn Carlstadt-At The Meadowlands	Carlstadt, NJ	1997	162	2.4	1.4	Upper Midscale
Fairfield Inn East Rutherford Meadowlands	East Rutherford, NJ	1987	141	2.9	2.2	Upper Midscale
Residence Inn East Rutherford Meadowlands	East Rutherford, NJ	2007	133	2.9	2.3	Upscale
Hilton Meadowlands	East Rutherford, NJ	1986	427	3.0	1.6	Upper Upscale
Homewood Suites by Hilton East Rutherford Meadowlands	East Rutherford, NJ	2008	126	3.8	4.4	Upscale
Renaissance Meadowlands Hotel	Rutherford, NJ	2000	167	5.5	3.3	Upper Upscale
Courtyard Lyndhurst Meadowlands	Lyndhurst, NJ	2002	227	5.6	3.3	Upscale
Residence Inn Secaucus Meadowlands	Secaucus, NJ	2015	154	14.7	3.0	Upscale
Hyatt Place Secaucus Meadowlands	Secaucus, NJ	1998	159	14.7	3.3	Upscale
Courtyard Secaucus Meadowlands	Secaucus, NJ	1989	168	14.9	2.9	Upscale
Aloft Hotel Secaucus Meadowlands	Secaucus, NJ	2020	171	15.1	3.1	Upscale
Hilton Garden Inn Secaucus Meadowlands	Secaucus, NJ	1993	124	16.0	5.2	Upscale
Average / Total	**13 Hotels**	***2002***	2308	**8.0**	**2.9**	

Source: Smith Travel Research

Local Hotel Competitive Set Performance

The Smith Travel Research (STR) trend set pulled data starting from January 2014 through March 2022. The number of available room nights has experienced growth over the analysis period, with more hotels coming online in 2020 and 2021 (SpringHill Suites and Aloft). Room night demand peaked in 2018 shown by room nights sold and occupancy rates, although is on track to hit a record high in 2022. During the pandemic, room demand decreased by more than 50 percent. The average daily rate peaked at ~$147, and is expected to recover to that level in 2022 or 2023. Local hoteliers anticipate the market to continue to recover as the Meadowlands area develops with the American Dream mall.

Historical Supply, Demand, Occupancy, ADR, and RevPar for Competitive Hotels

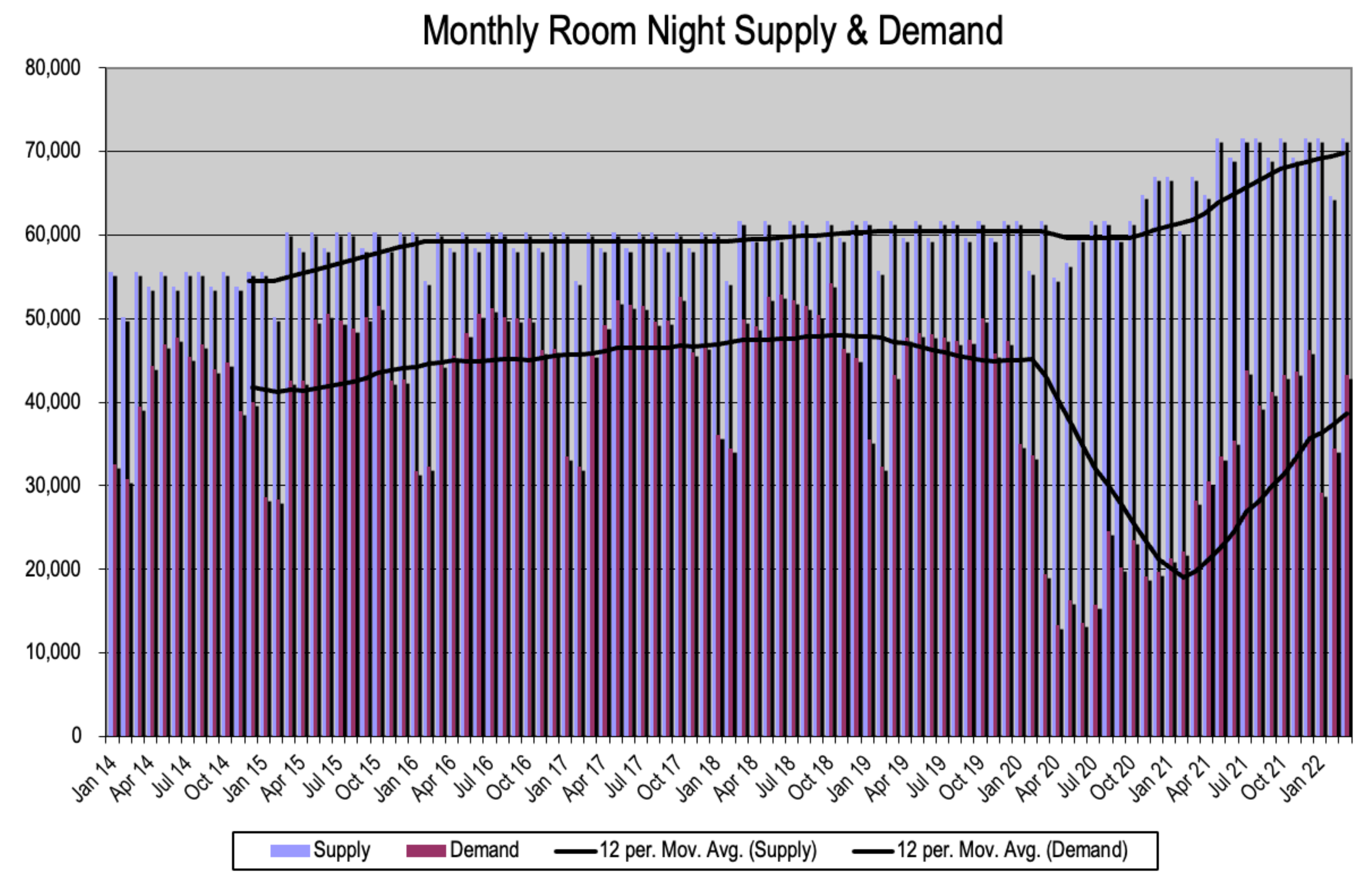
Year	Avg. Available Rooms	Available Room Nights	% Change	Room Nights Sold	% Change	% Occ.	% Change	ADR	% Change	RevPar	% Change
2014	1,794	654,810	–	501,615	–	76.6	–	$141.53	–	$108.42	–
2015	1,923	701,934	7.2%	528,106	5.3%	75.2	-1.8%	$144.76	2.3%	$108.91	0.5%
2016	1,948	711,020	1.3%	547,140	3.6%	77.0	2.3%	$144.63	-0.1%	$111.30	2.2%
2017	1,948	711,020	0.0%	560,846	2.5%	78.9	2.5%	$143.50	-0.8%	$113.19	1.7%
2018	1,982	723,260	1.7%	574,963	2.5%	79.5	0.8%	$145.25	1.2%	$115.46	2.0%
2019	1,988	725,620	0.3%	540,868	-5.9%	74.5	-6.2%	$146.69	1.0%	$109.34	-5.3%
2020	1,990	726,352	0.1%	254,121	-53.0%	35.0	-53.1%	$115.42	-21.3%	$40.38	-63.1%
2021	2,259	824,540	13.5%	428,903	68.8%	52.0	48.7%	$129.98	12.6%	$67.61	67.4%
2022 YTD (Mar)	2,308	207,720	6.9%	106,846	49.0%	51.4	39.4%	$127.58	23.3%	$75.99	71.8%

Source: Smith Travel Research, Hunden Strategic Partners

Supply & Demand Hotel Room Nights

The supply and demand of room nights in the local competitive set remained relatively consistent leading up to the COVID-19 pandemic. Demand sharply decreased in March 2020 with the onset of the pandemic as hotels in the area began to shut down temporarily. Supply remained relatively unchanged and has since increased post-pandemic. Demand has risen steadily but remains slightly below pre-pandemic levels even as the American Dream mall has continued to roll out new features.

Hotel room demand shows consistent seasonal trends with summer months experiencing higher demand than winter months.

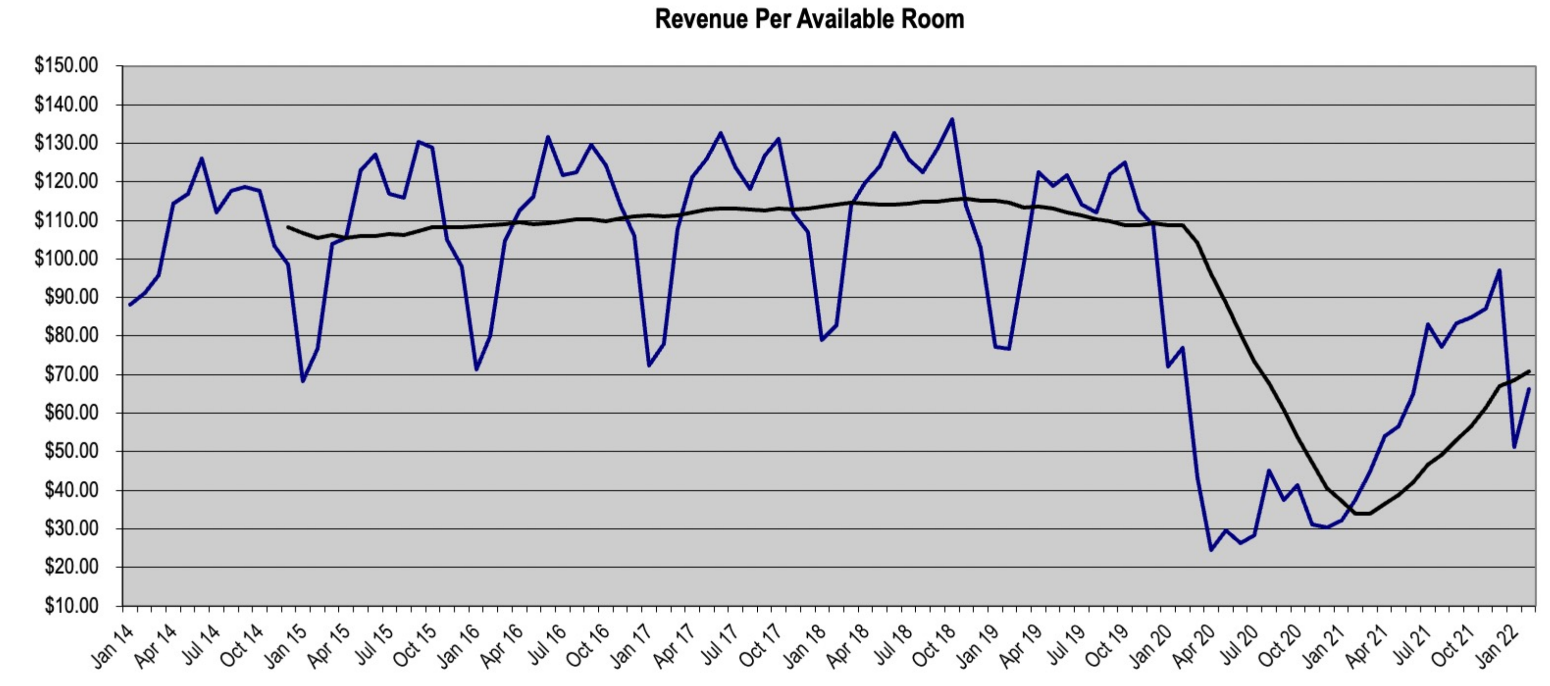


Source: Smith Travel Research, Hunden Strategic Partners

Revenue per Available Room

From 2014 to 2020, the annual average RevPAR remained around $110. The COVID-19 pandemic significantly impacted RevPAR during the historical typical peak demand months for hotels in the competitive set. RevPAR rates are just above 50 percent of what they were prior to the pandemic.

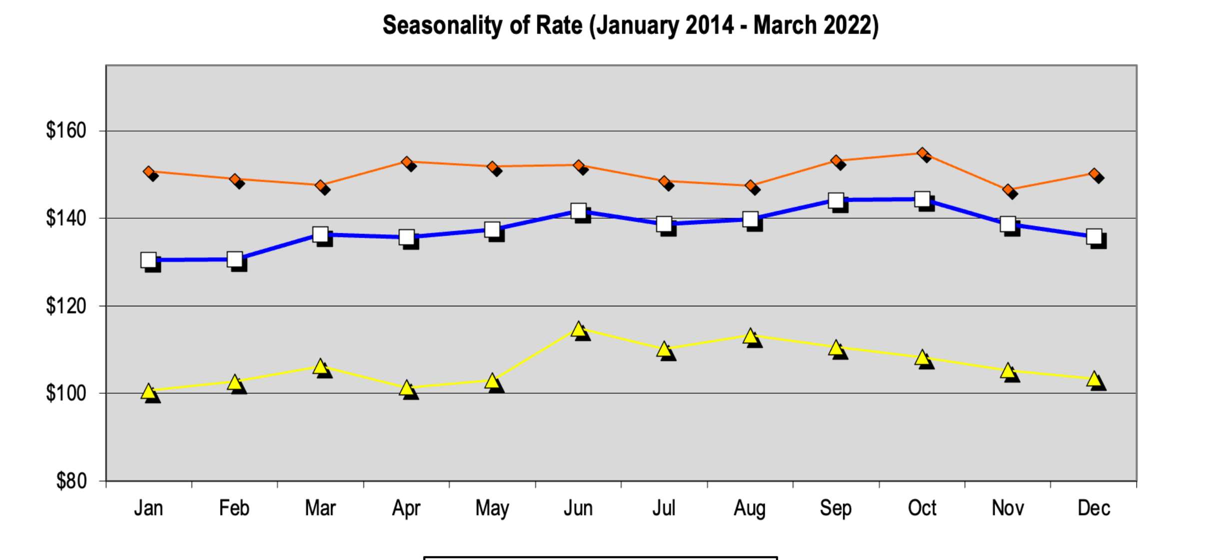
RevPAR has increased as the pandemic has subsided. Hotels in the area were reporting an average RevPAR of just under $70 during January 2022.



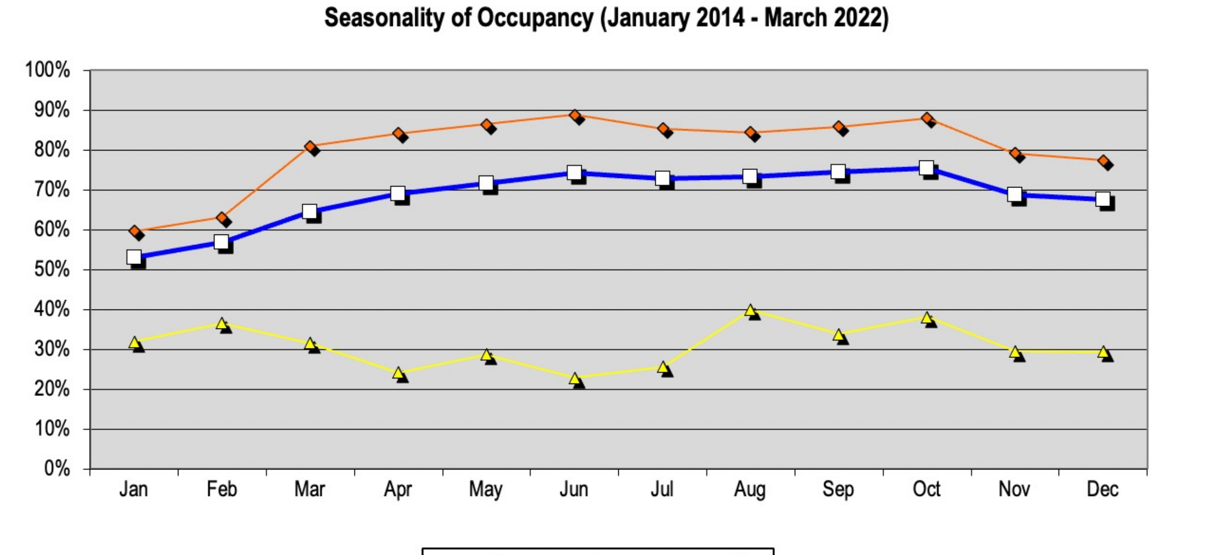
Source: Smith Travel Research, Hunden Strategic Partners

Seasonality

The adjacent tables detail the seasonal performance of the local competitive hotel set over the last eight years. As shown, the competitive set experienced peak rates in September and October, and peak occupancy in June and October. The demand drops significantly during the winter months, due to cold temperatures and less leisure travel.



Source: Smith Travel Research

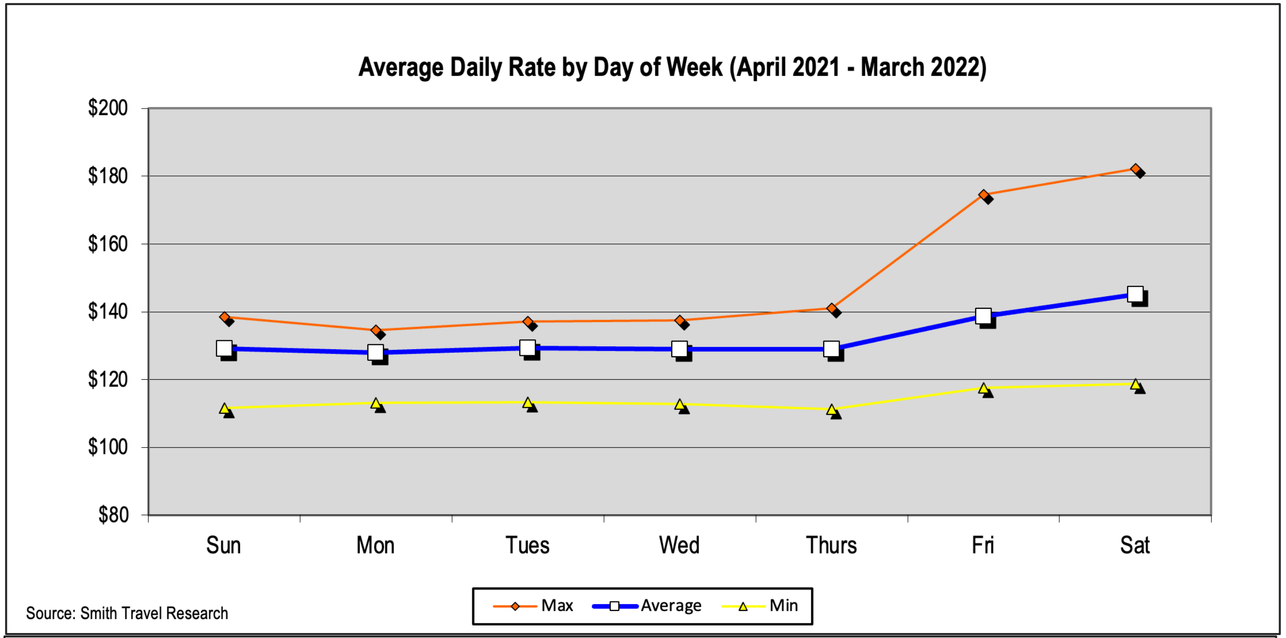


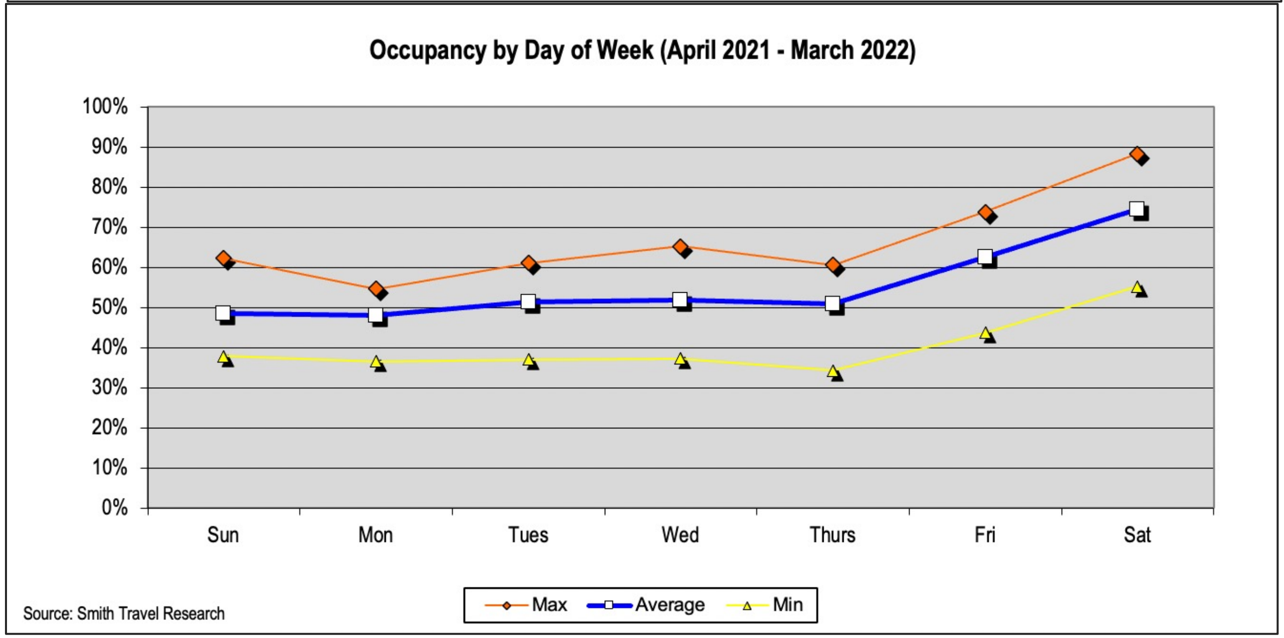
Source: Smith Travel Research

Day of Week

The adjacent figures demonstrate the day of week performance of the competitive hotel set from April 2021 through March 2022.

Occupancy is highest on Fridays and Saturdays with rates of over 60 and 70 percent, respectively. The average daily rate of hotels in the area follows the occupancy rates. The average rates significantly increase on weekends as these are the most popular travel days of the week. The average rates on weekdays are around $130 compared to on weekends when average rates rise above $140.





Performance Heat Charts

The adjacent heat charts summarizes performance of the hotel competitive set based on day of week by month. The data shown is from April 2021 to March 2022.

Hotel rate trends follow occupancy and are highest in summer and early fall months due to the high leisure activity in the area. Average rates during peak months ranged from about $140 to $150.

Occupancy Percent by Day of Week by Month - April 2021 - March 2022

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
Apr - 21	37.8%	39.3%	41.5%	42.3%	44.2%	58.6%	64.4%	**47.2%**
May - 21	41.6%	38.0%	42.6%	43.2%	42.1%	54.3%	65.2%	**46.9%**
Jun - 21	42.2%	46.1%	45.9%	47.8%	48.3%	59.5%	70.3%	**51.1%**
Jul - 21	56.5%	54.6%	58.3%	57.9%	55.0%	65.6%	76.6%	**61.1%**
Aug - 21	48.0%	49.1%	51.1%	53.4%	56.4%	62.8%	71.5%	**55.4%**
Sep - 21	62.3%	50.5%	54.7%	54.5%	53.6%	63.1%	81.4%	**59.6%**
Oct - 21	51.4%	52.3%	56.3%	56.0%	52.9%	67.3%	81.9%	**60.4%**
Nov - 21	55.9%	51.9%	58.3%	57.2%	59.4%	73.6%	88.4%	**63.0%**
Dec - 21	57.0%	54.6%	61.0%	65.2%	60.6%	69.4%	84.1%	**64.6%**
Jan - 22	38.8%	36.5%	37.0%	37.2%	34.2%	43.7%	55.2%	**40.7%**
Feb - 22	44.5%	48.6%	50.3%	50.0%	47.3%	59.0%	73.8%	**53.4%**
Mar - 22	44.7%	53.4%	58.1%	57.7%	56.1%	73.8%	81.6%	**60.4%**
Average	**48.2%**	**47.6%**	**51.5%**	**52.3%**	**51.2%**	**62.8%**	**74.2%**	

Sources: Smith Travel Research

ADR by Day of Week by Month - April 2021 - March 2022

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
Apr - 21	111.66	113.12	113.30	112.82	111.28	117.49	118.76	**114.59**
May - 21	120.13	119.01	120.97	118.80	116.88	121.07	125.69	**120.94**
Jun - 21	124.74	124.81	124.72	125.44	124.00	130.24	133.87	**127.29**
Jul - 21	132.10	133.59	134.50	134.63	132.62	137.08	141.78	**135.77**
Aug - 21	135.33	133.94	137.16	135.83	139.90	143.53	147.57	**139.30**
Sep - 21	138.44	134.62	135.05	134.11	134.68	141.92	153.62	**139.63**
Oct - 21	137.17	133.63	134.36	133.75	130.44	142.30	155.89	**140.28**
Nov - 21	132.50	129.93	134.42	129.34	129.09	145.03	157.71	**138.30**
Dec - 21	133.81	131.08	133.05	137.51	140.96	174.53	182.16	**150.28**
Jan - 22	123.49	122.87	122.53	123.09	120.46	127.14	134.63	**125.86**
Feb - 22	120.58	122.91	121.55	121.37	121.95	125.49	129.96	**123.92**
Mar - 22	124.74	127.06	127.39	126.94	128.84	137.52	143.60	**131.66**
Average	**129.08**	**127.90**	**129.28**	**128.96**	**128.89**	**138.66**	**145.07**	

Sources: Smith Travel Research

Hotel Market Feedback & Implications

HSP interviewed hoteliers and key local stakeholders to better understand the current hotel market conditions near the Project and how a potential hotel development would affect the local hotel market. **Key takeaways from numerous interviews indicated the following:**

Lack of walkable hotels. The current supply of hotels are not walkable to the district. Hotels still usually have the highest rates and occupancy levels during event days, but most guest still have to take extra steps to visit the arena or racetrack.

Affordability. The Meadowlands hotel would bring a new upscale, full-service hotel that would be much more affordable compared to the New York market alternative. Historically, the New York hospitality market has demanded a 164 percent average daily rate premium to the Meadowlands market.

Increased Future Demand. Local hotels experience the greatest visitation during event days. A downside to professional football and horse racing is the limited number of event days as a result of the nature of the sports. A convention center would allow all nearby hotels to experience a greater number of event days, helping to push occupancy rates and daily rates.

Pandemic Recovery. The market has shown a sizeable

07

Case Studies

HUNDEN STRATEGIC PARTNERS

Governance Case Studies

Governance

Key Questions

What is the optimal governance model for the public event facilities and related marketing in the Meadowlands that will ultimately provide the best return on investment for the community?

Are there ways to structure ownership, operations, funding, marketing and other relationships to allow these entities to service their clients better, faster and in a more cost-effective manner?

Governance Definition

Governance is defined as the system by which entities are directed and controlled. It is concerned with the structure and processes for decision making, accountability, control and behavior at the top of an entity. Governance influences how an organization’s objectives are set and achieved, how risk is monitored and addressed, and how performance is optimized.

Organizations that lack good governance are rarely able to perform optimally. Governance is important in preserving and strengthening stakeholder confidence. Good governance allows the organization to create a culture and foundation of high-performance and optimal operations. Good governance is also key in ensuring that an organization is able to rapidly respond and adapt to a changing external environment.

While good governance does not guarantee success, organizations with poor governance are almost always destined to perform poorly or fail over the long term.

Ownership

While the exact set-up is unique to each city, ownership of convention and meeting facilities generally falls into one of four categories:

- City/County Department
- City Enterprise Department
- Authority or Local Government Corporation (LGC)
- Privately Owned

Ownership

City/County Department	City Enterprise Department (Quasi-Public)	Authority/Local Government Corporation	Privately Owned
Facility is owned and operated as a city/county department that is funded through the general fund	Facility is owned by a corporation that is backed by a bracnh of government with a public mandate to provide a given service	A public, non-profit corporation created to aid and act on behalf of one or more local governments to accomplish any governmental purpose of those local governments	Facilities can be privately owned but the public sector may assist with some services and/or funding

Governance Case Studies Overview

HSP selected a variety of convention center ownership and operating models across the U.S. to profile for educational purposes for leadership to consider in New Jersey. Given the small local city and county government entities in New Jersey, HSP recommends a new structure with the ability to own and hire management for the facility, with access to large upfront and ongoing funding streams for a large complex.

Governance - Relevant National Convention Facilities

Convention Facilities	City	Total Exhibit SF	Owner	Ownership Type	Operator
George R Brown Convention Center	Houston	753,170	City of Houston	City	Houston First
NRG Center	Houston	615,701	Harris County	County	ASM Global
McCormick Place	Chicago	2,549,371	Metro. Pier and Expo. Authority	Authority	ASM Global
Las Vegas Convention Center	Las Vegas	2,006,622	LV Conv. & Vistiors Authority	Authority	LVCVA
San Diego Convention Center	San Diego	615,701	San Diego Unified Port District	Authority	SDCCC
Indiana Convention Center	Indianapolis	558,000	Capital Improvement Board	Authority	CIB

Source: Various, Hunden Strategic Partners

Governance Case Studies

City & County Ownership

Structure & Funding Details – George R Brown CC

Ownership: The George R. Brown Convention Center is owned by the City of Houston.

Management: The management and marketing of the center was recently turned over to local government corporation called Houston First Corporation (Houston First). Houston First was spun off of a hotel development group in 2004 and merged with the Houston CVB in 2014. Houston First also has their own legal counsel and department.

Marketing: Houston First works as the official DMO of the center. The sales and marketing team of Houston First originated from the Houston CVB and finds hotel room blocks and sells the space. Convention Center staff sells the center services such as F&B, A/V, janitorial, and booth set-up. Houston First also markets for the NRG Center in Houston.

General Funding: Houston First receives 7% of the City's Hotel Occupancy Tax (HOT) as funding. Houston First revenues per year (2019) are as follows: Hotel Occupancy Tax ($90M), Hilton Net Cash ($35M), Parking ($20M). All funding goes through the Authority first.

Convention Hotels: Both convention HQ hotels are publicly-owned, with the net cash flow from operations (after debt service) accruing to Houston First.

Houston First Corporation

Houstonfirst

Management and marketing of the George Brown Convention Center is run by the Houston First Corporation.

In 2014, Houston First and the Greater Houston Convention and Visitors Bureau merged in 2014 to become the single entity behind Visit Houston (CVB).

Today, Houston First owns the Hilton-Americas-Houston Hotel and manages 10 city-owned buildings.

Originally, Houston First adopted the city's procurement policies, but since they were smaller they created their own procurement process, for a more efficient process. Houston First has their own counsel and legal department and is more focused on profitability than a City-operated system. Houston First has an in-house sales team, marketing team, and tourism staff. They outsource their catering to Levy.

Structure & Funding Details – NRG Center

Ownership: The NRG Center is owned by Harris County (TX). The NRG Center is part of NRG Park, a 350-acre complex in Houston, TX that houses four venues. NRG Park is home to NRG Stadium, NRG Center, NRG Arena, and the NRG Astrodome. Harris County Sports & Convention Corporation (HCSCC), was created by the Commissioners Court of Harris County, Texas to manage, operate, maintain, and develop NRG Park.

Management: HCSCC advises the private management company ASM Global in the management of the NRG Center.

Marketing: The marketing of NRG Center is handled by Houston First. The Houston CVB merged with Houston First in 2014. This is the same entity that markets for the George R Brown Convention Center.

General Funding: Harris County provides funding to the NRG Center. ASM is currently contributing $500,000 for capital improvements and equipment purchases at the renewal period of every contract.

City/County Department Ownership

PROS	CONS
▪ Veteran experience with City/County government ▪ Familiarity with City/County process and procedure ▪ Understanding of taxes and revenue streams ▪ City/County can provide shared costs amongst all departments (Human Resources, Payroll, Legal, Procurement, etc.)	▪ Bureaucracy and red tape can create barriers to quick decisions ▪ Political agendas/pressures ▪ Often lack expertise in meetings and conventions ▪ Lack of incentives ▪ Employees are often "putting in their time" ▪ Competing priorities with other city departments ▪ Set pay structures that can limit recruitment and retention ▪ Overhead for shared costs may be very high

Governance Case Studies

Authority Ownership

Structure & Funding Details – McCormick Place

Ownership: McCormick Place is owned by the Metropolitan Pier and Exposition Authority (MPEA). MPEA is a state-entity authority created by the Illinois General Assembly. MPEA board appointments are made by the Governor of Illinois and the Mayor of Chicago.

Management: MPEA hired private management company SMG to operate the center in 2012. AEG Facilities and SMG merged in 2019 to create ASM Global who currently manages the facility.

Marketing: MPEA entered into contract with the official DMO of Chicago, Choose Chicago, to market and sell the center. ASM also has their own sales-force for the center. Both sales teams are housed under the same roof and work together.

General Funding: Funding is provided from Restaurant Tax, Hotel Tax, Car Rental Tax and Airport Departure Tax. McCormick Place generates its revenue from space rental, various services provided to its customers, parking and food services. The MPEA Incentive Fund was created by the State of Illinois to provide reimbursement to MPEA for incentives granted to organizations and entities that agree to use MPEA facilities for conventions, trade shows and meetings. Service revenues include internet, telephone, electrical and plumbing services. In 2019, prior to the pandemic, the total revenues from all sources were $315 million.

Structure & Funding Details – Las Vegas CC

The Las Vegas Convention and Visitors Authority (LVCVA) is the owner, operator of the Las Vegas Convention Center, and the official DMO of Southern Nevada. The LVCVA is a state-entity authority consisting of 14 board members. The board consists of Clark County representatives, City representatives, and private-sector representatives from the hotel industry and the general business industry.

General Funding: The LVCVA is a governmental agency that generates most of their funding from county room tax. Other revenues come from rental of facilities, other fees, and interest earned. The LVCVA acts as a public sector operation and has their own benefits structure, procurement, and payroll. The latest annual budget is $398 million.

Structure & Funding Details – Indiana CC

Ownership: The Capital Improvement Board (CIB) of Indianapolis is a municipal body of Marion County, IN and is the owner of the Indiana Convention Center.

Management: The CIB also runs operations and management for the convention center. The CIB board consists of nine members. These members are appointed by the Mayor of Indianapolis, the Marion County Board of Commissioners, the City-County Council of the Consolidated City of Indianapolis-Marion County, and the surrounding counties. The governor also recently added an appointment to the board.

Marketing: Visit Indy is the official DMO for Indianapolis and handles the marketing and sales for events at the center 14 months and out. The internal CIB sales staff handles sales and marketing inside of this time constraint.

General Funding: The main funding tools of the CIB are the Excise Tax, the PSDA tax, hotel tax, rental car tax, and ticket admission tax. The CIB also receives $8 million from the Redevelopment Commission of the City of Indianapolis, Indiana annually to further mutual purposes and to better assure the CIB's funding sources for Visit Indy. The CIB funds roughly 85% of Visit Indy budget. The 2022 budget is nearly $180 million.

Structure & Funding Details – San Diego CC

Ownership: The owner of the San Diego Convention Center is the San Diego Unified Port District, a public agency that controls all tideland property along the San Diego Bay. The Port leases the center to the City of San Diego for $1 per year.

Management: After leasing the building from the Port District, the City then came to an agreement with the San Diego Convention Center Corporation (SDCCC). The SDCCC was formed as a non-profit authority to manage, operate, and maintain the facility.

Marketing: The San Diego Tourist Authority (SDTA) and the SDCCC came into agreement in 2012 that brought on the SDTA to market the facility and handle long-term sales of the facility. According to the City of San Diego annual financial report, the SDCCC paid the SDTA $1.9M in 2018 for marketing purposes.

General Funding: The two primary Convention Center funds are the Convention Center Expansion Administration Fund and the New Convention Facility Fund. The SDCC also receives funding from the Port District.

Authority/LGC Ownership

PROS	CONS
▪ One agency controls funds for facilities and DMO ▪ Ability to create a strong board which allows public projects to benefit from specific expertise ▪ Vision and mission to serve community's interest versus that of a single facility ▪ Reduction in delays faced by city/county bureaucracy (procurement, internal policies, etc.) ▪ Can receive private contributions ▪ Limits or manages risk to the City ▪ Can issue revenue bonds that are not City debt	▪ There can be some holdover restrictions from public ownership/operations ▪ Transition to this model can be complex and challenging

Governance

Ownership - Industry Feedback

Ownership – Industry Feedback

CVB as the head of the Authority is not a viable model as they will have a difficult time balancing marketing with facility management. These two functions are highly specialized and require different expertise.

Authority structures operate best when the executive director is strong and the board of directors is comprised of influential people with a stake in the success of the entity; must balance board membership so that no single group can dominate. The World Congress Center (Atlanta) board is a strong example of a well-balanced board.

It is important that facility/CVB heads are ex-officio members of each other's boards, and possibly the Authority board, to help with continuity and understanding, if even two boards are needed.

In order to be successful, Authority structures must rely heavily on audits, reports and regular performance reviews.

Ownership can be tricky when outstanding bonds are a factor. It is vital to determine where the money will originate to repay bonds

Ownership – Industry Feedback

The creation of a single entity that is responsible for several government-owned programs and facilities (authority/local government corporation) as well as the tourism association, can provide a straight-forward management and funding structure.

Authority/LGC can receive dedicated revenues without supplements from the general fund and can then allocate that funding to the various facilities and organizations under their responsibility.

Authority/LGC model can create fiscal efficiency and transparency.

Ownership by a non-city, county or state department will enable the entity to operate with accountability, flexibility, lower costs in many areas and reduce red tape.

Governance

Management & Operations

Management & Operations

Convention and meeting facilities, regardless of ownership, are operated and managed in three main ways:

- Direct City Oversight
- Direct Local Government Corporation or Authority
- Contracted Private

As mentioned previously in the trends chapter of this report, approximately 47 percent of convention centers that are similarly sized to Meadowlands are managed by contracted private management companies and 40 percent are managed by an LGF or Authority

Management and Operations

Direct City/County Oversight	Direct Local Government Corporation and Authority	Contracted Private Mangement
Facility is fully operated by the City/County	Facility is operated by the Authority/LGC hired staff	Facility is operated via contract with a private third-party management company

Management/Operations – Industry Feedback

HSP spoke with a wide variety of industry experts, facility operators, communities, and other stakeholders regarding management, governance and operations. Common threads across the discussions are highlighted below:

- The business of tourism, meetings and conventions is very different from the business of government; this makes it difficult for city/county-operated facilities to run as effectively and successfully as others.
- City/County policies and bureaucratic red tape can delay vital processes (competing priorities, political pressures, vendors and procurement, pay structures, incentives, etc.).
- CVB and City/County can have competing needs in terms of the booking calendar for facilities.
- Multiple facilities run by the same City/County can often duplicate efforts in costs associated with sales coordination, employee training/recruitment/retention, IT services, etc.
- A convention center "is a client-oriented, competitive business and as such, cannot be operated like the water department."
- Funding is vital no matter the management – must figure out who pays for maintenance, outstanding bonds, renovations, etc.

Management/Operations – Industry Feedback

- Contracted private management companies should be incentivized based on budget, customer service score, and food and beverage revenues; food and beverage is important to incentivized private management companies because they can create a strong revenue stream which feeds into their annual performance and reduces annual losses.
- Authority/LGC can work if boards are comprised of savvy business leaders who are familiar with accountability, performance metrics, audits, etc.
- Authority/LGC can stop friction between competing facilities by having an overall mission for both.

Management/Operations – Industry Feedback

- Authority/LCG combines marketing, tourism, and facilities under one umbrella which consolidates message, creates cooperation amongst groups, and eliminates bureaucracy
- Authority/LCG must have a strong executive leader and board structure in order to be effective at juggling the facilities and CVB
- Authority/LCG sales staff can be cross-trained and create a one-stop shopping for Clients
- Authority/LCG often report “total” numbers so it is difficult to separate
- Some Authority/LCG communities have set up customer feedback groups to discuss issues with CVB and facilities

Direct City/County Management

PROS

- Long-term employees
- No management fees
- Can focus on priorities beyond profit
- Consistency

CONS

- Lack of experience results in less effective operations
- Employees do not have an incentive structure to inspire and motivate exceptional service
- Some employees just “put in their time”
- Bureaucracy and red-tape can cause delays
- Political pressures
- Duplication of efforts among facilities

Direct Authority/LGC

PROS	CONS
▪ Limit or manage the financial risk to the City/County/State ▪ Allow public projects to benefit from local board of directors with specific expertise ▪ Can minimize bureaucracy and red-tape ▪ Can minimize duplication of efforts ▪ Reduces competing or conflicting messaging across facilities and creates one marketing vision ▪ Funding funnels into one agency and is disseminated among all participating facilities/ programs	▪ Must have a strong leader who can manage the disputes that can arise between facilities/programs. ▪ City/County/State loses direct control over day-to-day operations, which can result in some political dissatisfaction, but also protects the operations from direct political influence. ▪ Depending on statutes and regulations, can still be somewhat bound to City/County procurement/personnel/etc. rules.

Contracted Private

PROS	CONS
▪ Access to talent across their network, vendor relationships, etc. ▪ Competition drives improvement ▪ Incentives can spur high performance ▪ Experienced staff that understand how to maximize revenue and minimize expenses ▪ Can separate the main organization/city/county from tough decisions (personnel, payroll, etc.)	▪ Clients can feel they have lost control of processes ▪ Fear of job loss by employees ▪ Learning curve as new staff comes into facility ▪ Can be perceived as having a revolving door for training staff that move along to other cities managed by the same group ▪ Management fees can be high and company can focus on their own bottom line without considering the larger community as a whole

Operations Catering

Overview:

As a subset of operations, catering and/or Food and Beverage (F&B) can be handled in a variety of ways.

- In-House
- Exclusive
- Via Contracted Management
- Other

Catering and F&B are important aspects of any decision as they can provide a legitimate revenue stream for facilities. They are particularly important to contracted private management due to the incentives based on their bottom line.

Industry Feedback:

HSP spoke with a wide variety of industry experts, facility operators, communities, and other stakeholders regarding catering and food and beverage operations. Common threads across the discussions are highlighted below:

- Income from food and beverage can create a revenue stream that helps to mitigate losses.
- Food and beverage is especially important to incentive-based contracted private management as they have a variety of methods and relationships with vendors (rebates, etc.) to help lower losses and increase performance on the bottom line.

Operations Procurement

Overview:

Procurement, or the process of purchasing goods and services, is one of the vital components of operations. Delays or heavy regulations and policies can prohibit the swift and nimble needs of an organization.

Procurement was one of the issues that was most discussed during HSP's conversations with industry experts. Their feedback is listed in the following slides.

Industry Feedback:

- The purchasing process can cause delays and be cumbersome as it is heavily regulated and often requires lengthy bidding/RFP/etc. process.
- Immediate needs (Wi-Fi, technology, etc.) may not be quickly resolved under city/county procurement.
- Often in addition to RFP and bidding process, there are cumbersome regulations regarding MWBE and small business/local business partner requirements.
- City/County may have many suppliers but they may lack quality and/or specialization.
- Private entities can be more flexible in dealing with procurement needs immediately.
- Private entities can avoid RFP and bidding process which can take six months or longer.
- If a private entity receives property, services and funding from a municipal agency, they may still be required to follow municipal procurement rules.

Procurement

PROS	CONS
▪ A centralized procurement office can consolidate the requests of multiple departments ▪ Central procurement can take advantage of existing relationships and pricing with city/county vendors ▪ Develop procurement professionals who can assist the programs overall ▪ Streamline contract negotiations ▪ Establish consistency in ordering and procurement	▪ City/County procurement policies and regulations are vast and can be restrictive ▪ Cause delays and lack flexibility ▪ The contracted vendor may not be the highest-quality ▪ Unique or unusual items specific to only one or two vendors may be required to go through a lengthy ▪ Dedicated procurement staff can be an added expense

Operations Benefits & Compensation

Overview:

As is true for any industry, employee benefits and compensation are vital in the creation of a high-performing and successful facility or program. This is particularly true for the tourism and meetings market where competition to recruit and retain the most experienced and proven staff is strong and talented professionals will often choose the communities that offer the strongest compensation packages and prestigious facilities.

Industry Feedback:

- The competition for the most-experienced, knowledgeable and proven talent is strong and facilities with exciting locations and strong compensation packages.
- City/County facilities can be restricted from offering strong packages due to budget limits and restrictions.
- Top candidates may shy away from communities where the City/County or CVB oversee the convention center due to separate focus and intermingled budgets.
- Some of the most qualified candidates for leadership are being recruited by and working for the private sector management companies where they can earn higher salaries, compensation and retirement packages.
- Private facilities can offer incentives for performance which can also appeal to the most talented individuals.

Governance
DMO Relationship

DMO Relationship

The Destination Management Organization plays a critical role in marketing/selling the convention center, especially for larger, impactful conventions and events.

DMO	*Oversee, create and implement marketing campaigns and promotions to inspire travelers to visit their destination*
	Advocate for increased investment to enhance their visitor experience
	Formulate campaigns to attract conventions, meetings and events.
	Interact with leisure, vacation, travelers, meetings professionals, etc.

DMO Relationship – Industry Feedback

HSP spoke with a wide variety of industry experts, facility operators, communities, and other stakeholders regarding the role of the DMO. Common threads across the discussions are highlighted below:

- While the DMO and meeting facilities often collaborate and have similar goals, there can be instances where overall goals for each department are competitive or contradictory.
- DMO personnel may not fully understand the unique nature of the meetings market as their staffed are trained and experienced in marketing the community overall rather than just the specific meetings market.
- Accountability and ROI are vital for evaluating the success of DMOs.
- Building operators often have the view that the DMO “gives away the building for free”.
- DMO staff are informed about many aspects of the community as opposed to just one facility and can create packages that can draw meeting planners (tickets to events and attractions, etc.).
- DMOs are generally funded through hotel/motel tax and, as such, have strong relationships with hospitality leaders.

DMO Sales Coordination

Overview:

Sales coordination is a key component of the DMO and meeting facilities alike. Sales staff are vital in drawing new business, coordinating events, and marketing the destination.

In communities where the DMO and meeting facilities are separate, there are often sales teams assigned to both. The sales team for the meeting facility focus on sales specific to their facility while the sales staff for the DMO are tasked with selling the community as a whole.

Industry Feedback:

- Meeting facility sales staff are focused primarily on their facility while DMO sales staff focus on the community overall.
- Booking calendar can be a point of contention between meeting facility sales staff and DMO sales staff.
- There can be a duplication of effort between both staffs.
- Meeting facility staff may be under the impression that DMO sales staff “punt problems” to them.
- Multiple sales staffs can frustrate and confuse prospective customers.
- Sales staff within privately managed facilities are often highly trained and skilled in meetings sales tasks and processes.
- Some communities have had success with combining sales staffs for the DMO and facilities into one office or building; increased communication and awareness of what each other are doing.

Sales Coordination

PROS	CONS
▪ Separated sales staffs can ensure that both the needs of the facility as well as the needs of the destination as a whole are met and addressed	▪ Competing priorities ▪ Duplication of efforts ▪ Lack of understanding of each other’s roles ▪ Separate buildings and separate agencies create a disconnect rather than a ”team” mentality for the destination

Performance Case Studies

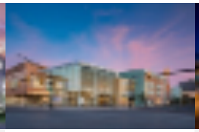
Performance Case Studies

HSP assessed convention centers from across the country. By understanding their market dynamics, pulling performance metrics and speaking with operations/management groups, HSP was able to project the performance of the Meadowlands Convention Center.

Convention Center Performance Case Studies





Convention Center	**Jacob K. Javits Convention Center**	**Pennsylvania Convention Center**	**Huntington Place**	**Donald E. Stephens Convention Center**	**Atlantic City Convention Center**	**Greater Columbus Convention Center**	**Music City Center**	**David L. Lawrence Convention Center**
Location	New York, NY	Philadelphia, PA	Detroit, MI	Rosemont, IL	Atlantic City, NJ	Columbus, OH	Nashville, TN	Pittsburgh, PA
Total SF	**988,531**	**945,713**	**906,256**	**861,124**	**592,553**	**537,432**	**499,300**	**422,694**
Total Exhibit Hall SF	*840,000*	*713,960*	*723,022*	*787,000*	*486,600*	*370,000*	*345,400*	*312,756*
Total Ballroom SF	*145,700*	*85,358*	*45,639*	*69,967*	*19,548*	*90,192*	*70,250*	*33,058*
Total Meeting Space	*37,691*	*146,395*	*137,595*	*4,157*	*86,405*	*77,240*	*83,650*	*76,880*
# of Meeting Rooms	*43*	*75*	*85*	*8*	*41*	*75*	*59*	*53*
Data Year	*2018*	*2019*	*2019*	*2019*	*2019*	*2019*	*2019*	*2019*
Events	124	180	240	275	84	240*	258	–
Attendees	2,106,500	1,200,000	1,500,000	761,000	385,195	905,000	495,934	576,315
% > 100 Miles**	30.80%	36.50%	35.07%	32.50%	40.90%	56.10%	62.10%	32.30%
Data Year F/Y	*2019*	*2020*	*2019*	*2019*	*2019*	*2019*	*2019*	*2019*
Operating Revenue	210,004,601	173,246,622	13,892,101	14,347,391	9,310,737	24,832,732	29,493,361	29,362,000
Operating Expenses	201,681,849	16,780,315	16,354,483	17,296,812	15,583,396	23,827,293	40,408,089	65,334,000

* Estimated number of events

Source: Various annual reports, **Placer.ai

08

Implications & Recommendations

HUNDEN STRATEGIC PARTNERS

Recommendations

300,000 SF Flexible Exhibit Space
(includes 100k Flex Ballroom + 40k+ Retractable Arena-Style Setup for 2,000 - 5,000) *

60,000 SF Divisible Ballroom (in addition to exhibit hall) *

100,000 SF Meeting Rooms (75+/- breakouts, numerous combinations) *

1,000-Room Headquarters Hotel (incl. 40,000-SF Ballroom, 10,000-SF Jr. Ballroom, 50k SF breakouts)

700-Room Luxury Hotel
500-Room Select-Service Hotel

Full Flexibility for All Event Types and a Hotel that can Support itself in the absence of a major CC Event

* The total facility would be ~1 million SF including back of house, storage and front of house circulation areas

Recommendations

Convention Center & Hotel Recommendation

Convention Center	Square Feet	Divisions	Booths	Min Ceiling Height	Capacity Theater	Capacity Banquet
Exhibit Hall (w/ 100k SF flexible ballroom division + retractable mini-arena up to 5	300,000	12	1,500	32 '	27,273	20,000
Ballroom	60,000	5	300	28 '	5,455	4,000
Meeting Rooms	100,000	75	n/a	16 '	Variable	Variable
Total	460,000	92				
Back of House, Front of House, Circulation	506,000					
Total Convention SF	**966,000**					

Headquarters Hotel	Square Feet	Divisions	Booths	Min Ceiling Height	Theater	Banquet
Ballroom	40,000	11	200	24 '	3,636	2,667
Jr. Ballroom	20,000	8	100	24 '	1,818	1,333
Meeting Rooms	32,000	20	n/a	16 '	Variable	Variable
	92,000					
Hotel Rooms	1,000	Rooms				
Function space per key	92	SF				

Source: HSP

Cost Estimates - Convention Center

Meadowlands Convention Center

CONCEPTUAL PROJECT BUDGET ESTIMATE -- FOR A 2023 CONSTRUCTION START / 2026 OPENING

06/09/2022

Hard Construction Costs						**$1,339,871,000**
Sub-Total Construction Costs (2018 dollars)					**$1,229,240,000**	
Exhibition Halls	300,000 sf					
Ballrooms	60,000 sf					
Meeting Rooms	100,000 sf					
Circulation/Service/Support/Admin Spaces	506,000 sf					
Total Construction Area:	**966,000 sf**	**@**	**$1,140 /sf**	**$1,101,240,000**		
Demolition of Arena				$40,000,000		
Parking	1,100 cars	@	$80,000 /car	$88,000,000		
Escalation of Mid-Point of Construction (3% per year for 2 years)					**$73,754,000**	
Design Contingency for Unanticpated Costs (3%)					**$36,877,000**	
Non-Costruction Costs						**$228,972,000**
Owner Contingency for Change Orders / Betterment (3%)					**$40,196,000**	
Sub-Total Soft Costs					**$188,776,000**	
Land Aquistion Costs				$0		
Public Art (1/2%)				$6,699,355		
Furniture, Fixtures & Equipment (FF&E)	966,000 sf	@	$22 /sf	$21,252,000		
Telecom and Computuer Equipment Allowance (1%)				$13,398,710		
Smallware & Banquet ware Allowance (0.75%)				$10,049,033		
Survey, Testing and Permits Allowance (0.5%)				$10,049,033		
Professional Services & Reumbursables (8%)				$107,190,000		
Project Mananger Fee (1.5%)				$20,098,000		
Professional Presentation Materials				$40,000		
Owner's Project Contingency (3%)						**$47,065,000**
					Total Preliminary Project Budget for Phase 1	**$1,615,908,000**

NOTE 1: THIS IS A CONCEPTUAL ESTIMATE BASED ON THE PROGRAM AND PROJECT ASSUMPTIONS SHOWN

Source: TVS Design

Cost Estimates - HQ Hotel

Meadowlands 1000 Key Headquarters Hotel

CONCEPTUAL PROJECT BUDGET ESTIMATE -- FOR A 2024 CONSTRUCTION START / 2026 OPENING

06/09/2022

Hard Construction Costs							**$469,476,000**
Sub-Total Construction Costs (2018 dollars)						**$419,175,000**	
Guest Rooms		547,000 sf					
Ballroom/Meeting Rooms		75,000 sf					
Circulation/Service/Support/Admin Spaces		183,000 sf					
	Total Building Area	**805,000 sf**	**@**	**$475 /sf**	**$382,375,000**		
Parking		460 cars	@	$80,000 /car	$36,800,000		
Escalation of Mid-Point of Construction (3% per year for 3 years)						**$37,726,000**	
Design Contingency for Unanticpated Costs (3%)						**$12,575,000**	
Non-Costruction Costs							**$58,158,000**
Owner Contingency for Change Orders / Betterment (2%)						**$9,390,000**	
Sub-Total Soft Costs						**$48,768,000**	
Land Aquistion Costs					TBD		
Public Art					$0		
MTG Furniture, Fixtures & Equipment (FF&E)		75,000 sf	@	$24 /sf	$1,800,000		
Telecom and Computuer Equipment Allowance (1%)					$4,694,760		
Smallware & Banquet ware Allowance (0.75%)					$3,521,070		
Survey, Testing and Permits Allowance (0.5%)					$3,521,070		
Professional Services & Reumbursables (6%)					$28,169,000		
Project Mananger Fee (1.5%)					$7,042,000		
Professional Presentation Materials					$20,000		
Owner's Project Contingency (2%)							**$10,553,000**
						Total Preliminary Hotel Project Budget	**$538,187,000**

NOTE 1: THIS IS A CONCEPTUAL ESTIMATE BASED ON THE PROGRAM AND PROJECT ASSUMPTIONS SHOWN

Source: TVS Design

09

Demand & Financial Projections

HUNDEN STRATEGIC PARTNERS

Convention Center

Convention Center Projections – Events

At stabilization the Meadowlands Convention Center is projected to host 232 events per year. With the convention center's size, the venue will be able to host multiple events simultaneously. These 232 events are estimated to result in 395 event days per year.

Meadowlands Convention Center Projections - Events and Event Days

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 10	Yr 20	Yr 30
Events by Type									
Consumer	6	7	8	9	9	11	11	11	11
Large Meeting	16	20	24	29	32	40	40	40	40
Sports	5	6	7	8	8	9	9	9	9
Convention	7	8	9	11	12	14	14	14	14
Trade Show	4	4	5	6	6	7	7	7	7
Banquets (Large)	16	19	23	28	31	38	38	38	38
Corporate Conference/Event	8	10	12	15	16	19	19	19	19
Smaller Miscellaneous Events	30	37	46	57	63	78	78	78	78
Filming	3	3	3	3	3	3	3	3	3
Ticketed Event/Concert	4	5	6	7	7	8	8	8	8
Graduation	4	4	4	4	4	5	5	5	5
Total	**103**	**123**	**147**	**177**	**191**	**232**	**232**	**232**	**232**
Event Days by Type									
Consumer	15	18	20	23	23	28	28	28	28
Large Meeting	32	40	48	58	64	80	80	80	80
Sports	15	18	21	24	24	27	27	27	27
Convention	21	24	27	33	36	42	42	42	42
Trade Show	12	12	15	18	18	21	21	21	21
Banquets (Large)	16	19	23	28	31	38	38	38	38
Corporate Conference/Event	16	20	24	30	32	38	38	38	38
Smaller Miscellaneous Events	30	37	46	57	63	78	78	78	78
Filming	30	30	30	30	30	30	30	30	30
Ticketed Event/Concert	4	5	6	7	7	8	8	8	8
Graduation	4	4	4	4	4	5	5	5	5
Total	**195**	**227**	**264**	**312**	**332**	**395**	**395**	**395**	**395**

Source: Hunden Strategic Partners

Convention Center Projections – Attendance

The average attendance per year is expected to stabilize at 647,000 attendees per year in Year 10.

Convention Center Projections - Avg & Total Attendance

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 10	Yr 20	Yr 30
Average Daily Attendance by Event Type									
Consumer	22,000	22,200	22,400	22,600	22,800	23,000	23,800	23,800	23,800
Large Meeting	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sports	7,400	7,500	7,600	7,700	7,800	7,900	8,300	8,300	8,300
Convention	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Trade Show	6,500	6,600	6,700	6,800	6,900	7,000	7,400	7,400	7,400
Banquets (Large)	600	600	600	600	600	600	600	600	600
Corporate Conference/Event	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800
Smaller Miscellaneous Events	300	300	300	300	300	300	300	300	300
Filming	200	200	200	200	200	200	200	200	200
Ticketed Event/Concert	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200
Graduation	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Total Attendance by Event Type									
Consumer	132,000	155,400	179,200	203,400	205,200	253,000	261,800	261,800	261,800
Large Meeting	16,000	20,000	24,000	29,000	32,000	40,000	40,000	40,000	40,000
Sports	37,000	45,000	53,200	61,600	62,400	71,100	74,700	74,700	74,700
Convention	24,500	28,000	31,500	38,500	42,000	49,000	49,000	49,000	49,000
Trade Show	26,000	26,400	33,500	40,800	41,400	49,000	51,800	51,800	51,800
Banquets (Large)	9,600	11,400	13,800	16,800	18,600	22,800	22,800	22,800	22,800
Corporate Conference/Event	30,400	38,000	45,600	57,000	60,800	72,200	72,200	72,200	72,200
Smaller Miscellaneous Events	9,000	11,100	13,800	17,100	18,900	23,400	23,400	23,400	23,400
Filming	600	600	600	600	600	600	600	600	600
Ticketed Event/Concert	16,800	21,000	25,200	29,400	29,400	33,600	33,600	33,600	33,600
Graduation	14,000	14,000	14,000	14,000	14,000	17,500	17,500	17,500	17,500
Total	**316,000**	**371,000**	**434,000**	**508,000**	**525,000**	**632,000**	**647,000**	**647,000**	**647,000**

Source: Hunden Strategic Partners

Convention Center Projections – Income/Expenses

The included table shows the projected proforma for the Meadowlands Convention Center.

Projected Income & Expense (Stabilzation in Year 6)

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 10	Yr 20	Yr 30
Revenue (000s)									
Rent	$ 4,416	$ 5,229	$ 6,209	$ 7,495	$ 8,066	$ 9,762	$ 11,202	$ 15,802	$ 22,290
Event Services	$ 1,352	$ 1,550	$ 1,788	$ 2,108	$ 2,202	$ 2,600	$ 2,600	$ 2,600	$ 2,600
Less Electrict Billed	$ (1,054)	$ (1,209)	$ (1,395)	$ (1,645)	$ (1,718)	$ (2,029)	$ (2,029)	$ (2,029)	$ (2,029)
Total Facility Less Electric	$ 4,713	$ 5,570	$ 6,602	$ 7,959	$ 8,550	$ 10,334	$ 11,774	$ 16,373	$ 22,861
Electric/Plumbing Net	$ 901	$ 1,067	$ 1,267	$ 1,530	$ 1,646	$ 1,992	$ 2,286	$ 3,225	$ 4,549
Internet Net	$ 276	$ 316	$ 365	$ 430	$ 449	$ 531	$ 531	$ 531	$ 531
Food & Beverage Gross	$ 9,237	$ 11,439	$ 14,107	$ 17,821	$ 19,650	$ 24,243	$ 28,054	$ 39,573	$ 55,821
Parking Net	$ 1,070	$ 1,301	$ 1,583	$ 1,888	$ 1,972	$ 2,446	$ 2,907	$ 4,100	$ 5,783
Sound & Lighting A/V Net	$ 194	$ 229	$ 272	$ 329	$ 354	$ 428	$ 492	$ 693	$ 978
Other	$ 45	$ 53	$ 63	$ 76	$ 82	$ 100	$ 114	$ 161	$ 227
Total	**$ 21,150**	**$ 25,546**	**$ 30,862**	**$ 37,993**	**$ 41,254**	**$ 50,407**	**$ 57,931**	**$ 81,029**	**$ 113,613**
Annual Change		20.8%	20.8%	23.1%	8.6%	22.2%	3.5%	3.4%	3.4%
Expenses (000s)									
Food & Beverage Expense	$ 6,558	$ 8,122	$ 10,016	$ 12,653	$ 13,952	$ 17,212	$ 19,918	$ 28,097	$ 39,633
Allocation to Events (Event Exp)	$ 1,224	$ 1,478	$ 1,786	$ 2,199	$ 2,387	$ 2,917	$ 3,352	$ 4,689	$ 6,575
Event Ops Svcs - Members & Allied	$ 3,756	$ 4,536	$ 5,480	$ 6,747	$ 7,326	$ 8,951	$ 10,287	$ 14,389	$ 20,175
Other Service Event Expense	$ 44	$ 53	$ 64	$ 79	$ 86	$ 104	$ 120	$ 168	$ 236
Personnel Expense (incl. allocations)	$ 6,452	$ 7,182	$ 8,127	$ 9,496	$ 9,960	$ 11,803	$ 13,565	$ 18,973	$ 26,603
Communication Services	$ 316	$ 382	$ 461	$ 568	$ 617	$ 754	$ 866	$ 1,211	$ 1,698
Supplies & Materials	$ 997	$ 1,205	$ 1,455	$ 1,791	$ 1,945	$ 2,377	$ 2,732	$ 3,821	$ 5,357
Utilities	$ 1,716	$ 2,073	$ 2,504	$ 3,083	$ 3,347	$ 4,090	$ 4,700	$ 6,575	$ 9,218
Maintenance	$ 499	$ 603	$ 728	$ 896	$ 973	$ 1,189	$ 1,367	$ 1,912	$ 2,680
Insurance	$ 749	$ 905	$ 1,093	$ 1,346	$ 1,461	$ 1,785	$ 2,052	$ 2,870	$ 4,024
Fees for Service	$ 952	$ 1,149	$ 1,389	$ 1,709	$ 1,856	$ 2,268	$ 2,606	$ 3,646	$ 5,112
Other Operating Expenses	$ 140	$ 169	$ 204	$ 251	$ 272	$ 333	$ 382	$ 535	$ 750
Subtotal Operating	**$ 23,402**	**$ 27,856**	**$ 33,307**	**$ 40,817**	**$ 44,182**	**$ 53,783**	**$ 61,948**	**$ 86,884**	**$ 122,060**
Management Fee	$ 250	$ 259	$ 268	$ 277	$ 287	$ 297	$ 341	$ 481	$ 678
Total Expenses	**$ 23,652**	**$ 28,115**	**$ 33,575**	**$ 41,095**	**$ 44,469**	**$ 54,080**	**$ 62,288**	**$ 87,365**	**$ 122,738**
Annual Change		18.9%	19.4%	22.4%	8.2%	21.6%	3.6%	3.4%	3.5%
Net Income/Loss	$ (2,503)	$ (2,569)	$ (2,712)	$ (3,102)	$ (3,215)	$ (3,673)	$ (4,358)	$ (6,336)	$ (9,126)
Capital Reserve	$ 1,057	$ 1,277	$ 1,543	$ 1,900	$ 2,063	$ 2,520	$ 2,897	$ 4,051	$ 5,681
Net Income after Reserves	$ (3,560)	$ (3,846)	$ (4,255)	$ (5,001)	$ (5,277)	$ (6,193)	$ (7,254)	$ (10,387)	$ (14,806)

Source: Hunden Strategic Partners

Convention Hotel

Convention Hotel Projections – Income/Expenses

The adjoining figure shows the proforma for the convention center hotel.

In Year 1, the hotel is anticipated to generate $18.5 million in net operating income and $27.1 million in Year 3 stabilization.

The hotel is projected to operate at a 28 percent operating margin at stabilization.

Proforma - Headquarter Hotel (Full-Service Branded)

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
Rooms	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Occupancy Rate	55%	65%	71%	71%	71%	71%	71%	71%	71%	71%
Average Daily Rate	$ 234	$ 243	$ 253	$ 263	$ 274	$ 285	$ 296	$ 308	$ 320	$ 333
Occupied Room Nights	200,750	237,250	259,150	259,150	259,150	259,150	259,150	259,150	259,150	259,150
Parking (Daily Rate)	$ 39	$ 40	$ 42	$ 43	$ 45	$ 46	$ 48	$ 50	$ 51	$ 53
Percent Parking	25%	24%	23%	22%	21%	20%	19%	18%	17%	16%
Parking Space Demand	50,188	56,940	59,605	57,013	54,422	51,830	49,239	46,647	44,056	41,464
Revenue (000s)										
Rooms	$ 46,976	$ 57,737	$ 65,589	$ 68,213	$ 70,942	$ 73,779	$ 76,730	$ 79,800	$ 82,992	$ 86,311
Food & Beverage	$ 18,670	$ 22,836	$ 25,818	$ 26,721	$ 27,656	$ 28,624	$ 29,626	$ 30,663	$ 31,736	$ 32,847
Parking	$ 1,957	$ 2,298	$ 2,490	$ 2,465	$ 2,436	$ 2,401	$ 2,361	$ 2,315	$ 2,262	$ 2,204
Other	$ 2,349	$ 2,887	$ 3,279	$ 3,411	$ 3,547	$ 3,689	$ 3,837	$ 3,990	$ 4,150	$ 4,316
Total	**$ 69,951**	**$ 85,759**	**$ 97,177**	**$ 100,810**	**$ 104,581**	**$ 108,493**	**$ 112,554**	**$ 116,767**	**$ 121,140**	**$ 125,678**
Expenses (000s)										
Departmental Expenses										
Rooms	$ 12,683	$ 15,589	$ 17,709	$ 18,418	$ 19,154	$ 19,920	$ 20,717	$ 21,546	$ 22,408	$ 23,304
Food & Beverage	$ 12,695	$ 15,529	$ 17,556	$ 18,170	$ 18,806	$ 19,465	$ 20,146	$ 20,851	$ 21,581	$ 22,336
Parking	$ 294	$ 345	$ 374	$ 370	$ 365	$ 360	$ 354	$ 347	$ 339	$ 331
Other	$ 117	$ 144	$ 164	$ 171	$ 177	$ 184	$ 192	$ 199	$ 207	$ 216
Total	**$ 25,790**	**$ 31,607**	**$ 35,803**	**$ 37,128**	**$ 38,503**	**$ 39,930**	**$ 41,409**	**$ 42,943**	**$ 44,535**	**$ 46,186**
Gross Operating Income	$ 44,161	$ 54,152	$ 61,374	$ 63,682	$ 66,077	$ 68,564	$ 71,145	$ 73,824	$ 76,605	$ 79,491
Undistributed Operating Expenses										
Admin & General	$ 3,148	$ 3,859	$ 4,373	$ 4,536	$ 4,706	$ 4,882	$ 5,065	$ 5,255	$ 5,451	$ 5,656
Marketing	$ 3,847	$ 4,717	$ 5,345	$ 5,545	$ 5,752	$ 5,967	$ 6,190	$ 6,422	$ 6,663	$ 6,912
Utllities	$ 2,448	$ 3,002	$ 3,401	$ 3,528	$ 3,660	$ 3,797	$ 3,939	$ 4,087	$ 4,240	$ 4,399
Operations & Maintenance	$ 2,378	$ 2,916	$ 3,304	$ 3,428	$ 3,556	$ 3,689	$ 3,827	$ 3,970	$ 4,119	$ 4,273
Total Expenses	**$ 11,822**	**$ 14,493**	**$ 16,423**	**$ 17,037**	**$ 17,674**	**$ 18,335**	**$ 19,022**	**$ 19,734**	**$ 20,473**	**$ 21,240**
Gross Operating Profit	$ 32,340	$ 39,659	$ 44,951	$ 46,645	$ 48,403	$ 50,228	$ 52,123	$ 54,090	$ 56,132	$ 58,252
Franchise Fees (of Gross Rooms Rev)	$ 4,228	$ 5,196	$ 5,903	$ 6,139	$ 6,385	$ 6,640	$ 6,906	$ 7,182	$ 7,469	$ 7,768
Fixed Expenses										
Property Taxes (per Key)	$ 3,900	$ 3,939	$ 3,978	$ 4,018	$ 4,058	$ 4,099	$ 4,140	$ 4,181	$ 4,223	$ 4,265
Insurance	$ 630	$ 772	$ 875	$ 907	$ 941	$ 976	$ 1,013	$ 1,051	$ 1,090	$ 1,131
Management Fee	$ 2,448	$ 3,002	$ 3,401	$ 3,528	$ 3,660	$ 3,797	$ 3,939	$ 4,087	$ 4,240	$ 4,399
Reserves	$ 2,588	$ 3,173	$ 3,596	$ 3,730	$ 3,869	$ 4,014	$ 4,164	$ 4,320	$ 4,482	$ 4,650
Total	**$ 9,566**	**$ 10,885**	**$ 11,850**	**$ 12,184**	**$ 12,529**	**$ 12,887**	**$ 13,257**	**$ 13,639**	**$ 14,035**	**$ 14,445**
Net Operating Income	**$ 18,546**	**$ 23,577**	**$ 27,198**	**$ 28,322**	**$ 29,489**	**$ 30,701**	**$ 31,961**	**$ 33,269**	**$ 34,627**	**$ 36,039**
NOI %	27%	27%	28%	28%	28%	28%	28%	28%	29%	29%

Source: Hunden Strategic Partners

Convention Hotel – Supportable Financing

The Convention Center Headquarter Hotel has supportable financing up to $237 million. With a cost estimate from TVS Design of $538 million, there is an estimated gap of $301 million.

Supportable Financing (000s) - Headquarter Hotel

	Constr. Yr1	Constr. Yr2	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	$ -	$ -	$ 18,546	$ 23,577	$ 27,198	$ 28,322	$ 29,489	$ 30,701	$ 31,961	$ 33,269	$ 34,627	$ 36,039
Interest and Debt Reserve W/D	$ 3,263	$ 9,788	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ 3,263	$ 9,788	$ 18,546	$ 23,577	$ 27,198	$ 28,322	$ 29,489	$ 30,701	$ 31,961	$ 33,269	$ 34,627	$ 36,039
Debt Service Payment	$ (3,263)	$ (9,788)	$ (15,610)	$ (15,610)	$ (15,610)	$ (14,543)	$ (14,543)	$ (14,543)	$ (14,543)	$ (14,543)	$ (14,543)	$ (14,543)
Net Income to Repay Equity	$ -	$ -	$ 2,936	$ 7,967	$ 11,589	$ 13,779	$ 14,946	$ 16,158	$ 17,418	$ 18,726	$ 20,084	$ 21,495
Princ. Amount***	$ 43,500	$ 130,500	$ 174,000	$ 171,440	$ 168,689	$ 165,730	$ 163,202	$ 160,491	$ 157,584	$ 154,466	$ 151,121	$ 147,534
Interest	$ 3,263	$ 9,788	$ 13,050	$ 12,858	$ 12,652	$ 12,015	$ 11,832	$ 11,636	$ 11,425	$ 11,199	$ 10,956	$ 10,696
Less Payment	$ (3,263)	$ (9,788)	$ (15,610)	$ (15,610)	$ (15,610)	$ (14,543)	$ (14,543)	$ (14,543)	$ (14,543)	$ (14,543)	$ (14,543)	$ (14,543)
Loan Balance	$ 43,500	$ 130,500	$ 171,440	$ 168,689	$ 165,731	$ 163,202	$ 160,491	$ 157,584	$ 154,466	$ 151,121	$ 147,534	$ 143,687

Debt Assumptions		Refi
Loan Amount	$ 174,000	$ 165,730
Amortization Period (Years)	$ 25	$ 25
Loan Interest Rate	7.5%	7.25%
Annual Debt Service Payment	$ (15,610)	$ (14,543)

Financing				
Developer's Equity	$ 63,000	12%	27%	
Private Debt	$ 174,000	32%	73%	
Total Supportable Private Financing	$ 237,000	44%	$ 237,000	per Key
Gap	$ 301,187	56%	$ 301,187	per Key
Project Amount	**$ 538,187**	**100%**	**$ 538,187**	**per Key**

	10-Yr Avg	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Debt (Private) Coverage Ratio	1.99	1.19	1.51	1.74	1.95	2.03	2.11	2.20	2.29	2.38	2.48
Return on Private Equity/Leveraged IRR*	23.0%	4.7%	12.6%	18.4%	21.9%	23.7%	25.6%	27.6%	29.7%	31.9%	34.1%
WACC	11.6%										

**On developer's equity only.*
***On project cost.*
****Assumes 50% draw in Construction Year 1; 75% average during Construction Year 2*
Source: Hunden Strategic Partners

10

Economic, Fiscal and Employment Impact

HUNDEN STRATEGIC PARTNERS

Net New Spending

Over 30 years the Project will generate $19.2 billion in net new direct spending. Approximately 69 percent of direct net new spending is expected to be generated from food & beverage and lodging spending. As direct net new spending ripples through the economy the Project is expected to induce $7.4 billion in indirect spending and $3.5 billion in induced spending throughout New Jersey.

Spending from the Project is estimated to generate $30.1 billion over 30 years.

Direct Net New/Recaptured Spending to New Jersey (000s) - Convention Center and Hotel Complex

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 30	Total
Food & Beverage	$ 60,392	$ 72,866	$ 89,743	$ 101,006	$ 108,452	$ 142,358	$ 169,077	$ 283,263	**$ 5,261,192**
Lodging	$ 60,364	$ 80,046	$ 113,292	$ 136,546	$ 156,730	$ 214,119	$ 258,843	$ 457,585	**$ 8,071,358**
Retail	$ 15,323	$ 19,510	$ 26,993	$ 32,492	$ 36,162	$ 50,306	$ 59,748	$ 100,099	**$ 1,836,370**
Transportation	$ 21,655	$ 27,066	$ 35,393	$ 42,655	$ 46,797	$ 65,107	$ 80,101	$ 162,047	**$ 2,621,454**
Other	$ 11,194	$ 14,500	$ 20,921	$ 25,149	$ 28,325	$ 38,799	$ 46,082	$ 77,203	**$ 1,416,072**
Total	**$ 168,929**	**$ 213,987**	**$ 286,342**	**$ 337,847**	**$ 376,468**	**$ 510,689**	**$ 613,850**	**$ 1,080,197**	**$ 19,206,445**

Direct, Indirect & Induced Spending to New Jersey (000s) - Convention Center and Hotel Complex

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 30	Total
Direct	$ 168,929	$ 213,987	$ 286,342	$ 337,847	$ 376,468	$ 510,689	$ 613,850	$ 1,080,197	**$ 19,206,445**
Indirect	$ 65,167	$ 82,534	$ 110,341	$ 130,272	$ 145,127	$ 197,038	$ 237,000	$ 418,649	**$ 7,423,816**
Induced	$ 30,682	$ 38,809	$ 51,966	$ 61,418	$ 68,323	$ 92,878	$ 111,693	$ 197,858	**$ 3,501,900**
Total	**$ 264,778**	**$ 335,330**	**$ 448,649**	**$ 529,538**	**$ 589,918**	**$ 800,606**	**$ 962,544**	**$ 1,696,703**	**$ 30,132,161**

Source: Hunden Strategic Partners

Net New Employment

From net new spending generated on and off-site over 30 years there will be nearly $13.4 billion in net new earnings within the Meadowlands. These net new earnings will support an average of over 5,800 jobs during the 30-year time horizon. By Year 10 the Project is projected to support 6,000 jobs.

Net New Earnings & FTE Jobs from Direct, Indirect & Induced Spending (000s) - Convention Center and Hotel Complex

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 30	Total
Net New Earnings									
From Direct	$ 72,292	$ 91,364	$ 122,037	$ 143,913	$ 160,063	$ 217,172	$ 260,948	$ 459,526	**$ 8,168,418**
From Indirect	$ 29,395	$ 37,696	$ 51,271	$ 60,815	$ 68,365	$ 92,876	$ 111,688	$ 195,425	**$ 3,483,531**
From Induced	$ 15,097	$ 19,261	$ 26,121	$ 30,936	$ 34,639	$ 47,051	$ 56,498	$ 98,660	**$ 1,762,023**
Total	**$ 116,785**	**$ 148,321**	**$ 199,429**	**$ 235,664**	**$ 263,067**	**$ 357,099**	**$ 429,134**	**$ 753,611**	**$ 13,413,971**
Net New FTE Jobs									**Average**
From Direct	1,737	2,116	2,723	3,100	3,326	3,792	3,851	4,138	**3,696**
From Indirect	683	832	1,070	1,219	1,308	1,493	1,518	1,641	**1,458**
From Induced	332	404	520	594	636	728	740	807	**713**
Total	**2,751**	**3,352**	**4,313**	**4,913**	**5,270**	**6,013**	**6,108**	**6,587**	**5,867**

Source: Hunden Strategic Partners

Net New Taxes

During the first year of the Project, the development is expected to generate over $204 million in taxes.

Over 30 years, the Project is estimated to generate $3.5 billion in taxes within New Jersey.

Fiscal Impact - Tax Impacts from Spending (000s) - Convention Center and Hotel Complex

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 30	Total
Capturable Taxes									
Sales Tax (6.625%)	$ 76,873	$ 14,177	$ 23,015	$ 22,382	$ 24,941	$ 33,833	$ 40,668	$ 71,563	$ 1,342,154
Income Tax (5.25% Wtd. Avg)	$ 75,987	$ 7,787	$ 14,772	$ 12,372	$ 13,811	$ 18,748	$ 22,530	$ 39,565	$ 778,392
NJ Hotel Tax (8.0%)	$ 4,829	$ 6,404	$ 9,063	$ 10,924	$ 12,538	$ 17,130	$ 20,707	$ 36,607	$ 645,709
Local Hotel Surcharge (3.0%)	$ 1,811	$ 2,401	$ 3,399	$ 4,096	$ 4,702	$ 6,424	$ 7,765	$ 13,728	$ 242,141
Auto Rental ($5/day)	$ 816	$ 908	$ 1,194	$ 1,252	$ 1,246	$ 1,225	$ 1,196	$ 1,196	$ 35,709
Corporate Income (9%)	$ 37,223	$ 2,356	$ 5,185	$ 3,207	$ 3,366	$ 4,163	$ 5,821	$ 10,637	$ 219,827
Property Tax	$ 6,630	$ 6,696	$ 7,963	$ 8,043	$ 8,123	$ 8,538	$ 8,973	$ 10,418	$ 269,179
Total	**$ 204,170**	**$ 40,729**	**$ 64,591**	**$ 62,276**	**$ 68,728**	**$ 90,059**	**$ 107,660**	**$ 183,713**	**$ 3,533,110**

* Year 1 includes construction tax impacts for CC, HQ hotel, luxury hotel. Year 3 includes select-service hotel construction impacts

Source: Hunden Strategic Partners

Economic Impact

The Meadowlands Convention Center, headquarter hotel and two privately-developed hotels are expected to generate over $3.5 billion in capturable taxes over 30 years.

- Over 30 years, net new spending is anticipated to be $30.1 billion.
- Over 30 years, net new spending is projected to create $13.4 billion in net new earnings and an annual average of over 6,000 full-time equivalent jobs. Construction of the facility is expected to support nearly 17,500 full-time construction jobs.

30-Year Summary of Impacts
Convention Center & Hotel Complex

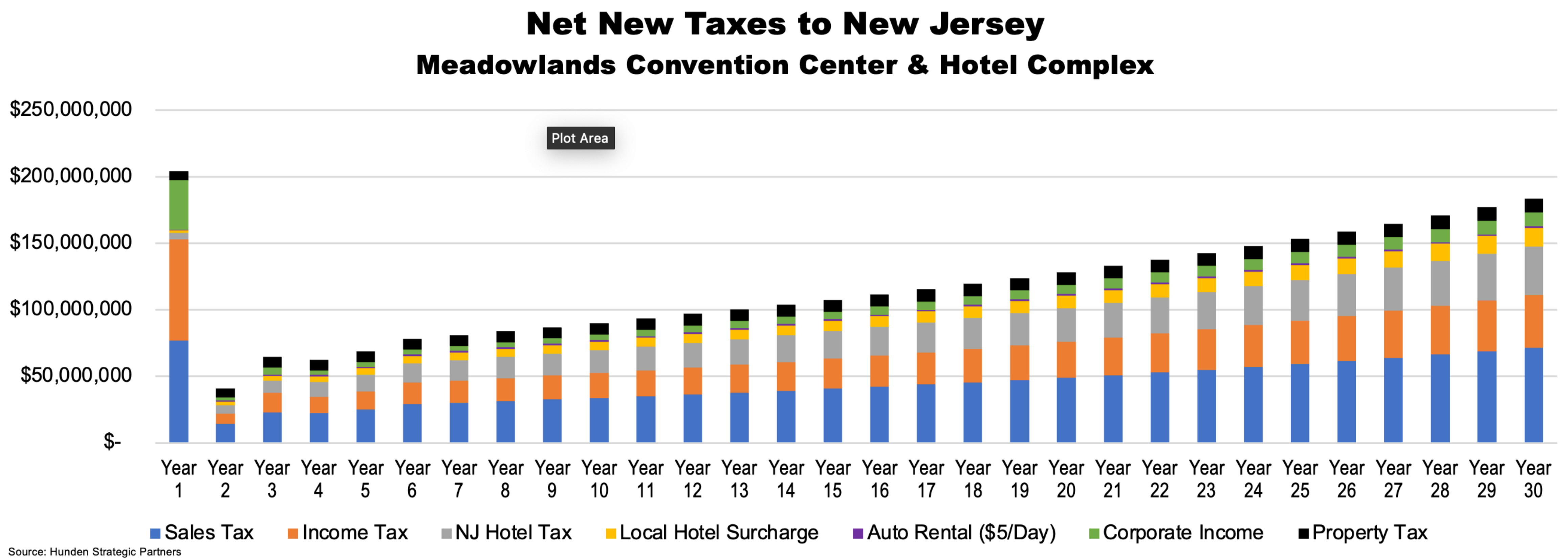
Net New Spending	**(millions)**
Direct	$19,206
Indirect	$7,424
Induced	$3,502
Total	**$30,132**
Net New Earnings	**(millions)**
From Direct	$8,168
From Indirect	$3,484
From Induced	$1,762
Total	**$13,414**
Net New FTE Jobs	**Actual**
From Direct	3,792
From Indirect	1,493
From Induced	728
Total	**6,013**
Construction Jobs	**17,493**
Capturable Taxes	**(millions)**
Sales Tax (6.625%)	$1,342
Income Tax (5.25% Wtd. Avg)	$778
NJ Hotel Tax (8.0%)	$646
Auto Rental ($5/day)	$36
Corporate Income (9%)	$220
Total	**$3,533**

Source: Hunden Strategic Partners

Net New Taxes

During the first year of the Project, the development is expected to generate over $200 million in taxes, when including taxes generated by construction. Over 30 years, the Project is estimated to generate $3.5 billion in taxes within New Jersey.

Years 1 include impacts from the convention center and two hotels, while Year 3 includes construction impacts from the select-service hotel.



Source: Hunden Strategic Partners