



CUMBERLAND COUNTY EXPO CENTER

BUSINESS PLAN

SECOND EDITION

Revised: 05/02/2018

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Table of Contents

I.	Executive Summary	2
	Highlights	
	Objectives	
	Mission Statement	
	Keys to Success	
II.	Description of Business	4
	Company Ownership/Legal Entity	
	Location	
	Interior	
	Hours of Operation	
	Service	
	Management	
	Financial Management	
	Start-Up Expenses	
III.	Marketing	6
	Market Analysis	
	Market Segmentation	
	Competition	
	Pricing	
	Milestones	
	Break-Even Analysis	
	Income Projection Statement	
IV.	The Bottom Line.....	12
V.	Appendix	
	Miscellaneous Documents	

Executive Summary

Rich in heritage, culture and scenic beauty, Cumberland County provides genuine Southern hospitality and delivers an unparalleled experience for residents of our community and visitors alike. While the Cumberland County Community Complex is already the host to such venues as the award-winning Cumberland County Fair, which is the second largest county fair in the state, as well as numerous quality shows and events, a need exists for a larger, climate controlled, meeting space on the Complex grounds.

In September, 2016 a committee was formed to explore the needs of the Complex facility. The committee included: the Cumberland County Mayor, three Cumberland County Commissioners, the Complex Director, four Cumberland County Fair Association Board Members, advisors from the University of Tennessee Extension Office, and members of the Crossville-Cumberland County Chamber of Commerce.

After many months of meeting, the committee found a positive need for a larger event / expo center. The committee found, after interviews with existing event holders, that the current size of the Complex facility was limiting their potential to expand. The committee also found that this limitation was causing the facility to lose existing rentals to other larger event centers.

In 2015, and again in 2017, the Crossville-Cumberland County Chamber of Commerce conducted a community survey (*Appendix C*). Eight-one percent (81%) of the citizens surveyed supported the creation of a convention or events center in Cumberland County.

In May, 2017 a feasibility study was performed by the University of Tennessee Agricultural Department. The study findings were positive towards the potential financial and economic impact that an expo center building could bring to the Cumberland County business community through increased tourism dollars and sales tax revenue from potential additional large events.

Later in May, the committee hosted an event for local government and business leaders. This event was to inform these leaders of the committee's findings and ascertain their feelings as to potential construction and usage. The vast majority were positive and encouraging in support of the proposed center.

The committee also reviewed a feasibility study performed by MTSU Business and Economic Research Center. This study found that there has been a notable shift in demand of non-traditional meeting / event centers from larger cities to second tier cities that have mid-tier sized facilities. The proposed Expo Center (*Appendix D*), with the complimenting facilities at the Complex, has these characterizing traits and will market this unique advantage.

The target customers for this new expo center will be the larger venues that the Complex is currently struggling to attract due to the lack of a suitable, large, covered and climate-controlled facility. Such a facility will have the capacity to offer adequate meeting space for large events, banquets, concerts, trade shows, basketball tournaments, graduations, and other venues that require a large climate-controlled environment with ample parking. The proposed expo center will accommodate all of this.

In November, 2018 the committee asked a private contractor to review preliminary drawing and rough drafts of the proposed expo center in order generate a construction price. The total construction price received was \$3,858,295.00 (*Appendix A*.)

The committee next explored revenue streams which would generate enough capital to pay for a bond of this size (Appendix B.) Yearly payment on \$4,000,000 for 20 years at 3% equals \$266,207.00, which would amount to almost 2 tax pennies on property. The committee felt that adding this amount to property owners in Cumberland County was an unjust way to pay for a facility. Property owners already bear the major costs of government now. The committee therefore recommends that Cumberland County work in partnership with the City of Crossville in petitioning the State of Tennessee in order to add a one percent Restaurant Privilege Tax.

Restaurant Privilege Taxes are utilized by cities such as: Gatlinburg, Sevierville, and Pigeon Forge. These taxes are collected at the time of sale. The committee felt that this is the best option to use in the construction of the proposed expo center because a large portion of the revenue for a Restaurant Privilege Tax comes from tourism and does not burden the property owner.

Highlights

1. **Size-** The proposed expo center is considered a mid-tier facility. This center would be the largest event rental center within a sixty-mile radius. The proposed center would allow space to hold our three largest shows at the same time or give each of those shows much needed room to grow. The size of the open space (45,000 sq. Ft.) will also attract more events and more variety.
2. **Location-** The Cumberland County Community Complex is an ideal location for an event expo center. The Complex is centrally located in a triangle composed of Knoxville, Nashville, and Chattanooga. Interstate 40 splits the County in half East to West. Highways 70 and 127 play a factor in attracting events North to South.
3. **Price-** The proposed expo center pricing should stay affordable but competitive. This factor will be a major draw to potential new event holders.
4. **Availability-** A new facility would allow for an open calendar. Current "new" events at the Complex are forced into few remaining weekends. Some existing events occur outside their prime-time window of opportunity due to weather restrictions. Examples: Flower & Garden Show would attract more vendors earlier in the year, thus attracting more attendees. The Gun & Knife Show date is August, the worst month for that type of show all year.
5. **Commercial Kitchen-** (Appendix E) This facility will contain a fully operational commercial kitchen equipped with four stations, one teaching and three student stations. The kitchen will allow events to prepare food or use as a concession stand. The Farmer's Market can utilize this kitchen to prepare food to be sold and labeled "Prepared In A Commercial Kitchen," meeting Tennessee State Standards and generating higher revenue for the farmer. No other facility within 75 miles offers a commercial / teaching kitchen.
6. **Economic Impact-** This is the biggest benefit in the creation of the proposed expo center. The direct impact will be seen through the creation of jobs, increased revenue to the County, increased opportunities for local sales at the facility, and increased revenue to exhibitors within each event. The indirect impact of this expo center will be produced by increased sales for local small businesses, increased motel stays, increased food sales, and increased tourism for other businesses such as the Cumberland County Playhouse. There will also be a major impact on Tax collection for Cumberland County due to the proposed expo center. Studies have shown that larger events draw clients from farther distances which will mean that hotel stays will increase and general spending will increase during that stay, thus more tax dollars received by the County.
7. **Induced Effects-** The benefits of the proposed expo center cannot be weighed entirely on dollars generated. Future effects may be induced by the operation of this facility. Once operational, successful larger events will create a demand for more hotel spaces and finer dining. Hotels prefer to build close to interstates, which is evident along the exits at Peavine Road and HWY. 127. With building space limited in those two areas, new hotels will need to search other Cumberland County exits in order to build. This will open up the potential to see construction along the exits at Genesis Road, Crab Orchard, Westel, and Plateau Road. If hotels build in those areas, also restaurant chains will follow, therefore, increasing the economy, opportunities, and property values of each community.

8. *Other Effects*- The proposed expo center would be another attractive component Cumberland County could use in the recruitment of new businesses and industry.
9. *Winter Months*- Studies show that winter months are a prime rental season. Weather and daylight hours limit what people can do outside in winter. Event holders are aware of this fact and see attendance for winter events peak. The proposed facility would allow the Cumberland County Community Complex to be a year-round event center.

Objectives

To construct an expo center which will increase revenue and create opportunities for the citizens of Cumberland County.

Mission Statement

To provide a modern facility, adequately sized, for commerce-oriented events which will provide a major economic impact on the community while also attracting: new businesses, jobs, and new entertainment possibilities.

Description of Business

The Cumberland County Community Complex is a 120-acre facility. Within that its' borders are housed: The Virgie Lewis Exhibit Building (7,200 sq. ft.), V.J. Dodson Multipurpose Building (2,400 sq. ft.), Claude Little Open-Air Barn, and a 1,500 seat Arena. Also housed on the Complex grounds are: The Fair Park Senior Center, The Cumberland County Fire Department, The University of Tennessee Extension Office, Cumberland County Facility Maintenance, Cumberland County Fair Association, The Country Store, The Cumberland County Farmer's Market, Cumberland County Vehicle Maintenance, and The Obed River Park.

The facility operates on an average budget of \$226,000 per year. When the total budget is broken down: 59% is spent on salaries (\$132,605), 45% of the remaining \$94,000 (\$42,500) is spent on utilities, leaving 23% of the total budget (\$52,500) to be spent on daily operations and maintenance.

The Complex currently generates \$60,000 per year in revenue. Revenue is generated at the Complex through several means: rental of exhibit and multipurpose buildings, barn rentals, arena rentals, shelter rentals, gate percentage, Gun & Knife Show, Fair Contract, and confiscated weapons auctions.

Ownership/Legal Entity

Cumberland County, Tennessee

Location

The Complex is located in the heart of the City of Crossville which is centrally located in Cumberland County, Tennessee.

Expo Center Location- The proposed facility would be constructed between the Exhibit Building and the Farmer's Market on the top softball field that has not been in use for fifteen years. This location gives the expo prime road-front access to Livingston Road. The location also offers an existing 331 space paved parking lot with additional overflow parking in five grass fields. Water, sewer, and electricity are already in the ground at this location as well. This location would allow room for future expansion as well. (*Appendix F*)

Interior

The interior of the proposed expo center will contain the following: One large room (150' X 300') with three partitioning walls so the room can be subdivided if needed and a finished concrete floor, one hallway (20' X 300') with an acid stained concrete floor, one break-out room (30' X 90') containing one partition and a carpeted floor, a commercial teaching kitchen (30' X 90') containing a partitioned classroom, a teaching station and three student stations, a commercial refrigerator and freezer, three sinks, and a dishwasher, also inside the building will be two sets of men's and women's restrooms, and a ticket booth with three windows to sell / collect tickets from. The walls of the facility will be paneled. The large room will have five insulated garage doors for access of vehicles or large equipment. The ceiling height will be 48' at its' peak with L.E.D. lighting at 24'. The building will be automated with: high-speed internet, networked thermostats, networked lighting, motion sensor faucets and water fixtures, keyless entry door locks, and electric hand-dryers. The commercial kitchen will be equipped with full ventilation at each station. There will be two concession windows in the commercial kitchen for event holders to utilize.

Hours of Operation

Operating hours for the proposed expo center will be determined on an event by event basis. In effort to conserve energy, the building will go into a maintenance mode when not in use. Operation planning will be key to keeping utilities as low as possible.

Services

The amount of services and amenities provided by Cumberland County will be determined by the contract arrangement with each event holder.

Management

The proposed expo center will fall under the authority of the Cumberland County Community Complex Director. The Director will work in conjunction with the Cumberland County Mayor and the Cumberland County Board of Commissioners. Weekday operations will be performed by existing County employees. Weekend (part-time) staff will need to be hired to work each event. Cumberland County Facilities Maintenance will work in unison with Complex staff in order to keep the expo center operating at full potential. The Cumberland County Sheriff's Department will provide "trustee" staff when needed to perform large event set-up / tear-down or cleanup, as needed. The Cumberland County Community Service Coordinator will supply community service workers as needed to cut labor cost to the County.

Financial Management

All financial management will be provided by the Cumberland County Finance Department. Bond payments will be issued from this department. Utilities, purchase orders, invoices, bids, and payroll will also be handled by this department. Rental payments for the proposed expo center may be made at the Complex office or the Finance office. If payment is made at the Complex it will be receipted and sent to the Finance Department for deposit.

Start-Up Summary

The proposed expo center will have several one-time costs at start-up. Listed below are estimated cost and quantities needed to begin the rental process. Many items listed will be rented thus giving a return on investment.

Developmental Item	Quantity	Cost
Rental Tables	400	\$40,000
Rental Chairs	1,000	\$36,000
Rental Booths (Pipe & Drape)	300	\$37,500
Rental Stage	16 Pieces	\$16,000
Sound Equipment	Multiple	\$24,000
Visual Equipment	Multiple	\$20,000
Kitchen Equipment	Multiple	\$50,000
Floor Cleaner	1	\$25,000

Marketing

The expo center will be marketed by the Complex Director working in conjunction with the Crossville-Cumberland County Chamber of Commerce and the University of Tennessee / Tennessee State University Extension Office. Advertisement and promotion of the center will target trade show magazines, Southern Living magazine, large city newspapers, regional radio and television. Marketing will begin prior to construction allowing bookings to be made and events planned when construction is completed. The expo center will have a website linked to the Cumberland County Government page, a Facebook page, and Twitter presence maintained by advertising / marketing representative. Expo center pricing will be set at competitive rates based on current regional market values. A market analysis for a current pricing scheme will be ongoing and be the responsibility of the Complex Director in conjunction with the Cumberland County Board of Commissioners.

Market Analysis

The proposed expo center will target large events. Studies have shown that first-tier event centers located within metropolitan areas are costly and have little parking. These areas also have a high cost to the consumer (lodging, food, etc...) Based on market analysis and marketing trends, event holders are searching for mid-tier centers located outside metropolitan areas to host their events. The Cumberland County Expo Center exactly fits this model. Cumberland County and the City of Crossville have large tourism base, reasonably priced lodging, finer dining, and other unique attractions associated with bigger cities. Events do well in Cumberland County. Based on bookings, the Complex facilities are reserved for events almost everyday Spring, Summer, and Fall. Feasibility studies show that winter events in climate-controlled facilities do just as well in sales as other seasons. Studies also indicate that the need for this type of facility is in high demand and its' potential is limitless. Larger, more profitable, events are not attracted to the current facilities at the Complex due to the amount of square footage under one roof. Some events that began at the Complex are leaving due to growth. Current event holders, Home Show and Flower & Garden Show, are at their limit and turn vendors away. The Cumberland County Gun & Knife Show, produced by the County, is the largest revenue generating event held at the Complex. This event turns vendors away as well but has the potential to attract many more vendors and attendees.

Competition

No competition currently exists within a sixty-mile radius of the proposed expo center. Only two facilities, Roane State Agricultural Arena and Hyder-Burks Arena, come close to matching what the new expo center would have to offer. Both of these facilities are limited in the types of events that can be held. They are also governed by the State Board of Regents and have regulations that would not be associated with a new expo center in Cumberland County. The closest competition to the proposed expo center is the James Ward Expo Center in Lebanon, Tennessee. Ward Expo Center was completed in December, 2016 and currently has every weekend booked for multiple years.

Pricing

Pricing of the facility and amenities should be competitive with other venues of the same size and similar market. Pricing should remain affordable and attractive to future event holders. Rental, amenity, and usage fees for the proposed expo center will be set by the Building and Grounds Committee of the Cumberland County Board of Commissioners. *Pricing to be determined at a later date.*

Suggested pricing table:

FACILITY	PRICE PER DAY	MINIMUM RENTAL
Large Room	\$1,000	Weekend- 2 Days
Break-Out Room X 3	\$100	Weekend- 2 Days
Commercial Kitchen	\$200	Weekend- 2 Days
Entire Facility	\$1,500	Weekend- 2 Days
Extra Amenities	TBD	TBD
Usage Fee	TBD	TBD

Advertising and Promotion

Promotion of the proposed expo center will begin immediately upon approval of construction. Once a project finish date is estimated, bookings will begin two months after that date. This will give the general contractor and the County a buffer in the event of any delays in construction. Advertisement of the new facility will begin upon ground break. Artists renderings of the facility will be posted on the Facebook page. Construction pictures will be posted as progress is made. Heavy advertising of the expo center will begin in print media one month prior to the finish of construction. Large events need a year to plan so it is critical that event holders are aware of the new attraction and can plan accordingly. Not included in the building estimates, but digital signage on HWY. 127 and HWY. 70 should be considered in order to publicize events happening at the facility on a weekly basis. The Tennessee Department of Transportation estimates 60,000 vehicles per day pass the Complex entrance.

Projected Usage

Large Room (45,000 sq. Ft.)

Buy Local Fair	Concerts	Corporate Events	Gun / Knife Shows	Food Events
Large Banquets	Farm Shows	Boat Shows	Outdoor Shows	Home Show
Flower & Garden Show	New Car Shows	Auctions	Trainings	Animal Events
Cheerleading Competitions	Career Fairs	Sports Events	RV / ATV Shows	Collectors Show
Homesteading Conference	Trade Shows	Pageants	Kidfest	Art / Craft Shows

Break-Out Rooms (1,350 sq. Ft.) X 3

Meetings	Classes	Anniversary Parties	Reunions	Wedding Showers
Government Trainings	Civic Groups	Birthday Parties	Baby Showers	Part of the Whole

Commercial Kitchen

Catering	Farmer's Market	Concessions	Cooking Classes	Competitions
Commercial Sales	Food Safety	Nutrition Classes	4-H Teams	Part of the Whole

In addition, this expo center could: shelter 1,000 people, feed them, and serve as a command center for Cumberland County Emergency Management, in the event of a disaster.

Return on Investment (R.O.I.)

Calculating the R.O.I. on any potential new business or product is difficult. An economic impact analysis seeks to quantify the effect of a policy, program, project, or event on the economy in a given area. The economic impact is typically measured in terms of changes in economic growth and associated changes in employment, income, and taxes.

The business plan for the proposed Cumberland County Expo Center includes several "unknown" factors which will play a part in figuring the return on investment. These factors include policy making decisions as well as rates of rental. Examples: 1) What are the rental rates for the rooms and / or the whole expo center? 2) How much will be charged for the use of each different amenity (tables, chairs, projectors)? 3) How much will be charged by the County as a usage fee? 4) Will the County accept corporate sponsorship of rooms at the expo center and / or the entire facility? If so, how much?

In this business plan the committee has decided to answer the R.O.I. in two different ways. The first is a generic model which makes no assumptions as to amenity or usage charges. The second will use data collected from the 2017 Great Appalachian Homesteading Conference and will make assumptions on amenity and usage fees.

EXAMPLE 1:

CONSTRUCTION COST	START-UP COST	OPERATIONAL COST	REVENUE
\$3,858,295.00	\$248,500	Utilities- \$53,000	Base Rental- Large Room \$1,000/day X 2-day min X 52 weekends \$104,000
		Personnel- \$20,000	Kitchen Rental \$200/day X 2-day min X 52 weekends \$20,800
		Supplies- \$10,000	Break-Out Rooms X 3 \$100/day X 2-day min X 52 weekends \$31,200
			County Produced Events 4 Shows per year @ \$20,000 per show \$80,000
			Amenities Charges- KEY FACTOR
			Usage Fee- KEY FACTOR
			Sponsorships- \$?
		TOTAL- \$83,000	TOTAL- \$236,000

**The above example makes assumptions that each weekend of the calendar year will be rented for the minimum number of days. It does not account for events or shows renting for more than 2 days. It does not take into consideration any amenity charges incurred or public usage fee (currently 10% of the gate ticket sales). The usage fee could raise the total potential revenue substantially.*

In the preceding example above we find that the base facility rental has the potential to earn \$156,000 per year with no extra surcharges. Adding the potential earnings from shows produced by Cumberland County (2 Gun & Knife + 2 Other Shows) would raise that total a minimum of \$80,000. The unknown amenity charges and usage fees is an unquantifiable factor.

EXAMPLE 2:

Great Appalachian Homesteading Conference- 2018

Base Rental	Break-Out Rooms	Kitchen	Usage Fee	Amenity Fees
\$2,000 2 Days	\$600 2 Days	\$400 2 Days	\$5,000 10% X 2,000 ppl. X \$25 each	Tables- \$250 125 Tables @ \$2 each Chairs- \$1,000 1,000 X \$1 each Pipe & Drape- \$1,350 900 ft. Perimeter @ \$1.50 ft.
			TOTAL SHOW FEES	\$10,600

**Assumptions were made pertaining to rental rates for the proposed expo center. These figures could change with rate changes.*

In 2017, the promoters for the Great Appalachian Homesteading Conference were limited by Cumberland County to selling 1,000 tickets for a one-day event. This limitation was due to the fire occupancy code of 1,000 for the Exhibit

Building. This event sold out online two weeks prior to the conference. Attendees came from 37 states and 3 countries. Only 13 tickets were purchased in Cumberland County. 629 ticket holders travelled from outside a 180-mile radius of Crossville. The total charge for this event was \$3,400.

Economic Impact:

Direct- \$3,400

Indirect- \$25 entrance each + \$25 average spending at conference (estimated)= \$50,000

629 attendees were outside a three-hour driving window. Assuming these attendees were staying in hotel lodging one night and assuming they utilized 364 rooms (1/2) X \$75 /night = \$27,300

Adding \$50,000 + \$27,300= \$77,300 times 1.69 (industry standard calculation) = **\$130,637.00** in regional economic impact for this one-day event.

Explanation: James and Patara Marlow are the promoters of the Great Appalachian Homesteading Conference. They own a small farm in Grandview, Tennessee. Mrs. Marlow has a YouTube channel called *Appalachia's Homestead With Patara*. Through this channel she shares the heritage, history and daily homestead living with 33,000 followers. In late 2015, Mrs. Marlow approached the Community Complex Director with her idea of creating her Conference. After listening to her idea to gather people together and teach them: how to sew, can food, milk cows, and gather eggs, Three hundred tickets were sold that first year making the event a success. The 2017 Conference began with a phone call from James Marlow two months prior to the event asking what the Fire Marshal ruled the capacity for the Exhibit Building was. They were less than 200 tickets from a sell-out then. Two weeks prior to the conference they had sold 1,000 tickets.

2018- The Marlows booked the Complex for May, 2018. Their initial plan was to extend the Conference to a two-day event thus allowing them to sell 2,000 tickets. In November, 2017 Mr. Marlow called the Complex Director to inform him that they would be changing the venue from Crossville to Cookeville at Hyder-Burks Arena. Their ticket sales were again pushing the Complex capacity at double the previous year. He said that they would bring the Conference back and wanted it to happen in his home county but at this time they needed to utilize a bigger facility due to demand.

Had the Homesteading took place at the Complex in 2018, and assuming that the number of attendees as well as the number of days doubled. The indirect economic impact to Cumberland County would have been at least \$261,000 and the Complex revenue would have been **\$10,900**.

Taking this one step farther, if the proposed expo center existed today and the Marlow's sold 5,000 tickets (8,500 max. fire code), the Complex would receive **\$25,000** in usage fees alone. This couple has that potential.

Milestones

April, May 2018- Permission from Cumberland County Board of Commissioners to petition the State of Tennessee Legislature concerning adding a 1% Restaurant Privilege Tax to restaurants within the city limits of Crossville.

January 2019- State Legislature votes favorably adding the Restaurant Privilege to Crossville restaurants.

February 2019- Tax collections begin.

Break-Even Analysis

The following table illustrates a break-even budget. Following the projections, you will see that the final difference is basically the bond payment per year. Total operating cost is adjusted +1% per year. Expo revenue is adjusted +2% per year according to industry standards (Barge, Waggoner, Sumner & Cannon, Inc. 2015). Expo revenue projections are on the low end of the charts and do not account for any other fees or surcharges. Those fees and surcharges can make a dramatic difference in the revenue stream from the proposed facility. Adding the new revenue stream with the existing revenue stream creates a scenario in which both revenue streams begin to equal the entire facility's operating budget in the year 2027. Beginning the 2028 fiscal year, the Cumberland County Community Complex's revenue is projected to surpass its' operating costs (minus bond payment) for the first time since being constructed in 1972.

EXAMPLE: Based on \$5,000,000 bond @ 3% for a 20-year term.

YEAR	BOND PAYMENT	TOTAL OPERATING COST	TOTAL DEFICIT	EXPO REVENUE	EXISTING REVENUE	DIFFERENCE
2020	\$332,759.00	\$309,000.00	\$641,759.00	\$236,000.00	\$60,000.00	(-\$345,759.00)
2021	\$332,759.00	\$312,090.00	\$644,849.00	\$240,720.00	\$60,000.00	(-\$344,129.00)
2022	\$332,759.00	\$315,210.90	\$647,969.90	\$245,534.40	\$60,000.00	(-\$342,435.50)
2023	\$332,759.00	\$318,363.01	\$651,122.01	\$250,445.09	\$60,000.00	(-\$340,676.92)
2024	\$332,759.00	\$321,546.64	\$655,305.71	\$255,453.99	\$60,000.00	(-\$339,851.72)
2025	\$332,759.00	\$324,762.11	\$657,521.11	\$260,563.07	\$60,000.00	(-\$336,958.04)
2026	\$332,759.00	\$328,009.73	\$660,768.73	\$265,774.33	\$60,000.00	(-\$334,994.40)
2027	\$332,759.00	\$331,289.83	\$664,048.83	\$271,089.82	\$60,000.00	(-\$332,959.01)
2028	\$332,759.00	\$334,602.73	\$667,361.73	\$276,511.53	\$60,000.00	(-\$330,850.20)
2029	\$332,759.00	\$337,948.76	\$670,707.76	\$282,041.76	\$60,000.00	(-\$328,666.00)
2030	\$332,759.00	\$341,328.25	\$674,087.25	\$287,682.86	\$60,000.00	(-\$326,404.39)
2031	\$332,759.00	\$344,741.53	\$677,500.53	\$293,436.52	\$60,000.00	(-\$324,064.01)
2032	\$332,759.00	\$348,188.95	\$680,947.95	\$299,305.25	\$60,000.00	(-\$321,642.70)
2033	\$332,759.00	\$351,670.84	\$684,429.84	\$305,291.36	\$60,000.00	(-\$319,138.48)
2034	\$332,759.00	\$355,187.55	\$687,946.55	\$311,397.19	\$60,000.00	(-\$316,549.36)
2035	\$332,759.00	\$358,739.43	\$691,498.43	\$317,625.13	\$60,000.00	(-\$313,873.30)
2036	\$332,759.00	\$362,326.82	\$695,085.82	\$323,977.63	\$60,000.00	(-\$311,108.19)
2037	\$332,759.00	\$365,950.09	\$698,709.09	\$330,457.18	\$60,000.00	(-\$308,251.91)
2038	\$332,759.00	\$369,609.59	\$702,368.59	\$337,066.32	\$60,000.00	(-\$305,302.27)
2039	\$332,759.00	\$373,305.69	\$706,064.69	\$343,807.65	\$60,000.00	(-\$302,257.04)
2040	\$332,759.00	\$377,038.75	\$709,797.75	\$350,683.80	\$60,000.00	(-\$299,113.95)

THE BOTTOM LINE

THE NEGATIVES

Construction Costs- \$3.8M

Operating Costs- \$83K
Unknown Usage

Start-Up Cost- \$248,500

THE POSITIVES

ECONOMIC IMPACT

REVENUE GENERATED

INCREASED TAX REVENUE

INCREASED TOURISM

SMALL BUSINESS +

JOBS

NEW ENTERTAINMENT

MORE HOTELS

NEW RESTAURANTS

WORKFORCE RETAINMENT

INDOOR SPORTS

NEW BUSINESS ATTRACTION

EXISTING EVENT EXPANSION

LOCATION

SIZE

YEAR-ROUND EVENT CENTER

AVAILABILITY

UNIQUENESS

TOURISM PAYS THE LION'S SHARE OF CONSTRUCTION COST

LIMITLESS POSSIBILITIES

IN ONE WORD

POTENTIAL

Appendix

Appendix A: Construction Costs

Cumberland County Expo Crossville, TN

Construction Budget		10/3/2017
General Requirements	\$	101,502.00
Site Work	\$	125,000.00
Paving	\$	100,000.00
Concrete	\$	600,000.00
Masonry	\$	288,272.00
Structural Steel Bar Joist and Decking	\$	243,000.00
Roofing	\$	45,000.00
HM Doors, Hardware, Overhead Doors and Storefront	\$	65,700.00
Interior Partitions	\$	90,000.00
Painting	\$	88,250.00
Acoustical Ceiling	\$	17,325.00
Ceramic Tile	\$	35,000.00
Rubber Base	\$	1,500.00
Restroom Partitions	\$	18,000.00
Pre-Engineered Building	\$	573,600.00
Erection	\$	240,000.00
Plumbing	\$	109,500.00
HVAC	\$	714,000.00
Electrical	\$	254,250.00
Proffit and Overhead	\$	148,396.00
	Total \$	3,858,295.00

**BASE ON PRICES QUOTED 10/03/2017 PRIOR TO U.S. STEEL TARIFF*

Appendix B: Bond Payments

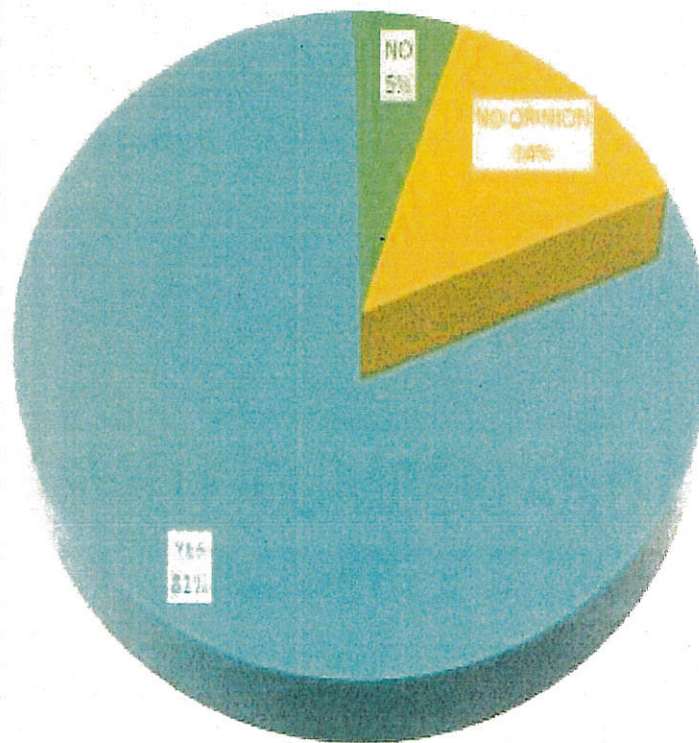
PRINCIPLE	RATE	TIME (YEARS)	YEARLY
\$5,000,000	3%	15	\$414,349.00
\$5,000,000	3%	20	\$332,759.00
\$5,000,000	3%	30	\$252,962.00
\$5,000,000	4%	15	\$443,813.00
\$5,000,000	4%	20	\$363,588.00
\$5,000,000	4%	30	\$286,449.00

PRINCIPLE	RATE	TIME (YEARS)	YEARLY
\$6,000,000	3%	15	\$497,219.00
\$6,000,000	3%	20	\$399,310.00
\$6,000,000	3%	30	\$303,555.00
\$6,000,000	4%	15	\$532,575.00
\$6,000,000	4%	20	\$436,305.00
\$6,000,000	4%	30	\$343,739.00

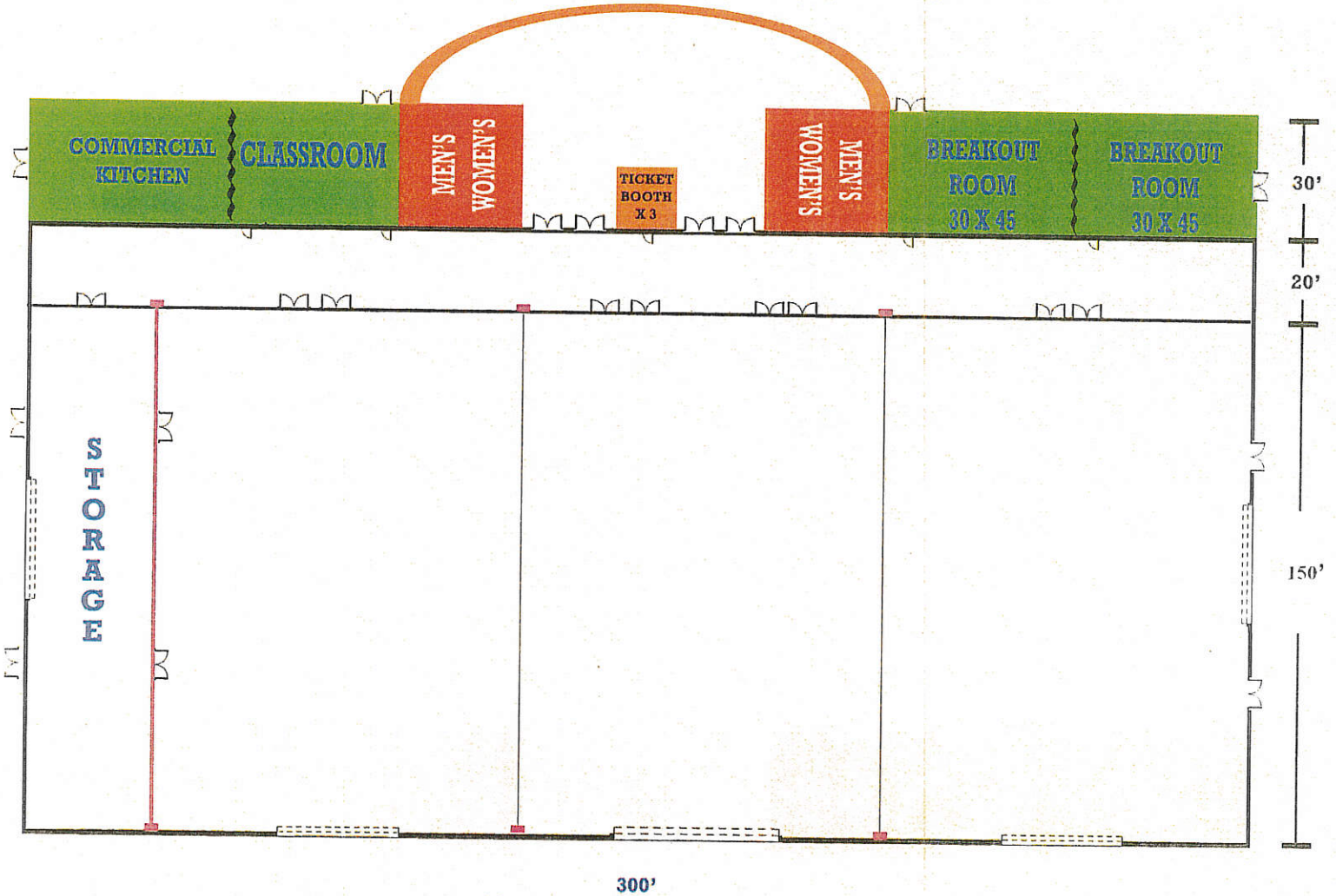
Appendix C: Chamber Study

2017 CROSSVILLE-CUMBERLAND COUNTY CHAMBER OF COMMERCE SURVEY RESULTS

SUPPORT THE CREATION OF A CONVENTION OR EVENTS CENTER



FRONT

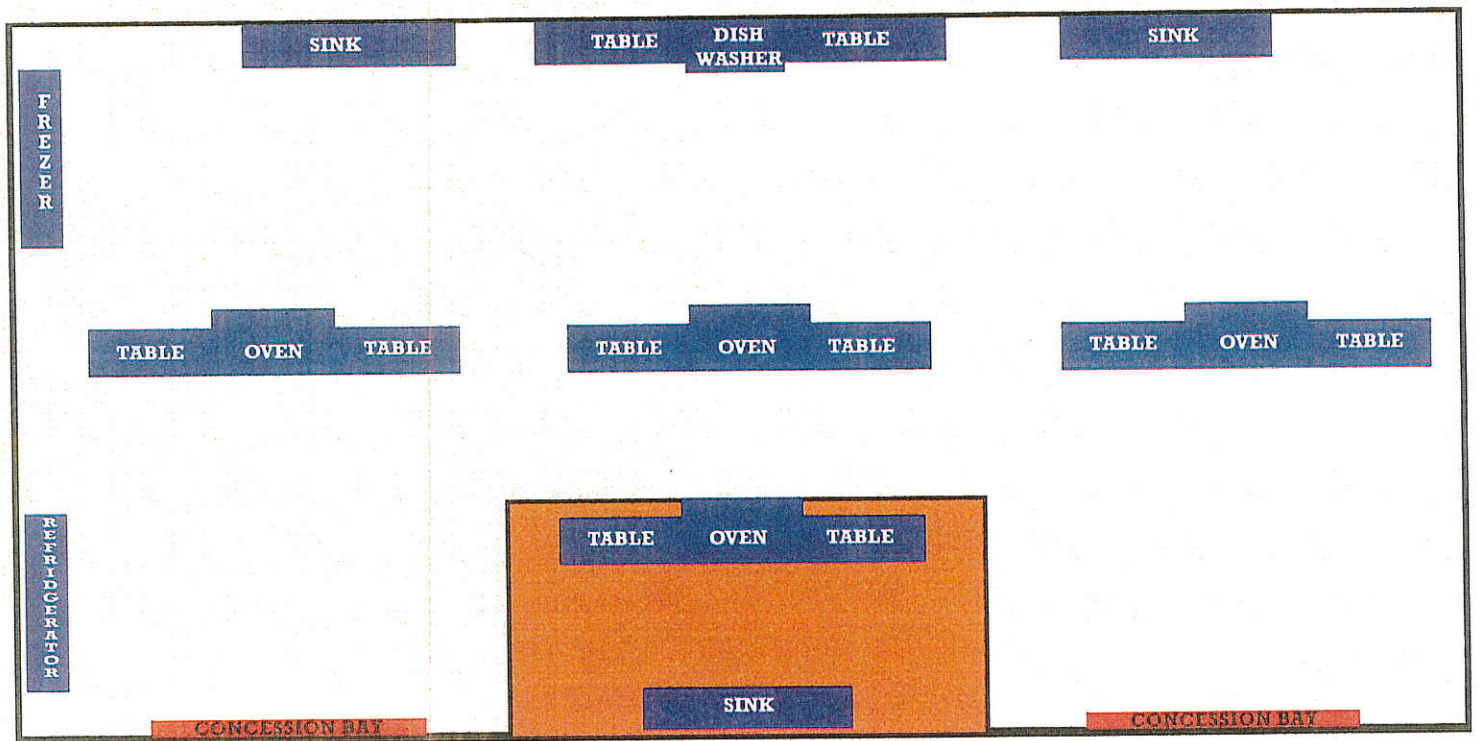


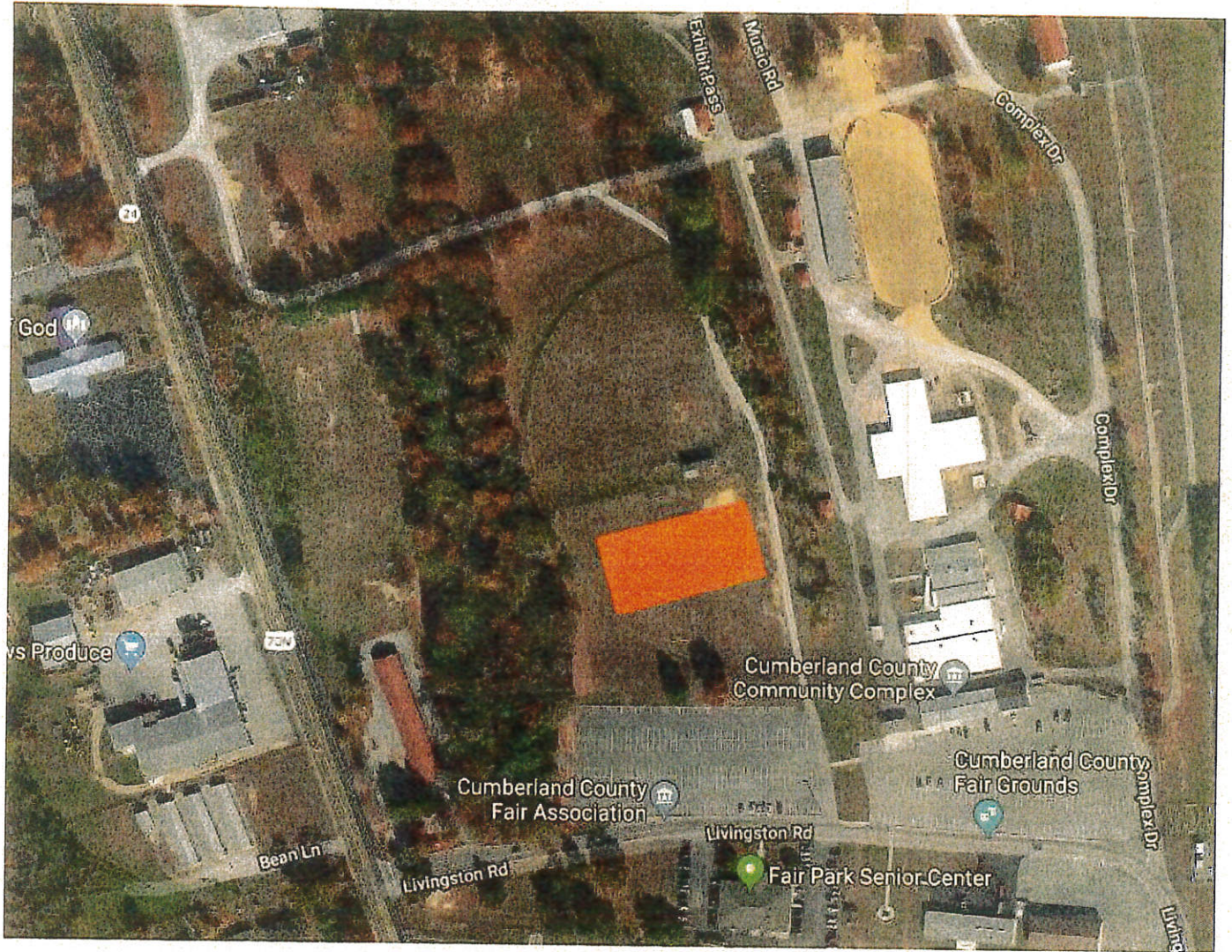
BUILDING MEASUREMENTS
LARGE ROOM= 45,000 sq. ft. W/ STORAGE- 40,500 sq. ft.
BREAK-OUT ROOMS= 1,350 sq. ft. X 2
KITCHEN= 1,800 sq. ft.
CLASSROOM / BREAK-OUT ROOM= 1,350 sq. ft.
TOTAL BUILDING = 60,000 sq. ft.

One Inch= 30'
One Square Inch= 900 ft. 2

Appendix D: The Proposed Center

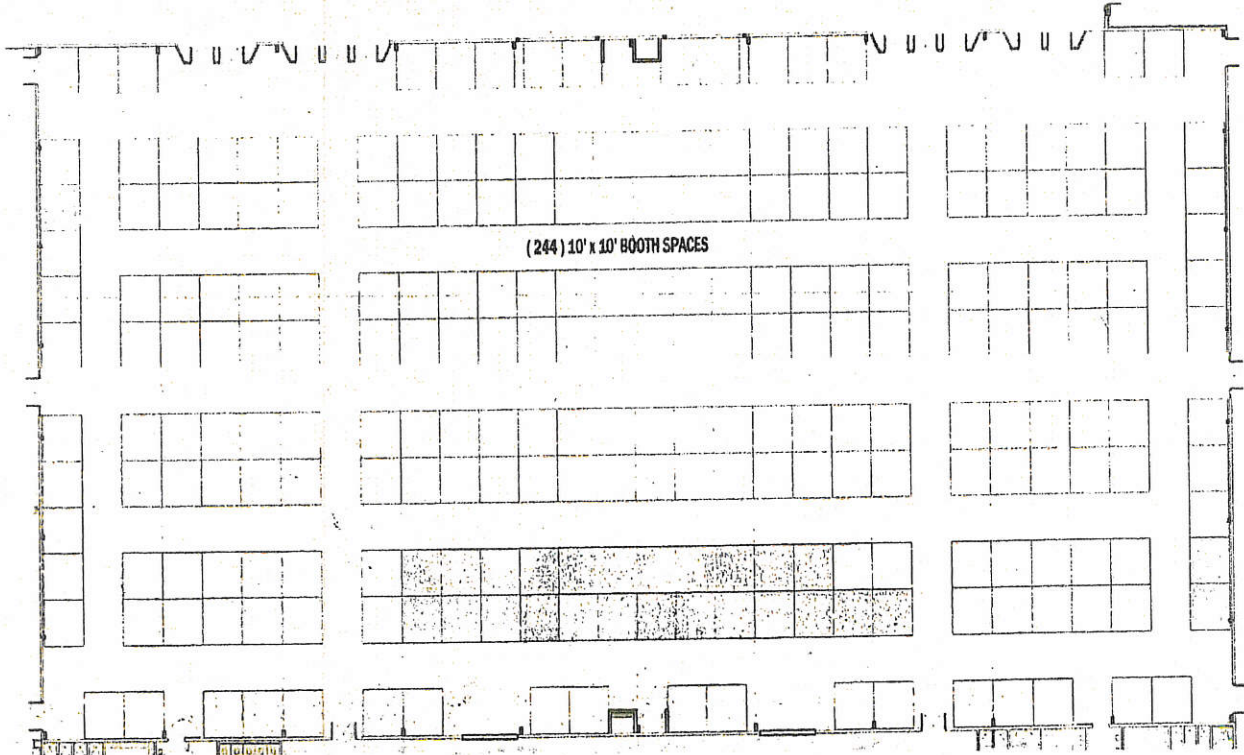
Appendix E: The Commercial Kitchen





Appendix G: Seating

TRADE SHOW/ MARKET



BANQUET SEATING

