

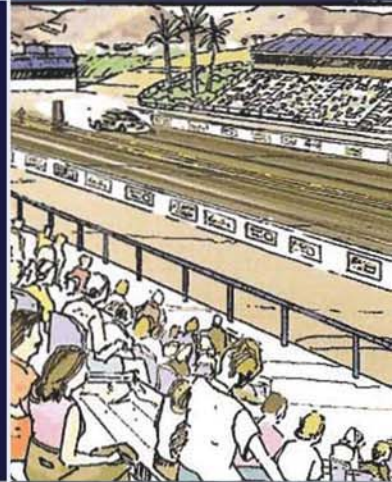


# Augusta Georgia

Feasibility Study for Building and Operating  
a Professional Level Drag Strip

SUBMITTED TO:

**The Augusta Commission**



SUBMITTED BY:

C.H. Johnson Consulting, Inc.  
Frost Motorsports, LLC

September 2006

## **TABLE OF CONTENTS**

- I. TRANSMITTAL LETTER**
- II. INTRODUCTION**
- III. SITE AND MARKET ANALYSIS**
- IV. INDUSTRY OVERVIEW**
- V. FACILITIES AND EVENT REVIEW**
- VI. FINANCIAL PROJECTIONS**
- VII. ECONOMIC AND FISCAL IMPACT ANALYSIS**

**C.H. JOHNSON CONSULTING, INC.**  
*EXPERTS IN CONVENTION, SPORT AND REAL ESTATE CONSULTING*

**I. TRANSMITTAL LETTER**

# C.H. JOHNSON CONSULTING, INC.

EXPERTS IN CONVENTION, SPORT AND REAL ESTATE CONSULTING

September 29, 2006

Mr. Frederick L. Russell  
Administrator  
530 Greene Street Room # 801  
Augusta, Georgia 30911

Dear Mr. Russell:

Pursuant to our engagement with the City of Augusta, Georgia, C.H. Johnson Consulting, Inc. (Johnson Consulting) in association with Frost Motorsports, LLC (Frost Motorsports) has prepared a market demand and financial feasibility analysis of the proposed development and operation of a drag strip in Augusta, Georgia. Our analysis includes a site review and market analysis, an overview of the industry, a review of facilities and events held, projections of financial performance, and analysis of economic and fiscal impact. The attached report explains the methods used to calculate the estimates and discusses the results.

Johnson Consulting has no responsibility to update this report for events and circumstances that occur after the date of this report. The findings presented herein reflect analysis of primary and secondary sources of information. Johnson Consulting utilized sources deemed to be reliable but cannot guarantee their accuracy. Moreover, estimates and analysis presented in this study are based on trends and assumptions, which usually result in differences between the projected results and actual results. Because events and circumstances frequently do not occur as expected, those differences may be material.

The procedures performed in this study are limited in nature and extent and such procedures do not constitute an audit, examination, compilation or review in accordance with standards established by the American Institute of Certified Public Accountants and, therefore, we do not express an opinion in any other form than the opinion expressly stated in this letter.

We have enjoyed serving you on this engagement and look forward to providing you with continuing service.

Sincerely yours,



C.H. JOHNSON CONSULTING, INC.

**C.H. JOHNSON CONSULTING, INC.**  
*EXPERTS IN CONVENTION, SPORT AND REAL ESTATE CONSULTING*

**II. INTRODUCTION**

## **INTRODUCTION**

C.H. Johnson Consulting, Inc. (Johnson Consulting) and Frost Motorsports, LLC (Frost Motorsports) reviewed the preliminary business plan for the proposed drag strip in Augusta, Georgia and evaluated the ability of the facility to meet operating expenses. This report presents the results of research and analysis by Johnson Consulting and Frost Motorsports (the Consulting Team), which includes:

- An economic and demographic analysis of the potential market area to be served by the proposed project, including consideration of competing facilities.
- An overview of the history and current developments in the industry.
- Analysis of the potential for various motorsports sanctioning bodies to schedule events at the drag strip and the appropriateness of the proposed facility for those events.
- Projections of demand for the facility, including the number of events and attendance.
- Ten-year financial projections, including all anticipated operating revenues and expenses.
- Projections of the economic and fiscal impacts associated with the development and operation of the facility.

## **Approach to Development**

The proposed drag strip project is designed to initially serve as the premier motorsports facility serving the Augusta Metro Market. The owners-operators of the dragway recognize that many race track projects are unsuccessful because they start out too ambitiously, with the expectation of immediately acquiring national racing events. In the motorsports industry, a guaranteed commitment for race events is not typically provided by major sanctioning bodies prior to completion of a facility. The scale of the proposed dragway development reflects the realistic expectation of a new track, by incorporating design features that allow for future expansion of seating capacity and amenities.

For the purposes of this analysis, the Consulting Team has assumed the following:

- The proposed drag strip will be a new generation track, that meets the design and safety specifications of major sanctioning bodies, while offering the state-of-the-art in design, fan comfort and amenities, and revenue generating capabilities,

- The track will be masterplanned in a way that anticipates evolution, rather than follow the piecemeal development pattern that has occurred at other tracks.

A one-quarter mile drag strip is proposed for Augusta. Preliminary plans call for a total capacity of 15,000 seats located on both sides of the track. Additional plans call for administrative offices for track management and sanctioning bodies, ticket offices, a control tower, luxury suites, concession areas, pit areas, rest rooms, a hospitality area, and ample on-site parking.

The drag strip is proposed to cost approximately \$5.4 million. It is expected that the City of Augusta would explore various types of models for this proposed facility. Since there are many types of partnerships between the public and private sectors, these public / private partnerships are dictated by what each party can bring to the table. The public sector may be able to provide a combination of land, public capital / revenue streams, condemnations, infrastructure improvements and tax abatement. The private sector may be able to provide land, investment capital, acceptance of risk, operating knowledge and tenants. The unique background and political environment surrounding the financing, construction and operation of motorsports facilities will play a critical role in shaping the appropriate structure for the Augusta Drag Strip.

The City of Augusta has allocated \$1,000,000 for infrastructure cost. The City of Augusta will assist in financing the remaining budget needed to complete the drag strip.

Management for the facility has not been identified. It is a common practice in the industry to find personnel with track operational and marketing experience. Due to the popularity of the industry, locating experienced management personnel will be critical to the success of the drag strip. The track is also planned to host other types of events, such as concerts, flea markets, and other public events.

## **Executive Summary**

Based on a review of the market, overview of the industry, a review of the drag strip business plan, and an assessment of facility's ownership and experience in the industry, the Consulting Team concludes the following:

- The concept is to develop a high-quality facility with a one-quarter mile drag strip attractive too, and capable of hosting, a national event. This distinguishes the dragway from most other dragstrips like those in South Carolina and Georgia.

- The economic and demographic trends in the industry favor the development of the drag strip. The Southern region is historically favorable to racing and has seen development of few major drag strips in the last few years (in South Carolina and Georgia). The site is located in a market that does not currently offer a newer “state-of-the-art” quarter-mile drag strip, which is market strength. However, Carolina Dragway in Jackson, South Carolina offers primarily one-eighth mile racing on its quarter-mile drag strip competes for the same base of drivers, spectators, sanctioning bodies, events and sponsors.
- The regional and local markets are likely to support the Augusta Drag Strip and close proximity to Atlanta, and other major population centers is also a market strength.
- Potential expansion of certain racing series and relocation of some existing racing events by industry sanctioning bodies are not likely initially and the drag strip may not benefit from these expansions and relocations.
- The demographics of drivers and race fans are highly attractive to sponsors, sanctioning bodies, promoters, tracks, and markets that host races. On average, race fans are younger, more affluent, more highly educated, and more family-oriented than the U.S. population as a whole.
- Competition from other facilities for race dates is the largest challenge facing this development. The primary factor in acquiring race dates is the ability of a track’s ownership team to leverage their relationships within the racing industry, especially with International Hot Rod Association (IHRA) and the National Hot Rod Association (NHRA).
- As is constituted, the City of Augusta would issue a request for qualifications for an entity to construct, manage, operate and promote races at the Augusta Drag Strip. This owner / operator / management team would be expected to have experience in facility construction, track operation, marketing, sponsorship, maintenance, concessions, sanctioning body relations, event scheduling and driver / spectator contact.
- Provided that the management successfully negotiates agreements with major sanctioning bodies and obtains the events projected herein, or similar events, sufficient revenues should be available to meet operating expenses, with adequate funds available to cover annual debt service within the track’s first ten years of operation.

### **III. SITE AND MARKET ANALYSIS**

## **SITE AND MARKET ANALYSIS**

Feasibility analysis performed by Johnson Consulting and Frost Motorsports (the Consulting Team) of the Augusta Drag Strip considered the site and surrounding area, the economic and demographic makeup of the region, regional drag strip competition, and comparisons to a set of selected markets that have similar events and facilities.

### **Site Analysis**

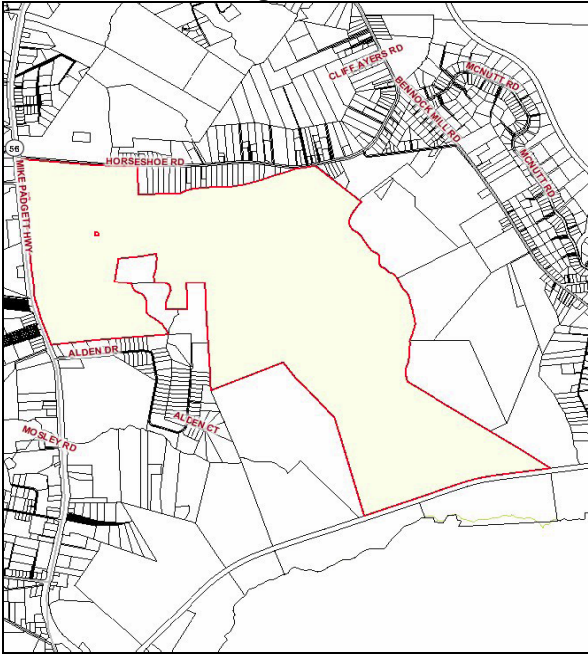
The City of Augusta indicated that several sites are being considered for the potential location of this facility. They indicated that the availability, parcel size, ownership status, location and other factors contribute to the positive characteristics of land located at the Augusta Corporate Park.

Therefore for purposes of this analysis, we have considered the site located at the intersection of Mike Padgett Highway and Horseshoe Road in Augusta, Georgia. The potential site is located in Richmond County, Georgia and bordered by Columbia County on the north, McDuffie and Jefferson Counties on the west, Burke County on the south and Aiken County, South Carolina on the east.

The size of the entire parcel is 1,750 acres. It is not anticipated the drag strip will utilize the entire acreage. The topography of the site varies, with almost 100 feet in elevation change. It is flatter towards the west end of parcel and slopes towards the southeastern section.

Figure 3-1 shows a map of the proposed location for Augusta Drag Strip.

Figure 3-1



The site has water and sewer available to its entrance. Additional infrastructure including roads will have to be brought into the parcel.

The site has accessibility on the west from Mike Padgett Highway and Horseshoe Road to the north. Additional access could occur from other parcels if easements were obtained. The site is bordered by the CSX tracks on the southeast.

The nearest major highways are Interstates 520 and 20, which can be reached from Mike Padgett Highway.

Preliminary analysis has indicated that these roads provide adequate ingress and egress for the proposed event schedule for Augusta Drag Strip. It is expected that the management will work with municipal officials to develop an adequate traffic plan.

The front portions of the site have good visibility from the frontage roads, but the back portion is not easily seen since it is a deep site and slopes downward.

The traffic count for various intersections near the facility provides insights about the visibility that the facility and its sponsors receive. Research indicated that traffic count is heavier on Mike Padgett Highway during certain times of the day, then on Horseshoe Road.

The site will have to be improved to create the facility including parking areas. It is anticipated that they will be able to have adequate space for parking during the planned activity schedule. If necessary, off-site parking can be utilized, but the market area is probably familiar with this activity based on its ability to host the Masters.

Most of the surrounding land area has varied uses. Research indicated that this site is currently zoned agriculture / industrial. It is currently owned by the Development Authority of Richmond County and is being marketed as the Augusta Corporate Park.

There may be a potential for sensitive biological and archeological conditions on the site.

The impact of noise can be an issue in motorsports. There are residential areas near the site, but it is expected that management would coordinate activities with them. Various municipalities may establish codes or ordinances that cover motorsports vehicles. Motorsports facilities will utilize various ways to mitigate sound by considering hours of operation, construction of special dampening walls, and the use of mufflers on race vehicles.

The project has not received any approvals from various governmental entities. Management will have to conduct additional studies and analysis that address zoning ordinances, general site plan, and other items.

## Market Analysis

Local market area characteristics influence the demand potential for motorsports activities. This section profiles the area, highlights characteristics of the area that affect the motorsports industry, and also provides a brief overview of the economic characteristics of the market.

### Overview

The City of Augusta, Georgia is part of a one-county Metropolitan Statistical Area (MSA). Augusta is located in Richmond County, and had a population of approximately 190,000 people in 2005. The City is located about halfway up the Savannah River on the fall line, on the east side of North-central Georgia, bordering South Carolina. It is located within an hour drive from Columbia, South Carolina and is a two-hour drive from Atlanta, Georgia.

Figure 3-2 shows a map of Augusta.

Figure 3-2



## **Brief History**

Augusta was founded in the 1735 after James Oglethorpe founded Savannah, sent his troupes on a journey up the Savannah River. He ordered them to build at the most navigable part of the river and Nobel Jones who created the settlement provided the first line of defense against the Spanish and the French. Oglethorpe named the new town Augusta in honor of Princes Augusta, wife of the Prince Frederick of Wales.

## **Regional Access**

Augusta is easily accessible by car and air, via the Augusta Regional Airport. Augusta is located in the southern U.S. and lies along Interstate Highway 20, which runs to the north of the City, and Interstate Highway 520, which runs around the City. Interstate 3 is a new highway planned to run directly through downtown Augusta. Once Interstate 3 is built, Augusta will be the only city outside Atlanta to have a major junction at the intersection of I-20 and I-520. This is particularly important for a drag strip, as many of its users will travel from other parts of the region or country and will need to rely on air and road service.

## **Airport Access**

Augusta is served by two airports. Augusta Regional Airport is the main airport in the City's Southside. Daniel Field Airport is a private airport off of Wrightsboro Road outside of Valley Park; the airport is mainly used by golfers and patrons of the Masters Tournament in April. Delta and U. S. Airways are the major airlines which have daily flights to and from Augusta.

## **Economic and Demographic Overview**

The following text and tables summarize important characteristics of the local market, as defined by various geographical regions, such as the City of Augusta, Richmond County, and the Augusta-Richmond County MSA. These characteristics will help to define the strength of the market and will support the demand projections developed later in this report.

## **Population**

A strong population base is important to the success and demand of a motorsports venue because its initial users will be local residents, especially for weekly races and events. Table 3-1 displays the historical population and growth rates.

**Table 3-1**

|                             | Historical Population and Growth Rates |          |             |          |             |          | Annual Growth Rate |
|-----------------------------|--|----------|-------------|----------|-------------|----------|--------------------|
|                             | 1990                                   |          | 2000        |          | 2005        |          |                    |
|                             | Population                             | % of MSA | Population  | % of MSA | Population  | % of MSA |                    |
| US                          | 248,709,873                            | --       | 281,421,906 | --       | 293,655,404 | --       | 1.0%               |
| State of Georgia            | 6,478,216                              | --       | 8,186,453   | --       | 9,072,576   | --       | 1.9%               |
| Augusta-Richmond County MSA | 417,810                                | 100.0%   | 500,345     | 100.0%   | 516,338     | 100.0%   | 1.3%               |
| Richmond County, GA         | 190,440                                | 45.6%    | 199,775     | 39.9%    | 195,769     | 37.9%    | 0.2%               |
| Columbia County, GA         | 66,900                                 | 16.0%    | 89,288      | 17.8%    | 103,812     | 20.1%    | 2.4%               |
| McDuffie County, GA         | 20,119                                 | 4.8%     | 21,231      | 4.2%     | 21,743      | 4.2%     | 0.5%               |
| Burke County, GA            | 20,540                                 | 4.9%     | 22,243      | 4.4%     | 23,299      | 4.5%     | 0.8%               |
| Edgefield County, SC        | 18,375                                 | 4.4%     | 24,595      | 4.9%     | 25,528      | 4.9%     | 1.9%               |
| Aiken County, SC            | 120,940                                | 28.9%    | 142,552     | 28.5%    | 150,181     | 29.1%    | 1.3%               |

Source: U.S. Census Bureau, Johnson Consulting

The State of Georgia experienced steady population growth from 1990 through 2005 at a higher rate than that of the U.S. The population growth rates for the Augusta MSA has also experienced growth, at a rate slightly greater than that of the U.S. The City of Augusta itself has seen a very slow growth rate between 1990 and 2005, and actually saw a decrease in population from 2000 to 2005 (not shown in table?).

Population projections for the next 25 years are shown in Table 3-2. There are no population projections for the City of Augusta, but there are projections for Richmond County, which makes up the Augusta MSA. Richmond County population is projected to increase slightly between 2010 and 2030.

**Table 3-2**

| Augusta, GA MSA |                  |                 |
|-----------------|------------------|-----------------|
| Year            | Population (000) | Annual % Change |
| 2010            | 544,440          | --              |
| 2015            | 569,750          |                 |
| 2020            | 596,100          |                 |
| 2025            | 623,720          |                 |
| 2030            | 653,560          | 0.9%            |

Source: City of Augusta, Georgia

### Income and Employment

The depth and strength of a market's employment base and income levels is a strong indicator of its potential ability to support a motorsports venue. In general, higher income levels lead to greater amounts of disposable income, which can be spent on non-essential items such as recreation and entertainment (at events such as drag races). Markets with more wealth also tend to be attractive for regional and national tourism events such as drag races and other motor sports events. Less

wealthy markets will have less disposable income available to spend on special events, and would generally be expected to provide a lower level of attendee demand for such a facility. Indicators of a market’s overall wealth and growth can include trends in its income and employment.

Table 3-3 summarizes the historical growth in income and employment in the MSA from 1994 through 2003, based on the latest data provided by the Bureau of Economic Analysis.

**Table 3-3**

| <b>Augusta, GA MSA Employment and Income</b>                           |                            |  |           |                          |             |
|--|----------------------------|--|-----------|--------------------------|-------------|
| <b>Year</b>  | <b>Non-Farm Employment</b> | <b>Average Monthly Unemployment Rate</b> |           | <b>Per Capita Income</b> |             |
|  | <b>Augusta, GA</b>         | <b>Augusta, GA</b>                       | <b>US</b> | <b>Augusta, GA</b>       | <b>US</b>   |
| <b>1994</b>  | 246,905                    | 6.4%                                     | 6.8%      | 18,903                   | \$22,581    |
| <b>1995</b>  | 249,171                    | 6.8%                                     | 6.5%      | 19,321                   | \$23,562    |
| <b>1996</b>  | 250,506                    | 7.0%                                     | 6.2%      | 20,199                   | \$24,651    |
| <b>1997</b>  | 255,489                    | 6.5%                                     | 5.7%      | 20,942                   | \$25,874    |
| <b>1998</b>  | 260,547                    | 5.6%                                     | 5.5%      | 22,084                   | \$27,321    |
| <b>1999</b>  | 266,933                    | 5.0%                                     | 5.1%      | 22,698                   | \$28,546    |
| <b>2000</b>  | 269,631                    | 3.8%                                     | 4.9%      | 23,910                   | \$29,847    |
| <b>2001</b>  | 268,780                    | 4.6%                                     | 6.4%      | 24,791                   | \$30,527    |
| <b>2002</b>  | 268,111                    | 5.0%                                     | 5.8%      | 25,529                   | \$30,804    |
| <b>2003</b>  | 272,277                    | 5.1%                                     | 6.0%      | 25,994                   | \$31,472    |
| <b>2004</b>  | 276,146                    | 5.5%                                     | 5.5%      | 27,128                   | n/a         |
| <b>Compounded Annual Growth Rate</b>                                   |                            |  |           |                          |             |
| <b>1994-2003*</b>  | <b>1.1%</b>                | <b>--</b>                                | <b>--</b> | <b>3.6%</b>              | <b>3.8%</b> |
| <i>* 2004 for Employment</i>   |                            |  |           |                          |             |
| <i>Source: Bureau of Economic Analysis, Bureau of Labor Statistics</i> |                            |  |           |                          |             |

Personal income has shown consistent growth since 1994, at an average annual increase of 3.6 percent from 1994 to 2004. Employment has also increased in growth every year excluding the years 2001 and 2002. Declining employment levels 2001 and 2002 coincide with national employment rates during these economic recessions.

Table 3-4 displays the MSA’s non-farm earnings by industry sector for 2001 through 2004.

Table 3-4

| <b>Augusta, GA MSA Non-Farm Employment By Sector</b> |                |                |                |                |
|--|----------------|----------------|----------------|----------------|
| <b>Sector</b>  | <b>2001</b>    | <b>2002</b>    | <b>2003</b>    | <b>2004</b>    |
| Construction   | 19,693         | 19,033         | 19,764         | 19,412         |
| <i>Percent of Total</i>                              | 7.2%           | 7.0%           | 7.2%           | 7.0%           |
| Manufacturing  | 29,419         | 27,683         | 26,660         | 26,164         |
| <i>Percent of Total</i>                              | 10.8%          | 10.2%          | 9.7%           | 9.4%           |
| Wholesale Trade                                      | 5,154          | 5,212          | 5,495          | 5,975          |
| <i>Percent of Total</i>                              | 1.9%           | 1.9%           | 2.0%           | 2.1%           |
| Retail Trade   | 31,426         | 31,608         | 31,537         | 32,069         |
| <i>Percent of Total</i>                              | 11.6%          | 11.7%          | 11.5%          | 11.5%          |
| FIRE*  | 13,785         | 13,925         | 14,298         | 14,798         |
| <i>Percent of Total</i>                              | 5.1%           | 5.1%           | 5.2%           | 5.3%           |
| Services   | 87,855         | 89,302         | 92,029         | 96,000         |
| <i>Percent of Total</i>                              | 32.3%          | 32.9%          | 33.4%          | 34.4%          |
| Government   | 55,040         | 54,773         | 55,612         | 55,125         |
| <i>Percent of Total</i>                              | 20.2%          | 20.2%          | 20.2%          | 19.7%          |
| Other  | 29,480         | 29,744         | 29,989         | 29,758         |
| <i>Percent of Total</i>                              | 10.8%          | 11.0%          | 10.9%          | 10.7%          |
| <b>Total</b>   | <b>271,852</b> | <b>271,280</b> | <b>275,384</b> | <b>279,301</b> |
| <b>Percent Growth</b>                                | --             | <b>-0.2%</b>   | <b>1.5%</b>    | <b>3.0%</b>    |
| <b>CAGR** 2001-2004</b>                              |                |                |                | <b>0.9%</b>    |
| <i>*Finance, Insurance, and Real Estate</i>          |                |                |                |                |
| <i>**Compounded Annual Growth Rate</i>               |                |                |                |                |
| <i>Source: Bureau of Economic Analysis</i>           |                |                |                |                |

Non-farm earnings have grown modestly from 2001 to 2004. Construction, manufacturing, retail and other sectors, are the only sectors that experienced declines during this period. The FIRE sector was the only sector that remained consistent in its relative contribution to non-farm earnings from 2001 to 2004.

## Income

Residents' effective buying income also helps to demonstrate the amount of disposable income that is available locally. This data is shown in Table 3-5.

Table 3-5

| Effective Buying Income (EBI) 2005 |                        |                            |                              |                        |                        |            |
|------------------------------------|------------------------|----------------------------|------------------------------|------------------------|------------------------|------------|
| Location                           | Total EBI<br>(000,000) | Median<br>Household<br>EBI | % of Households by EBI Group |                        |                        |            |
|                                    |                        |                            | Under<br>\$20,000            | \$20,000 -<br>\$34,999 | \$35,000 -<br>\$49,999 | \$50,000 + |
| Augusta, GA                        | \$28,790               | \$30,472                   | 30.2%                        | 26.8%                  | 19.0%                  | 24.0%      |
| Richmond County, SC                | \$29,446               | \$30,561                   | 23.1%                        | 26.9%                  | 19.1%                  | 30.9%      |
| Augusta-Richmond County GA-SC MSA  | \$85,147               | \$45,390                   | 15.6%                        | 20.1%                  | 19.7%                  | 44.6%      |
| State of Georgia                   | \$1,671,338            | \$39,247                   | 21.3%                        | 22.5%                  | 19.5%                  | 36.7%      |
| United States                      | \$56,929,096           | \$39,324                   | 12.8%                        | 24.9%                  | 21.5%                  | 40.8%      |

Source: Sales and Marketing Management

As the table shows, the Augusta MSA had a total effective buying income (EBI) of \$85.1 billion (? - check column heading) and a median household EBI of \$45,390 in 2005, while the City of Augusta had an EBI of \$28.8 billion and a median household EBI of \$30,472. This is approximately \$15,000 less than that of the MSA, while the MSA was slightly higher than the State of Georgia. The State of Georgia was approximately the same as the U.S. median household EBI.

### Corporate Presence

Table 3-6 shows the largest employers in Augusta and Richmond County, by number of employees. A market's businesses not only reflect the primary pool of potential attendees to motorsports events, but indicate the market's potential for motorsports event sponsorship as well.

**Table 3-6**

| <b>Largest Employers - Augusta, GA</b> |                  |                       |
|--|------------------|-----------------------|
| <b>Name</b>                            | <b>Industry</b>  | <b># of Employees</b> |
| U.S. Army Signal Center & Fort Gordon  | Government       | 17,404                |
| Medical College of Georgia School      | Education        | 4,656                 |
| Richmond County School System          | Education        | 4,418                 |
| University Hospital                    | Health Care      | 3,200                 |
| Medical College of Georgia             | Health Care      | 3,000                 |
| Augusta-Richmond County Government     | Government       | 2,600                 |
| VA Medical Center                      | Health Care      | 1,975                 |
| East Central Regional Hospital         | Health Care      | 1,800                 |
| Doctors Hospital                       | Health Care      | 1,400                 |
| Sitel USA                              | Customer Service | 1,300                 |
| EZ GO Textron                          | Manufacturing    | 1,277                 |

*Source: Economic Development Department of Augusta, Johnson Consulting*

The U.S Army in Augusta is the largest employer with over 17,000 employees. Manufacturing, customer service, and health care providers constitute the remaining portion of Richmond County’s major employers. Healthcare is the largest sector in Augusta with many hospitals serving the MSA.

### Higher Education

The presence of colleges, universities, and educational institutions can serve as a demand base for a motorsports facility. The number of college students in the area is important because it represents a target audience for motorsports events.

Table 3-7 displays the colleges in the Augusta area and their respective student enrollment.

**Table 3-7**

| <b>Local Academic Institutions</b> |                         |
|------------------------------------|-------------------------|
| <b>Institution</b>                 | <b>Total Enrollment</b> |
| Augusta State University           | 5,070                   |
| Augusta Technical College          | 3,265                   |
| <b>Total Enrollment</b>            | <b>8,335</b>            |

*Source: www.uscollegesearch.org*

There two academic institutions in Augusta: Augusta State University with a student population of 5,070, and Augusta Technical College with a student population of 3,265.

### Hotels and Hotel Meeting Facilities

Augusta is home to a number of hotel properties, including a number of independent operators. A well-balanced market's hotel inventory can improve a motorsports facility's attractiveness to out-of-town attendees.

Table 3-8 shows the total number of rooms for each hotel in Augusta.

**Table 3-8**

| <b>Inventory of Local Hotels in Augusta, GA</b> |                    |                   |
|---|--------------------|-------------------|
|   | <b>Chain Scale</b> | <b># of Rooms</b> |
| Marriott  | Upper Upscale      | 372               |
| Augusta Inn & Conference Center                 | Indep. Middle      | 239               |
| Ramada Plaza                                    | Mid w/ F&B         | 200               |
| Augusta Towers Hotel Convention Center          | Indep. Upper       | 179               |
| The Partridge Inn                               | Indep. Upper       | 155               |
| Holiday Inn                                     | Mid w/ F&B         | 150               |
| Courtyard                                       | Upscale            | 130               |
| Comfort Inn Augusta                             | Mid w/o F&B        | 123               |
| Americas Best Value Inn                         | Economy            | 120               |
| Masters Inn                                     | Economy            | 120               |
| Fairfield Inn                                   | Mid w/o F&B        | 117               |
| Amerisuites Augusta River Watch                 | Upscale            | 111               |
| Knights Inn                                     | Economy            | 109               |
| Quality Inn & Suites                            | Mid w/ F&B         | 107               |
| Comfort Inn Medical Center Area                 | Mid w/o F&B        | 100               |
| Sleep Inn                                       | Mid w/o F&B        | 82                |
| Homewood Suites                                 | Upscale            | 65                |
| Wingate Inn                                     | Mid w/o F&B        | 64                |
| Super 8   | Economy            | 63                |
| Ramada  | Mid w/o F&B        | 58                |
| Days Inn Augusta                                | Economy            | 55                |
| Econo Lodge Fort Gordon                         | Economy            | 53                |
| Travelodge                                      | Economy            | 50                |
| Rodeway Inn                                     | Economy            | 47                |
| Days Inn  | Economy            | 46                |
| Ramada Limited                                  | Mid w/o F&B        | 42                |
| Days Inn  | Economy            | 42                |
| <b>Total</b>                                    |                    | <b>2,999</b>      |

*Source: Smith Travel Research, Johnson Consulting*

There are 27 hotels in Augusta, as shown in the preceding table, with approximately 3,000 rooms.

### **Arts, Culture, Entertainment, Recreation, and Sports**

Augusta offers a number of natural, recreational and cultural attractions that are the primary factors behind the tourist appeal of the region. These offerings provide a set of attractions and activities for local residents as well as visitors, and help to

serve as an additional draw for out-of-town attendees at a motorsports facility. Leading attractions include, but are not limited to:

- *Augusta National Golf Club* - Home to the famous "Masters" golf tournament held every year in April.
- *Augusta Museum of History* - was established in 1937 for the purpose of preserving and sharing the material history of Augusta and the region. From a 10,000 year-old projectile point to a 1914 locomotive the collections chronicle a rich and fascinating past.
- *Georgia Golf Hall of Fame and Garden* - Encompass approximately 17 acres along the banks of the Savannah River along Reynolds Street. The site includes eight acres of gorgeous display gardens. Sculptures of Arnold Palmer, Byron Nelson, Bobby Jones, and Jack Nicklaus all have permanent homes in the garden.
- *Fort Discovery* - Located in downtown Augusta on the Riverwalk, the Fort Discovery Science Center includes some 280 exhibits. Highlights include the areas of Robotics, Math, and Space.
- *Lucy Craft Laney Museum of Black History* - Dedicated to one of Georgia's most influential educational leaders, the Lucy Craft Laney Museum of Black History includes a wide array of exhibits of historical and cultural interest to the Augusta area. Exhibits of interest include the Ebony Legacy Exhibition, Pilgrim Life Insurance Company Exhibition, and the Alice Davis Collection.
- *Lake Olmstead Stadium* - This stadium is primarily used for baseball, and is the home field of the Augusta Green Jackets minor league team. It was built in 1995 and seats 4,400 people.
- *James Brown Arena* - The arena was formally known as the Augusta-Richmond County Coliseum Authority. It has a seating capacity of 8,500 and is home to the Augusta Lynx of the East Coast Hockey League.

## Market Area Conclusion

Augusta serves as a regional draw on several levels including its location on the Savannah River and on the Georgia-South Carolina border with its historic, small-town appeal. The majority of events offered in the community focus on the historic nature of the area, as well as music/entertainment events. While the current state of the primary facility available to host community and tourist-centered events is unlikely to become a deterrent to the overall attractiveness of the community.

## **IV. INDUSTRY OVERVIEW**

## **INDUSTRY OVERVIEW**

### **Drag Racing - Overview**

Drag Racing is a straight-line acceleration contest between two vehicles over a measured distance. General standard distances accepted worldwide are a quarter-mile (1,320 feet) and an eighth-mile (660 feet). The objective is for one vehicle to get to the finish line first.

A drag racing event is comprised of a series of two-vehicle, tournament-style eliminations. Vehicles in competition are divided into a variety of classes. All classes have specific rules and guidelines that determine eligibility.

A starting line device utilizing a set of lights, often referred to as a "Christmas Tree," is used to initiate the race. In a professional category racing, a .400-second flash of amber lights precedes the important green light, which signals the start of the race. If a driver leaves the starting line before the green light activates, a red light illuminates, signaling a foul start. The offending driver is disqualified.

A driver can win the race despite slower elapsed time and speed totals. In some rare instances, a winning driver can use a quicker reaction time to the green starting light, to overcome an opponent's greater performance advantage on the track.

Most sportsman categories operate on a handicap system, which allows slower vehicles the ability to compete on an even playing field with quicker and faster counterparts. During eliminations drivers make elapsed time performance predictions. The slower vehicle will receive an advantage at the start, equal to the difference between the two vehicles' performance predictions.

In most cases, the vehicle that gets to the finish line first wins. However, if a vehicle goes quicker than their performance prediction, it is determined to 'breakout' and thus lose to the slower vehicle. If a double breakout occurs, the car with the lowest time is the winner. In other instances, such as a foul-start, crossing the center-line, or making contact with an outside track boundary, drivers are automatically disqualified.

## **Drag Racing - Classes Descriptions**

### **Top Fuel Dragsters**

Top Fuel Dragsters represent the pinnacle of drag racing performance. Utilizing a supercharged engine producing over 6,000 horsepower from 500 cubic inches of displacement, these machines can accelerate from a standing start to 100 miles per hour in less than one second and cover the quarter mile in the four-second zone at over 330 mph.

Each quarter-mile run costs nearly \$4,000 in basic wear on equipment, including almost \$500 for the fifteen gallons of nitro methane fuel used for every pass. Using sophisticated computers to monitor all engine functions and complicated clutch-engagement systems, each team is typical of the \$1,000,000 investment needed to fund a full season of racing. The Top Fuel Eliminator field is comprised of the eight teams which recorded the quickest elapsed times during qualifying rounds.

### **Nitro Funny Car**

This class highlights one of the quickest and fastest full bodied race cars in competition. Like their Top Fuel cousins, these entries utilize the same 8,000 horsepower supercharged engines producing speeds of over 320 mph. The overwhelming display of nitro combined with the added excitement of a short wheelbase chassis and carbon fiber body resembling production of today make the Nitro Funny Car division one of the most popular classes in drag racing history.

### **Fuels Pro Modified**

One of the most popular divisions in the sport, Pro Modified embodies the true spirit of hot rodding, offering a wildly diverse group of race cars and a variety of 2,000-horsepower engines. Combining classic body styles and modern equipment, teams burn gasoline or methanol in either supercharged or nitrous oxide power plants, pushing them to low six-second times at over 225 mph. The war constantly rages back and forth between the blown cars and the nitrous cars, each seeking to claim dominance over one of drag racing's most exciting and volatile classes.

The displacement limit of 716 cubic inches remains on non-supercharged engines while supercharged versions face a ceiling of 527 cid. Minimum weights include 2,375 (nitrous) and 2,700 (supercharged). The Pro Modified field is composed of the 16 quickest teams from the qualifying rounds.

## Alcohol Funny Car

Cloaked in fiberglass or carbon fiber replicas of passenger car bodies, each Alcohol Funny Car is powered by a supercharged, fuel-injected engine capable of producing 3,000 horsepower, and making passes in five seconds at 240 mph. Funny Cars whip the crowds into frenzy, performing long, smoky burnouts and winding out RPM's through the gears. Even though the drivers make it look easy, piloting one of these mercurial beasts down the track remains one of the most difficult tasks in drag racing. Alcohol Funny cars are permitted to weigh no less than 2,200 pounds, including the driver. Because the engine is located in the front of the driver, the danger of fire mandates extensive safety equipment in the class. The methanol or ethanol fuels used in the class are less expensive than nitromethane, but each car represents a \$100,000 minimum investment. The Alcohol Funny Car field is open to the 8 quickest teams based on qualifying rounds.

## Pro Stock

To the drag racing purists, Pro Stock remains the most important category in the sport. Deeply rooted in the legacy of muscle cars, Pro Stock vehicles retain street ID while relying solely on gasoline burning carbureted engines displacing less than 820 cubic inches, all the while surpassing 220 mph. Each car is scrutinized to make certain it fits specific body templates, thus ensuring the factory look. Every car fills their fuel cells in the staging lanes from the same drums. The vehicles must weigh more than 2,400 pounds. Pro Stock Eliminator is made up of the 16 quickest teams from qualifying rounds.

## **DRAG RACING – SANCTIONING BODIES**

During our research, the Consulting Team located information on sanctioning bodies that regulate activities on drag strips. These entities operate on both a local, regional and national levels. In addition, they oversee both two- and four-wheel racing on motorcycles, cars, and trucks.

Organizations that sanction drag racing in the market area are shown in Table 4-1.

**Table 4-1  
Augusta Drag Strip  
Sanctioning Bodies – Drag Racing**

| <b>Name</b>                         | <b>Abbreviation</b> | <b>Location</b>      | <b>Type</b> |
|-------------------------------------|---------------------|----------------------|-------------|
| International Hot Rod Association   | IHRA                | Norwalk, OH          | Drag        |
| National Hot Rod Association        | NHRA                | Glendora, CA         | Drag        |
| International Hot Rod Association   | IHRA                | Norwalk, OH          | Drag        |
| All Harley Drag Racing Association  | AHDRA               | Winston-Salem, NC    | Drag        |
| American Drag Racing League         | ADRL                | St. Peters, MO       | Drag        |
| Goodguys Vintage DRA                | GVDRA               | Alamo, CA            | Drag        |
| Import Drag Racing Association      | IDRC                | Huntington Beach, CA | Drag        |
| NOPI Drag Racing Association        | NDRA                | Anaheim, CA          | Drag        |
| PRO FSCDR Association               | PRSCDRA             | Santa Ana, CA        | Drag        |
| National Mustang Racing Association | NMRA                | Santa Ana, CA        | Drag        |
| Southeastern Motorcycle RA          | SMRA                | Americus, GA         | Drag        |
| United Drag Racing Association      | UDRA                | Chagrin Falls, OH    | Drag        |

*Source: Johnson Consulting*

The two premier sanctioning bodies in the United States are the International Hot Rod Association (IHRA) and National Hot Rod Association (NHRA). The following presents an overview on the entities.

### International Hot Rod Association (IHRA)

The drag racing organization was formed in November, 1970. The sanctioning body was the first to attract the involvement of a major corporation as a sponsor in drag racing. They also introduced the sport to a television audience. IHRA is currently owned by Live Nation. They also operate the United States Hot Rod Association (USHRA), and the Amp'd Mobile AMA Supercross Series.

IHRA features 13 classes of competition. Torco Racing Fuels Pro Nitro Top Fuel, the newly reinstated Torco Racing Fuels Pro Nitro Funny Car, Torco Racing Fuels Pro Modified, Alcohol Funny Car, and Torco Racing Fuels Pro Stock comprise the five professional classes. The Mr. Gasket Pro Am Tour, home of IHRA's sportsman racers, include Erson Cams Top Sportsman, Mallory Top Dragster, Top Stock, ACCEL DFI Super Stock, Hays Stock, ACCEL Quick Rod, Lakewood Super Rod, and Hurst Hot Rod.

IHRA's 2006 schedule consists of 11 national events. In addition, the IHRA also features the Mr. Gasket Pro-Am Tour. These sportsman-only events are contested on a divisional level with the IHRA being broken into six divisions - Raiders (9), Heat Wave (2), North Stars (3), Renegades (4), Patriots (1), and Thunder (5).

IHRA also has an established Junior Dragster program to give kids an opportunity to mash the gas down the 1/8-mile. Junior Dragster programs operate

independently at IHRA sanctioned facilities. Junior drivers also compete at the five regional bracket world championship events at the end of the season.

### **National Hot Rod Association (NHRA)**

The NHRA, founded in 1951 by Wally Parks, is the primary sanctioning body for the sport of drag racing in the United States. NHRA is the world's largest motorsports organization with 80,000 members, over 300,000 participants, 140 NHRA member tracks, and over 5,000 events annually.

NHRA National Events reach 35 of the top 50 DMAs, attract over 2 million fans annually and received unprecedented high satisfaction ratings from its spectators.

Four professional classes headline the racing action at NHRA National Events as they vie for a share of more than \$50 million in cash and contingency awards.

Each of these national events is broadcast of ESPN2 to over 60 million viewers.

### **Summary**

Based on this industry overview, the Consulting Team concludes:

The motorsports industry in North America has grown at a remarkable rate in the last decade and is no longer a regional phenomenon. Current indications point to continued growth in the popularity of racing, although perhaps at a slower rate. The sanctioning bodies want to distribute their product to all areas of North America and beyond. This creates an expanded market for tracks in all parts of the U.S. It also exposes racing to a broader market, growing its audience base.

Sanctioning bodies have a variety of relationships with track operators. One of their functions is to sanction events at these facilities. Local drag strips can become a "member track" which allows them access to a set of rules and regulations, technical assistance, insurance programs, and similar others. Member tracks typically pay a fee depending the term of agreement, type of event, number of cars, and the type of relationship with the sanctioning body.

Some sanctioning bodies have little or no room to expand in terms of number of national event races, due to a seemingly full schedule. What is clear is that most other current race inventories can expand to a limited extent and events will shift from inferior facilities to newer and more modern tracks. It is possible that additional minor league series will involve, rotational patterns will occur, or east and west coast divisions could develop.

The increasingly attractive demographics of motorsports fans in general and the high level of interest in motorsports make it amenable to the construction of new facilities.

The rising popularity of motorsports is fueling the construction of new facilities and the refurbishment of others. However, the supply of premier series events is limited and competition for them is increasingly intense. Newly-constructed facilities that offer fan amenities, a good location, and modern revenue generating capabilities will have material advantages over older existing facilities in terms of size, amenities, spectator comfort, and sponsor participation.

New track owners face significant barriers to entry, including the ability of sanctioning bodies to grant dates and an inability to get well-located sites that are large enough and acceptable to local regulatory agencies. This uncertainty increases the risk of investment in comparatively high-cost drag strips. However, our research indicates that sanctioning bodies have a self-interest in moving races to more modern drag strips in strong markets and the proposed project falls in this category.

## **V. FACILITIES AND EVENT REVIEW**

## **FACILITY ANALYSIS**

### **Introduction**

In order to develop estimates related to the potential operations of the various development options being considered, it is helpful to analyze the historical, physical and operational characteristics of existing facilities and events that can be considered comparable to the proposed developments. The purpose of this section is to also provide information on the various types of racing venues: dirt oval, asphalt oval, drag strip and road courses. Through research of existing facility databases, information received from various publications and discussions with facility management, information was gathered on comparable drag strips, including physical amenities, event and attendance levels, VIP and hospitality offerings, and other such information.

### **Background**

There is a long history of racing in Augusta, Georgia and the development of Augusta Drag Strip would carry this heritage on.

Almost 50 years ago, Augusta International Raceway, which was originally known as Augusta National Sports Center, had the vision to be one of the first and largest multi-purpose venues in the country. The founders give it the name, "Where The Masters Race." Its life span was short, hosting its first race in 1961 and closing in 1969.

The facility had six different racing venues: 3.0 mile road course, 0.125 and 0.50 mile paved ovals, 0.20 mile karting track, motocross track, and 0.25 mile drag strip. There were also plans for a 2.0 mile tri-oval and a lake for hydroplane racing.

The drag strip featured legendary racers such as Don "Big Daddy" Garlits and the road course hosted several NASCAR races featuring legendary drivers such as Glenn "Fireball" Roberts.

The history of this facility lives on each September, as the Augusta International Raceway Preservation Society hosts an event which celebrates Georgia's racing heritage. The site is occupied by the Diamond Lakes Regional Park and a memorial was dedicated in 2004.

The design of Augusta International Raceway as it looked in 1961 is shown in Figure 5-1.

**Figure 5-1**



In addition to hosting Motorsports events on land, the area well known for the Augusta Southern Nationals Drag Boat Race. This event is part of the International Hot Boat Association's 10-race schedule held each summer. The multi-day event has various ancillary events that also support local charities.

They have almost 74 boats in 11 classes that race on the Savannah River. The event is the world's richest drag boat race awarding \$140,000 to its racers. Tickets are \$15 and each year they attract approximately 24,000 people.

The sport of racing on water is similar to racing on asphalt. There are a number of sanctioning bodies, various classes and nationwide schedules. The performance of the equipment allows these boats to exceed will over 200 mph on a 0.25 mile course on water.

### Dirt Oval Tracks

Dirt oval tracks are the most common racetracks in the United States, operating in markets ranging from large cities to small towns. There are many dirt tracks currently operating within the market area

Most dirt tracks present races one night a week, typically on a Friday or Saturday night. The majority of these race nights consist of the track's regular racing series, which often includes three to six classes of racing each night throughout the racing

season. Racers typically pay a specified entry fee, with prize money paid by the track from entry fee and ticket revenue. The most common race series include late models, street stocks, modifieds, sprints, and other such series.

In addition to the regular racing series, dirt tracks often attract special racing events by touring race organizations on an occasional basis. These special events may include races by organizations such as DIRT Motorsports, World of Outlaws (WoO), the United States Auto Club (USAC), the American Racing Drivers Club (ARDC), the Mid-Atlantic Championship Series (MACS), and other similar organizations.

The majority of dirt tracks offer relatively basic levels of amenities, consisting primarily of bleacher seating with few VIP areas or hospitality opportunities. However, some tracks have begun to upgrade the amenities offered to fans and sponsors, including reserved seating areas, VIP suites or boxes, climate controlled lounge areas and other such amenities.

## **Asphalt Oval Tracks**

While asphalt tracks share many operational similarities with dirt tracks, they are less common than dirt tracks. Both types of track typically host races one night per week during the racing season, generating revenue from ticket sales and driver entry fees. With the exception of major superspeedways, most asphalt tracks are one-half mile or shorter in length, similar to typical dirt tracks.

The primary differences between dirt and asphalt tracks are their ability to generate sponsorship revenue and the types of cars that race on each respective surface. In general, asphalt track operators are better able to sell track and event sponsorship packages than dirt track operators. Sponsors who entertain clients at race events generally prefer the cleaner, dust-free atmosphere of a paved track. Some research has indicated that the typical asphalt track race fan tends to be more affluent than dirt track fans.

Asphalt tracks generally host primarily stock car races, although sprints, midgets and open wheel Indy-style racing can also be held on asphalt tracks. Cars built to race on asphalt surfaces differ from those designed to race on dirt, with the development and operational costs associated with asphalt cars typically higher than those of cars built to race on dirt. Because of the differences between asphalt and dirt cars, drivers must choose between designing a car built to race on asphalt or one designed to race on dirt. Because there are relatively few asphalt tracks, those tracks have less competition for drivers than dirt tracks, which typically have several competing tracks in relatively close proximity. However, due to the high number of dirt tracks in operation, there tend to be many more dirt cars than asphalt cars. Therefore, while asphalt tracks face lower levels of competition for drivers, they are competing for a smaller pool of potential drivers.

## Road Courses

Road courses typically range from one to three miles in length and feature several curves and turns. Several sanctioning bodies and racing organizations utilize road courses for their events. The National Association for Stock Car Auto Racing (NASCAR) holds Nextel Cup races at two road courses each year: Watkins Glen International in Watkins Glen, New York and Infineon Raceway in Sonoma, California. Several other organizations, including the Grand American Road Racing Association (Grand Am), Champ Car, the American LeMans Series (ALMS), the American Motorcyclist Association (AMA), also hold races on road courses.

While races sanctioned by the aforementioned organizations may utilize a given road course for a few weekends each year, the majority of road course utilization consists of track rentals by organizations such as the Sports Car Club of America (SCCA) and clubs organized by drivers of car makes such as BMW and Porsche. Several road courses also host driving schools, which may be operated by track management or by a third party who rents the track to hold classes.

## Drag Strips

A drag strip consists of a straight racing surface, typically one-quarter or one-eighth mile in length, on which two racers compete in side-by-side lanes. A drag strip event typically involves drivers competing head-to-head in tournament style events. Racers typically pay a specified entry fee, with prize money paid by the track from entry fee and ticket revenue. In addition to these competitions, drag strips often host test and tune sessions, allowing racers to prepare for upcoming races. In recent years, some drag strips have offered open racing sessions, allowing amateur drivers and car enthusiasts to race their personal vehicles.

Drag strips are similar to oval tracks in that they typically host a regular racing series throughout the race season, and occasionally host special events. Many drag strips offer racing series sanctioned by the National Hot Rod Association (NHRA) or the International Hot Rod Association (IHRA), the two primary national drag race sanctioning bodies. Several drag strips are sanctioned by the Southern Bracket Racing Association (SBRA), which is more regional in scope than the NHRA and IHRA. In addition to sanctioning weekly racing series, each of these organizations also operates special touring events that typically race at a different location each week.

## Facility Analysis – Existing Supply - All Tracks

There are many types of facilities that accommodate auto racing. In the United States there are approximately 1,421 facilities. These facilities include: oval tracks – dirt and paved (75 percent), drag strips (20 percent), and road courses (5 percent). Each year there are approximately 2,180 auto racing events on 95 schedules

# C.H. JOHNSON CONSULTING, INC.

*EXPERTS IN CONVENTION, SPORT AND REAL ESTATE CONSULTING*

sanctioned by approximately 65 racing organizations. (It should be noted that these figures do not include “weekly races” held at local race tracks. Each track hosts approximately 20-30 “non-touring” events per year that are sanctioned by various bodies, i.e. IHRA, NHRA. The number of events and length of an individual race track’s season is dependent on its location and weather.)

According to the National Speedway Directory, Georgia has a total of 37 motorsports facilities. This includes: 22 oval tracks, 12 drag strips and two road courses. South Carolina had 32 tracks: 21 oval tracks, 10 drag strips, and one road course.

Based on these statistics, Georgia has 4.6 tracks per million people and South Carolina has 7.7. These are slightly below and above the national average of 5.1 tracks per million people, respectively. Table 5-1 and Table 5-2 present analysis on track and population data.

**Table 5-1**  
**Augusta Drag Strip**  
**Motorsports Industry Track Analysis**

| State          | Total Number of Tracks | Number of Oval Tracks | Number of Drag Strips | Number of Road Courses |
|----------------|------------------------|-----------------------|-----------------------|------------------------|
| Alabama        | 45                     | 26                    | 17                    | 2                      |
| Alaska         | 10                     | 7                     | 1                     | 2                      |
| Arizona        | 17                     | 11                    | 3                     | 3                      |
| Arkansas       | 20                     | 15                    | 5                     | 0                      |
| California     | 64                     | 43                    | 14                    | 7                      |
| Colorado       | 23                     | 12                    | 4                     | 7                      |
| Connecticut    | 4                      | 3                     | 0                     | 1                      |
| Delaware       | 5                      | 4                     | 1                     | 0                      |
| Florida        | 43                     | 29                    | 10                    | 4                      |
| Georgia        | 38                     | 23                    | 12                    | 3                      |
| Hawaii         | 7                      | 2                     | 4                     | 1                      |
| Idaho          | 12                     | 11                    | 1                     | 0                      |
| Illinois       | 50                     | 40                    | 7                     | 3                      |
| Indiana        | 55                     | 42                    | 10                    | 3                      |
| Iowa           | 52                     | 46                    | 5                     | 1                      |
| Kansas         | 32                     | 27                    | 4                     | 1                      |
| Kentucky       | 36                     | 27                    | 9                     | 0                      |
| Louisiana      | 16                     | 10                    | 5                     | 1                      |
| Maine          | 14                     | 11                    | 2                     | 1                      |
| Maryland       | 11                     | 5                     | 5                     | 1                      |
| Massachusetts  | 3                      | 3                     | 0                     | 0                      |
| Michigan       | 57                     | 46                    | 8                     | 3                      |
| Minnesota      | 48                     | 44                    | 3                     | 1                      |
| Mississippi    | 25                     | 14                    | 11                    | 0                      |
| Missouri       | 43                     | 35                    | 8                     | 0                      |
| Montana        | 9                      | 6                     | 3                     | 0                      |
| Nebraska       | 30                     | 27                    | 3                     | 0                      |
| Nevada         | 22                     | 14                    | 5                     | 3                      |
| New Hampshire  | 16                     | 14                    | 1                     | 1                      |
| New Jersey     | 7                      | 4                     | 3                     | 0                      |
| New Mexico     | 20                     | 13                    | 5                     | 2                      |
| New York       | 56                     | 47                    | 8                     | 1                      |
| North Carolina | 53                     | 33                    | 19                    | 1                      |
| North Dakota   | 14                     | 12                    | 2                     | 0                      |
| Ohio           | 49                     | 34                    | 12                    | 3                      |
| Oklahoma       | 29                     | 24                    | 4                     | 1                      |
| Oregon         | 15                     | 10                    | 4                     | 1                      |
| Pennsylvania   | 70                     | 60                    | 7                     | 3                      |
| Rhode Island   | 1                      | 1                     | 0                     | 0                      |
| South Carolina | 31                     | 19                    | 11                    | 1                      |
| South Dakota   | 15                     | 13                    | 2                     | 0                      |
| Tennessee      | 48                     | 31                    | 15                    | 2                      |
| Texas          | 78                     | 46                    | 29                    | 3                      |
| Utah           | 6                      | 3                     | 3                     | 0                      |
| Vermont        | 3                      | 3                     | 0                     | 0                      |
| Virginia       | 30                     | 20                    | 9                     | 1                      |
| Washington     | 26                     | 18                    | 6                     | 2                      |
| West Virginia  | 12                     | 10                    | 1                     | 1                      |
| Wisconsin      | 44                     | 40                    | 3                     | 1                      |
| Wyoming        | 7                      | 6                     | 1                     | 0                      |
| <b>Total</b>   | <b>1,421</b>           | <b>1,044</b>          | <b>305</b>            | <b>72</b>              |

Source: National Speedway Directory

**Table 5-2**

| <b>Augusta Drag Strip<br/>Motorsports Industry Track Analysis</b> |             |  |  |   |  |
|---|-------------|--|--|---|--|
|   |             | <b>Total Tracks per<br/>Million People</b> | <b>Oval Track per<br/>Million People</b> | <b>Drag Strips per<br/>Million people</b> | <b>Road Courses per<br/>Million people</b> |
| <b>Alabama</b>  | 4,447,100   | 10.1                                       | 5.8                                      | 3.8                                       | 0.4  |
| <b>Alaska</b>   | 626,931     | 16   | 11.2                                     | 1.6                                       | 3.2  |
| <b>Arizona</b>  | 5,130,632   | 3.3  | 2.1                                      | 0.6                                       | 0.6  |
| <b>Arkansas</b>   | 2,673,398   | 7.5  | 5.6                                      | 1.9                                       | -  |
| <b>California</b>   | 33,871,653  | 1.9  | 1.3                                      | 0.4                                       | 0.2  |
| <b>Colorado</b>   | 4,301,997   | 5.3  | 2.8                                      | 0.9                                       | 1.6  |
| <b>Connecticut</b>  | 3,405,584   | 1.2  | 0.9                                      | -   | 0.3  |
| <b>Delaware</b>   | 783,600     | 6.4  | 5.1                                      | 1.3                                       | -  |
| <b>Florida</b>  | 15,982,820  | 2.7  | 1.8                                      | 0.6                                       | 0.3  |
| <b>Georgia</b>  | 8,186,517   | 4.6  | 2.8                                      | 1.5                                       | 0.4  |
| <b>Hawaii</b>   | 1,211,537   | 5.8  | 1.7                                      | 3.3                                       | 0.8  |
| <b>Idaho</b>  | 1,293,956   | 9.3  | 8.5                                      | 0.8                                       | -  |
| <b>Illinois</b>   | 12,419,570  | 4  | 3.2                                      | 0.6                                       | 0.2  |
| <b>Indiana</b>  | 6,080,506   | 9  | 6.9                                      | 1.6                                       | 0.5  |
| <b>Iowa</b>   | 2,926,382   | 17.8                                       | 15.7                                     | 1.7                                       | 0.3  |
| <b>Kansas</b>   | 2,688,814   | 11.9                                       | 10                                       | 1.5                                       | 0.4  |
| <b>Kentucky</b>   | 4,042,209   | 8.9  | 6.7                                      | 2.2                                       | -  |
| <b>Louisiana</b>  | 4,468,958   | 3.6  | 2.2                                      | 1.1                                       | 0.2  |
| <b>Maine</b>  | 1,274,923   | 11   | 8.6                                      | 1.6                                       | 0.8  |
| <b>Maryland</b>   | 5,296,485   | 2.1  | 0.9                                      | 0.9                                       | 0.2  |
| <b>Massachusetts</b>  | 6,349,097   | 0.5  | 0.5                                      | -   | -  |
| <b>Michigan</b>   | 9,938,480   | 5.7  | 4.6                                      | 0.8                                       | 0.3  |
| <b>Minnesota</b>  | 4,919,485   | 9.8  | 8.9                                      | 0.6                                       | 0.2  |
| <b>Mississippi</b>  | 2,844,656   | 8.8  | 4.9                                      | 3.9                                       | -  |
| <b>Missouri</b>   | 5,596,683   | 7.7  | 6.3                                      | 1.4                                       | -  |
| <b>Montana</b>  | 902,195     | 10   | 6.7                                      | 3.3                                       | -  |
| <b>Nebraska</b>   | 1,711,265   | 17.5                                       | 15.8                                     | 1.8                                       | -  |
| <b>Nevada</b>   | 1,998,257   | 11   | 7  | 2.5                                       | 1.5  |
| <b>New Hampshire</b>  | 1,235,786   | 12.9                                       | 11.3                                     | 0.8                                       | 0.8  |
| <b>New Jersey</b>   | 8,414,347   | 0.8  | 0.5                                      | 0.4                                       | -  |
| <b>New Mexico</b>   | 1,819,046   | 11   | 7.1                                      | 2.7                                       | 1.1  |
| <b>New York</b>   | 18,976,821  | 3  | 2.5                                      | 0.4                                       | 0.1  |
| <b>North Carolina</b>   | 8,046,451   | 6.6  | 4.1                                      | 2.4                                       | 0.1  |
| <b>North Dakota</b>   | 642,200     | 21.8                                       | 18.7                                     | 3.1                                       | -  |
| <b>Ohio</b>   | 11,353,143  | 4.3  | 3  | 1.1                                       | 0.3  |
| <b>Oklahoma</b>   | 3,450,654   | 8.4  | 7  | 1.2                                       | 0.3  |
| <b>Oregon</b>   | 3,421,432   | 4.4  | 2.9                                      | 1.2                                       | 0.3  |
| <b>Pennsylvania</b>   | 12,281,054  | 5.7  | 4.9                                      | 0.6                                       | 0.2  |
| <b>Rhode Island</b>   | 1,048,319   | 1  | 1  | -   | -  |
| <b>South Carolina</b>   | 4,011,848   | 7.7  | 4.7                                      | 2.7                                       | 0.2  |
| <b>South Dakota</b>   | 754,844     | 19.9                                       | 17.2                                     | 2.6                                       | -  |
| <b>Tennessee</b>  | 5,689,262   | 8.4  | 5.4                                      | 2.6                                       | 0.4  |
| <b>Texas</b>  | 20,851,790  | 3.7  | 2.2                                      | 1.4                                       | 0.1  |
| <b>Utah</b>   | 2,233,198   | 2.7  | 1.3                                      | 1.3                                       | -  |
| <b>Vermont</b>  | 608,827     | 4.9  | 4.9                                      | -   | -  |
| <b>Virginia</b>   | 7,078,483   | 4.2  | 2.8                                      | 1.3                                       | 0.1  |
| <b>Washington</b>   | 5,894,141   | 4.4  | 3.1                                      | 1   | 0.3  |
| <b>West Virginia</b>  | 1,808,350   | 6.6  | 5.5                                      | 0.6                                       | 0.6  |
| <b>Wisconsin</b>  | 5,363,704   | 8.2  | 7.5                                      | 0.6                                       | 0.2  |
| <b>Wyoming</b>  | 493,782     | 14.2                                       | 12.2                                     | 2   | -  |
| <b>Total</b>  | 280,851,172 | 5.1  | 5.8                                      | 1.4                                       | 0.4  |

Source: National Speedway Directory / US Census

### Sanctioning Body Event Schedules – Spectator Events

The following table presents a sampling of events that may be held at venues similar to the proposed facility. As it demonstrates, most of the events are well established, i.e., proven racing series with multiple events per year and a successful operating profile.

Table 5-3 presents the schedule for national events.

**Table 5-3**  
**Augusta Drag Strip**  
**Sanctioning Body Schedule Analysis – National Events**

| Event/Series | Number of Race Dates – 2006 | Number of Race Dates – 2005 | Number of Race Dates - 2004 | Number of Race Dates – 2003 | Number of Race Dates - 2002 |
|--------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| IHRA         | 11                          | 12                          | 12                          | 13                          | 12                          |
| NHRA         | 23                          | 23                          | 22                          | 23                          | 23                          |

*Source: Respective Sanctioning Bodies*

### Event Calendars

The following series of tables present the national event calendars of the sanctioning bodies that could be expected to hold events at Augusta Drag Strip.

Table 5-4 presents the IHRA- National Event Schedule

**Table 5-4**  
**Augusta Drag Strip**  
**International Hot Rod Association – National Event Schedule**

| Date       | Track                       | Location        |
|------------|-----------------------------|-----------------|
| 3/26/2006  | San Antonio Raceway         | San Antonio, TX |
| 4/23/2006  | Rockingham Dragway          | Rockingham, NC  |
| 6/4/2006   | Grand Bend Raceway          | Grand Bend, ON  |
| 6/25/2006  | Budweiser Raceway           | Edmonton, AB    |
| 7/9/2006   | Milan Dragway               | Milan, MI       |
| 7/23/2006  | Toronto Motorsports Park    | Toronto, ON     |
| 8/6/2006   | US 131 Dragway              | Kalamazoo, MI   |
| 8/27/2006  | Norwalk Raceway             | Norwalk, OH     |
| 9/10/2006  | New England Dragway         | Epping, NH      |
| 10/1/2006  | Maryland International Drag | Budds Creek, MD |
| 10/22/2006 | Rockingham Dragway          | Rockingham, NC  |

*Source: IHRA*

Table 5-5 presents the NHRA- National Event Schedule.

**Table 5-5**

| <b>National Hot Rod Association – National Event Schedule</b> |                           |                  |
|---|---------------------------|------------------|
| <b>Date</b>   | <b>Track</b>              | <b>Location</b>  |
| 2/12/2006   | Auto Club Dragway         | Pomona, CA       |
| 2/26/2006   | Firebird Raceway          | Phoenix, AZ      |
| 3/19/2006   | Gainesville Raceway       | Gainesville, FL  |
| 4/2/2006  | Houston Raceway Park      | Houston, TX      |
| 4/9/2006  | Las Vegas Strip           | Las Vegas, NV    |
| 4/30/2006   | Bristol Dragway           | Bristol, TN      |
| 5/7/2006  | Atlanta Dragway           | Commerce, GA     |
| 5/21/2006   | National Trail Raceway    | Columbus, OH     |
| 5/28/2006   | Topeka Raceway Park       | Topeka, KS       |
| 6/11/2006   | Route 66 Raceway Park     | Joliet, IL       |
| 6/18/2006   | Old Bridge Raceway        | Englishtown, NJ  |
| 6/25/2006   | Gateway Intl. Raceway     | Madison, IL      |
| 7/16/2006   | Bandimere Raceway         | Denver, CO       |
| 7/23/2006   | Pacific Raceways          | Seattle, WA      |
| 7/30/2006   | Infineon Raceway          | Sonoma, CA       |
| 8/13/2006   | Brainerd Raceway          | Brainerd, MN     |
| 8/20/2006   | Memphis Motorsports Park  | Memphis, TN      |
| 9/4/2006  | Indianapolis Raceway Park | Indianapolis, IN |
| 9/17/2006   | Maple Grove Raceway       | Reading, PA      |
| 9/24/2006   | Texas Motorplex           | Ennis, TX        |
| 10/8/2006   | Virginia Motorsports Park | Petersburg, VA   |
| 10/29/2006  | Las Vegas Strip           | Las Vegas, TX    |
| 11/12/2006  | Auto Club Raceway         | Pomona, CA       |

Source: NHRA

The purpose of including these tables is twofold: to identify the types of communities in which the events have historically been successful, as well as to isolate potential competitive issues surrounding a new facility in the Augusta area.

As the schedules indicate, each series has a large schedule with several metropolitan areas hosting more than one race annually. Each year, series tend to add or subtract races from their schedule depending on various factors, such as promoter, cost, sponsorship, media, venue, market area, and others. Officials have indicated that they like to race at new venues in new markets because it allows them to meet the demand for extra races and provide additional development time for drivers and teams to race.

Given the popularity of the national drag racing series, the large market size, and the favorable location in Georgia / South Carolina region, an additional event in the area should be able to compete effectively for market share.

## Future Supply

Research conducted in regards to the future supply of motorsports facilities has revealed that there are no new facilities under consideration and development in the market area.

Projects of this nature are complicated and are subject to many factors. In event that this new supply does enter the region, it could have a material impact on attendance, sponsorships, and other revenue associated with Augusta Drag Strip.

## Conclusion

Based on an analysis of the schedules of these premier sanctioning bodies, it does not appear that there is significant competition for the national event motorsports dollar in the Augusta market. For many of the larger series, local enthusiasts have to travel to other markets to attend events. While many of the smaller sanctioning bodies have races in and around the state, Augusta Drag Strip should be able to compete based on the following factors: the newness of the facility and the desire of a typical race fan, sponsor and driver to attend and race at a “state-of-the-art” facility in a premier location.

## **Existing Supply – Selected Comparable Facilities**

The purpose of this sub-section is to evaluate the demand for the proposed facility. Our approach involves analyzing comparable and competitive operations. Our data, methodologies and conclusions follow.

### Comparable Racing Facilities

Based on our research and fieldwork, we have identified comparable existing facilities. These facilities are considerable comparable based on an analysis of their track design, location, and calendar of events, capacity, facilities, area demographics and site amenities.

Table 5-6 displays the supply of comparable racing facilities around the country.

**Table 5-6**

| <b>Motorsports Industry<br/>Race Tracks<br/>Georgia</b> |             |             |             |              |
|---|-------------|-------------|-------------|--------------|
| <b>Name</b>   | <b>Oval</b> | <b>Road</b> | <b>Drag</b> | <b>Total</b> |
| 2001  | 26          | 2           | 11          | 39           |
| 2002  | 25          | 2           | 12          | 39           |
| 2003  | 24          | 2           | 10          | 36           |
| 2004  | 23          | 3           | 12          | 38           |
| 2005  | 22          | 3           | 12          | 37           |
| <b>South Carolina</b>                                   |             |             |             |              |
| 2001  | 19          | 1           | 8           | 28           |
| 2002  | 20          | 1           | 11          | 32           |
| 2003  | 16          | 1           | 11          | 28           |
| 2004  | 19          | 1           | 11          | 31           |
| 2005  | 21          | 1           | 10          | 32           |
| <b>United States</b>                                    |             |             |             |              |
| 2001  | 1,022       | 73          | 286         | 1,381        |
| 2002  | 1,040       | 71          | 300         | 1,411        |
| 2003  | 1,043       | 72          | 295         | 1,410        |
| 2004  | 1,044       | 72          | 305         | 1,421        |
| 2005  | 1,035       | 77          | 300         | 1,412        |

*Source: Johnson Consulting*

Table 5-7 displays the supply of race tracks for the Southeast United States.

**Table 5-7**

| <b>Motorsports Industry<br/>Race Tracks( Type)<br/>Southeast United States</b> |             |             |             |              |
|--|-------------|-------------|-------------|--------------|
| <b>Name</b>  | <b>Oval</b> | <b>Road</b> | <b>Drag</b> | <b>Total</b> |
| Georgia  | 22          | 3           | 12          | 37           |
| South Carolina   | 21          | 1           | 10          | 32           |
| North Carolina   | 31          | 14          | 20          | 65           |
| Tennessee  | 32          | 2           | 15          | 49           |
| Alabama  | 25          | 2           | 16          | 43           |
| Florida  | 25          | 5           | 11          | 41           |
| Total:   | 156         | 27          | 84          | 267          |
| United States  | 1,035       | 77          | 300         | 1,412        |

### Drag Strip

Our analysis indicated there are a large number of drag strip facilities in the market area as Augusta Drag Strip.

Table 5-8 on the following presents drag strip data in the region:

**Table 5-8**  
**Motorsports Industry**  
**Race Tracks – Drag Strips(Length)**  
**Southeast United States**

| Name           | Total | Length – 0.25 |                     |
|----------------|-------|---------------|---------------------|
|                |       | mile          | Length – 0.125 mile |
| Georgia        | 13    | 3             | 10                  |
| South Carolina | 11    | 2             | 9                   |
| North Carolina | 19    | 5             | 14                  |
| Tennessee      | 14    | 2             | 12                  |
| Alabama        | 20    | 3             | 17                  |
| Florida        | 11    | 5             | 6                   |
| Total:         | 88    | 20            | 68                  |
| United States  | 300   | 200           | 100                 |

**Drag Strip – Comparable:**

Further research and fieldwork indicated there was a comparable existing facilities based on track design, location, and calendar of events, capacity, facilities, area demographics and site amenities.

Table 5-9 displays comparable drag strips in the region

**Table 5-9**  
**Augusta Drag Strip**  
**Comparable Drag Strip**  
**Spectator Track**

| Name                  | Location       | Length        | Seats  |
|-----------------------|----------------|---------------|--------|
| Carolina Dragway      | Aiken, SC      | 0.125 / 0.250 | 6,000  |
| Atlanta Dragway       | Commerce, GA   | 0.25          | 18,500 |
| South Georgia Mtr Prk | Cecil, GA      | 0.25          | 3,500  |
| Darlington Dragway    | Darlington, SC | 0.125 / 0.250 | 6,000  |

*Source: Johnson Consulting*

## Comparable Facilities – Spectator Tracks

### Carolina Dragway

|                 |   |
|-----------------|---|
| Location:       | Aiken, South Carolina                                       |
| Facilities:     | 0.125 / 0.250 mile drag strip                               |
| Surface:        | Concrete / Asphalt  |
| Event Schedule: |   |
| Name of Events: | IHRA  |
| Weekly -        | Thursday - Test and Tune;<br>Saturday - Grudge Match Races; |
| Monthly -       | 2 Specialty Races   |



Carolina Dragway, is sanctioned by the International Hot Rod Association and one of only two 1/4 mile dragstrips in South Carolina.

Carolina Dragway was built in 1957. It was renovated the track in 1986 and continues to improve every year. The Track elevation is 350 feet above sea level. We have a three story control tower, six staging lanes 450 ft long, 4000 ft. long track of concrete and asphalt with ample Shut-Down and easy paved access from Shut Down to the Pit Area, Compulink timing system with scoreboards, dial-in boards and infrareds, permanent scales, and an 8 inch concrete wall to protect spectators the entire length of the track.

The facility is on 250 sprawling acres in a very rural area in Aiken Co. Overnight parking is available with no hookups. Carolina Dragway also has permanent clean restroom and concession buildings, a Souvenir Shop with roofed gate entry, asphalt and grassed pit area and permanent bleachers to seat 6,000 with a Family Section

# C.H. JOHNSON CONSULTING, INC.

EXPERTS IN CONVENTION, SPORT AND REAL ESTATE CONSULTING

(no alcohol allowed). We have Musco lighting that really shines. Our PA system has been upgraded with new speakers so you can hear the announcer no matter where you are sitting. We also have a playground area for the children. Major improvements have been completed since the beginning of 2002. The entire Starting Line Area (wall to wall) was removed and has been replaced with an all new concrete launch pad. The entire 1/8 mile has been ground and smoothed to a brand new surface. We have new asphalt from the Burnout Area to the Tower. Come join us to see how quick your car will run on a laser poured and ground surface, with which we have earned our name as "The House of Hook". New starting line infrareds accurate to one millisecond. VP Race Fuel and nitrous oxide are available at the track.

## Summary

This facility is the closest existing facility to Augusta Drag Strip. Many of the racers in the market participate at this track.

## 2. Atlanta Dragway

|                 |   |
|-----------------|---|
| Location:       | Commerce, Georgia   |
| Facilities:     | 0.250 mile drag strip                                       |
| Surface:        | Concrete / Asphalt  |
| Event Schedule: |   |
| Name of Events: | NHRA -  |
| Weekly -        | Thursday - Test and Tune;<br>Saturday - Grudge Match Races; |
| Monthly -       | 2 Specialty Races<br>NHRA Southern Nationals                |



Atlanta Dragway is located in Commerce, Georgia. The facility occupies 420 acres of land and features a one-quarter mile drag strip. The drag strip has 18,490 permanent grandstands and 17 luxury suites.

Atlanta Dragway was opened in 1975 and was purchased by NHRA in 1993. In 1998, the guardrail was upgraded.

Each season, Atlanta expects to host almost 100 race days from late February through October. In Mid May, Atlanta hosts the Advance Auto Parts Southern Nationals over four days. In addition, amateur drag racers can compete in the divisional NHRA Federal-Mogul Drag Racing Series, Friday night Grudge Nights and Saturday Night bracket races.

### Summary

This facility is the closest NHRA national event facility to Augusta Drag Strip. It has the largest seating capacity of any drag strip in Georgia.

### 3. South Georgia Motorsports Park

- Location: Cecil, Georgia
- Facilities: 0.250 mile drag strip / .500 mile oval track
- Surface: Concrete / Asphalt
- Event Schedule:
  - Name of Events: NHRA -
  - Weekly - Saturday - Grudge Match Races;  
Sunday - Test and Tune
  - Monthly - 2 Specialty Races



South Georgia Motorsports Park was built in 2004 by Paul Dean. It is one the newest multi-purpose motorsports venues in the country. It has an oval track which hosts regional touring series and weekly races. The drag strip host weekly test and tunes and grudge racing and regional bracket races and special events.

### Summary

This track is the newest drag strip quarter-mile drag strip in the southeast.

### 4. Darlington Dragway

Location: Darlington, South Carolina  
Facilities: 0.250 mile drag strip  
Surface: Concrete / Asphalt  
Event Schedule:  
Name of Events: IHRA -  
Weekly - Wednesday - Test and Tune  
Saturday - Grudge / Bracket Racing



Darlington Dragway has been an established drag strip in the southeast for almost 50 years. In early 2006, Ronnie Siders and Bill Wilson became the new owners of Darlington Dragway. Over the last few years the track has been opened and closed on several occasions due to various factors. The new owners are taking an active part in day to day operations. To get the facility ready for opening day both lanes after the 330 foot mark will be re-paved. Opening day has not been determined as of yet but is estimated at early to mid March.

Prior to the start of season, the track became an IHRA track member. There has been a long association with this sanctioning body, but for the prior two years it had been sanctioned by NHRA.

Improvements were made to facility before it opened for racing in June 2006. Those included repaving 330 feet of the asphalt racing surface and better drainage in track and pit areas.

### Summary

This drag strip reopened in 2006 to continue a long history of drag racing in central South Carolina.

**Comparison of Selected Comparable Facilities:**

Table 5-10 below compares selected comparable facilities:

**Table 5-10**

| <b>Augusta Drag Strip<br/>Comparable Facility Analysis</b> |                 |                                  |                                      |
|--|-----------------|----------------------------------|--------------------------------------|
| <b>Name</b>  | <b>Location</b> | <b>Distance<br/>From Augusta</b> | <b>Driving Time<br/>From Augusta</b> |
| <b>Drag Strip</b>  |                 |                                  |                                      |
| Carolina Dragway   | Aiken, GA       | 20                               | 0:30                                 |
| Atlanta Dragway  | Commerce, GA    | 140                              | 2:23                                 |
| South Georgia Mtr Prk                                      | Cecil, GA       | 255                              | 4:18                                 |
| Darlington Dragway   | Darlington, SC  | 150                              | 2:27                                 |

*Source: JohnsonConsulting*

**Comparison of Proposed Facility versus Comparable Facilities:**

Table 5-11 compares the most comparable facility against proposed facility:

**Table 5-11**  
**Augusta Drag Strip**  
**Comparative Evaluation**

| Criteria                        | Carolina Dragway         | Augusta Drag Strip |
|---------------------------------|--------------------------|--------------------|
|                                 | Physical Characteristics |                    |
| Access                          | Inferior                 | Superior           |
| Parking                         | Inferior                 | Superior           |
| Impact on surround land         | Inferior                 | Inferior           |
| Land cost                       | Inferior                 | Superior           |
| Land acquisition                | Superior                 | Inferior           |
|                                 | Market Characteristics   |                    |
| Local market                    | Inferior                 | Superior           |
| Regional market                 | Inferior                 | Superior           |
| Proximately to support services | Inferior                 | Superior           |
| Image and visibility            | Inferior                 | Superior           |
| Local market                    | Inferior                 | Superior           |
|                                 | Financial Feasibility    |                    |
| Total cost                      | Superior                 | Inferior           |
| Funding                         | Inferior                 | Superior           |
| Economic benefits               | Inferior                 | Superior           |
| Spin-off development            | Inferior                 | Superior           |

*Source: Johnson Consulting*

**Comparison of Proposed Facility versus Comparable Facility:**

An analysis was performed comparing the proposed utilization of Augusta Drag Strip versus the other facility, Carolina Dragway. This facility was considered comparable to Augusta Drag Strip due to its location, facility design and events hosted.

The number of racing days per year on the proposed schedule for Augusta Drag Strip is comparable to the schedules of the other facility. The following characteristics were observed of the comparable facility.

These facilities host the same classes of racing that is anticipated to be held at Augusta Drag Strip. Due to their similar location and climate, these facilities could be utilized over 40 weeks per year.

# C.H. JOHNSON CONSULTING, INC.

*EXPERTS IN CONVENTION, SPORT AND REAL ESTATE CONSULTING*

The design of the drag strip will be a crucial factor in the future of the facility. The discriminating nature of racers and their preference for a particular track should not be overlooked.

Due to the nature of the sanctioning bodies, selection of the race dates is important. Discussions with racers will minimize scheduling conflicts that could materially affect track rental opportunities.

## **VI. FINANCIAL PROJECTIONS**

## FINANCIAL PROJECTIONS

The Consulting Team (Johnson Consulting and Frost Motorsports) projected operating revenues and expenses for the track’s first ten years of operations. These projections are based on data from comparable facilities, surveys and interviews of track owners and sanctioning body officials, motor sports industry analysts, financing documents for similar projects, and the market and demographic research presented in this report.

The assumptions underlying each line item are described in the subsequent pages. Revenues and expenses are generally shown on a cash basis except that race admission revenues are recognized in the year in which the race occurs, although race tickets are often sold well in advance of events and cash from certain admissions may be received in the year prior to the event.

In order to provide a basis for estimation, the financial projection cites specific series’ racing events. However, future negotiations with sanctioning bodies may dictate that equivalent racing events.

Table 6-1 summarizes the drag strip’s projected event schedule, attendance, and ticket prices for the initial year of operation. The structure of drag racing is similar to a pyramid.

- The first tier, “weekly” is composed of amateur racers who compete at the grass levels. These events feature bracket races, grudge matches and “test and tune” races that are held at sanctioned member tracks.
- The second tier, “regional” are divisional races where semi-pro teams and serious hobbyists compete for awards and gain essential experience in drag racing. “Specialty” events are events that feature jet cars, Super Chevy Shows, National Mustang Racing Association, Turner-Import Shows and other events.
- The top tier, “national” is comprised of professional teams that compete in the premier categories on a nationwide schedule.

**Table 6-1**

| <b>Augusta Drag Strip</b>       |                  |                |                 |
|---------------------------------|------------------|----------------|-----------------|
| <b>Projected Event Schedule</b> |                  |                |                 |
| Description                     | Number of Events | Attendance     | Ticket Price    |
| National events                 | 1                | 15,000         | \$20-\$75       |
| Regional event                  | 14               | 47,000         | \$10-\$40       |
| Weekly events                   | 115              | 82,000         | \$5-\$30        |
| <b>Total:</b>                   | <b>130</b>       | <b>144,000</b> | <b>\$5-\$75</b> |

*Source: Johnson Consulting*

Table 6-2 shows the drag strip's projected revenues and expenses for its first ten years of operation.

**Table 6-2**

| <b>Augusta Drag Strip<br/>Summary Proforma Income Statement</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Description</b>  | <b>Year 1</b>      | <b>Year 2</b>      | <b>Year 3</b>      | <b>Year 4</b>      | <b>Year 5</b>      | <b>Year 6</b>      | <b>Year 7</b>      | <b>Year 8</b>      | <b>Year 9</b>      | <b>Year 10</b>     |
| <b>Revenues</b>   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Entries and Admissions  | \$1,710,000        | \$1,800,000        | \$1,890,000        | \$1,980,000        | \$2,080,000        | \$2,180,000        | \$2,290,000        | \$2,410,000        | \$2,530,000        | \$2,650,000        |
| Concessions and Fuel  | 620,000.00         | 660,000.00         | 690,000.00         | 720,000.00         | 760,000.00         | 800,000.00         | 840,000.00         | 880,000.00         | 920,000.00         | 970,000.00         |
| Sponsorship and Advertising                                     | 200,000.00         | 210,000.00         | 220,000.00         | 230,000.00         | 240,000.00         | 250,000.00         | 260,000.00         | 280,000.00         | 290,000.00         | 310,000.00         |
| Luxury Suites and Rental  | 60,000.00          | 70,000.00          | 70,000.00          | 70,000.00          | 80,000.00          | 80,000.00          | 80,000.00          | 90,000.00          | 90,000.00          | 100,000.00         |
| <b>Subtotal</b>   | <b>\$2,590,000</b> | <b>\$2,740,000</b> | <b>\$2,870,000</b> | <b>\$3,000,000</b> | <b>\$3,160,000</b> | <b>\$3,310,000</b> | <b>\$3,470,000</b> | <b>\$3,660,000</b> | <b>\$3,830,000</b> | <b>\$4,030,000</b> |
| <b>Cost of Good Sold</b>  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Event   | \$1,210,000        | \$1,270,000        | \$1,330,000        | \$1,460,000        | \$1,460,000        | \$1,540,000        | \$1,620,000        | \$1,700,000        | \$1,780,000        | \$1,870,000        |
| Concessions and Fuel  | 270,000            | 280,000            | 290,000            | 310,000            | 320,000            | 340,000            | 360,000            | 370,000            | 390,000            | 410,000            |
| <b>Subtotal</b>   | <b>\$1,480,000</b> | <b>\$1,550,000</b> | <b>\$1,620,000</b> | <b>\$1,770,000</b> | <b>\$1,780,000</b> | <b>\$1,880,000</b> | <b>\$1,980,000</b> | <b>\$2,070,000</b> | <b>\$2,170,000</b> | <b>\$2,280,000</b> |
| <b>Gross Income</b>   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Total</b>  | <b>\$1,110,000</b> | <b>\$1,190,000</b> | <b>\$1,250,000</b> | <b>\$1,230,000</b> | <b>\$1,380,000</b> | <b>\$1,430,000</b> | <b>\$1,490,000</b> | <b>\$1,590,000</b> | <b>\$1,660,000</b> | <b>\$1,750,000</b> |
| <b>Expenses</b>   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Marketing and Administrative                                    | \$730,000          | \$770,000          | \$810,000          | \$850,000          | \$890,000          | \$940,000          | \$980,000          | \$1,030,000        | \$1,080,000        | \$1,140,000        |
| <b>Earnings Before Taxes</b>                                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>Total</b>  | <b>\$380,000</b>   | <b>\$420,000</b>   | <b>\$440,000</b>   | <b>\$380,000</b>   | <b>\$490,000</b>   | <b>\$490,000</b>   | <b>\$510,000</b>   | <b>\$560,000</b>   | <b>\$580,000</b>   | <b>\$610,000</b>   |

Source: Johnson Consulting and Frost Motorsports

## Revenue Assumptions and Projections

**Entries and Admissions** - These revenues constitute the largest line item of the facility. Admissions revenue projections in this report are based on the event schedule and average attendance. Ticket price estimates are weighted average ticket prices for individual events, and are based on actual ticket prices from other facilities and races. Four major factors will affect the rate of growth in admissions revenue: 1) the rate of inflation of ticket prices, 2) the rate at which new race events are added or lost at the facility, 3) the quality of events, and 4) growth in car count and attendance within each of the race categories.

**Concessions and Fuel Revenue** - Concessions and fuel revenue projections are based on attendance and car count per capita expenditure amounts for each event. Track ownership is expected to generated income based on the cost of concessions and amount of fuel sold.

**Sponsorships** - Event sponsorships generate revenues from the sale of naming rights to each race, as well as other related sponsorship benefits such as pouring rights. Revenue from event sponsorships varies based on the type of event. Because the site has frontage on area roads and signage at the track, there is advertising revenue via billboards.

**Advertising-** Track ownership has several opportunities to sell advertising on advertising panels inside and outside of the facility.

**Luxury Suites-** Luxury suite revenue is generated from the lease of luxury suites. The facility will be constructed with suites with luxury seating and support amenities. The price of these luxury suites is assumed to include tickets to all major racing events. The success of luxury suite will depend upon the ability of track ownership and management to acquire an attractive schedule of race dates. The successful sale of these suites will require a committed sales effort by the facility's marketing staff.

**Track Rental** - Motorsports facilities, especially those with large open area of pavement are often used for product testing, law enforcement driver training, track tours, advertising/ photo shoots, car club activities, and racing schools. In addition, race teams and drivers have the ability to rent the facility for private testing sessions.

### **Cost of Sales and Expense Assumptions**

**Event Expense** - Direct event expenses include temporary labor, equipment rental, track preparation, parking and police and security operations, and other set-up required for each event. It is likely that volunteer labor will be utilized to the greatest extent possible, as is the case in other facilities. Nonetheless, a substantial amount of paid temporary labor will be required for setup, parking and security, evacuation, etc. In addition this includes sanctioning fees is the amount a track must pay to a racing series for a right to host a race sanctioned by that organization. The sanctioning body will generally provide title drivers and teams, officials, engineers, rules, and determine the level and payout of the purse. The purse is the total prize money awarded to the drivers and respective teams.

**Concessions and Fuel Expense** - This is the expense associated with purchasing concessions and fuel. Entering into long term agreement with vendors and suppliers may be beneficial to track operator.

**Marketing** - These are expenses for media advertising, consultant fees, printing brochures, direct mailings, and other costs associated with promoting events, and selling advertising, premium seating, and sponsorships. A substantial advertising and promotional budget will likely be necessary in order to increase regional awareness of the drag strip.

**General and Administrative** - The personnel of the drag strip will perform administrative, management, and marketing functions. Certain staff members, such as facilities and grounds maintenance staff, will be seasonal. This is the

amount for general and administrative expense includes temporary administrative labor, utilities, telephone, legal and accounting, and other related services. This also includes insurance is for a race liability policy, property insurance, workers' compensation, auto crime, and an umbrella policy. Sanctioning bodies and racing teams are assumed to cover costs to insure specific events.

## Development Costs

In addition to the increase in sanctioned motor sports events and their attendance, the number of motor sports facilities that have been recently constructed or proposed appears to be on the rise. Discussions with various sanctioning bodies and track owners indicated that numerous new facilities have been built are being discussed, designed, or built in the United States. As our research and fieldwork revealed several racing facilities capable of hosting similar events as the proposed facility.

Although, construction costs and surfaces can vary between venues, these facilities represent "state-of-the-art" tracks with "fan-friendly amenities" that are representative of what spectators and sanctioning bodies expect in the current motor sports environment. Many variables (land, construction materials and labor costs) can differ greatly in each location. Discussion with various sources indicated that the estimated construction period for this type of facility would be approximately eighteen months.

Table 6-3 represents the estimated development costs of Augusta Drag Strip, based on industry research and analysis. As shown in the table, the estimated costs of the proposed drag strip are projected to amount to \$5.4 million.

**Table 6-3**

| <b>Augusta Drag Strip</b>          |                       |   |
|------------------------------------|-----------------------|---|
| <b>Estimated Development Costs</b> |                       |   |
| <b>Description</b>                 | <b>Budget Amounts</b> | <b>Notes</b>  |
| <b>Direct Costs</b>                |                       |   |
| Land                               | \$0                   | Site owned by municipality  |
| Infrastructure                     | \$1,000,000           | Roadway improvements, utility extensions, etc.  |
| Track                              | 1,600,000             | Concrete starting pad, asphalt track, concrete wall, guardrails, paddock areas, grandstands, etc. |
| Facilities                         | 2,300,000             | Timing tower, concessions, stands, restrooms, ticket  |
| <b>Total Direct Costs:</b>         | <b>4,900,000</b>      |   |
| <b>Indirect Costs</b>              |                       |   |
| Fees and Contingency               | 500,000               | Professional fees, permitting licenses, financing, working capital, contingency, etc.             |
| <b>Total Indirect Costs:</b>       | <b>500,000</b>        |   |
| <b>Total Costs:</b>                | <b>\$5,400,000</b>    |   |

Source: Johnson Consulting

## **VII. ECONOMIC AND FISCAL IMPACT ANALYSIS**

## ECONOMIC AND FISCAL IMPACT ANALYSIS

### Introduction

The development of the Augusta Drag Strip will have an impact on both Richmond County, where it will be located, and on the Georgia/ South Carolina economy in which it operates.

The impact of the facility will extend far beyond the operations of the Augusta Drag Strip. They extend into other parts of Richmond County in the form of jobs for the residents and new revenues for the area. They extend into other parts of Georgia/ South Carolina in the form of increased business for supplies and services at local firms. These expenditures have an even greater impact as the increased business spreads to other firms in a multiplier effect.

The project will also have an effect at locations in the vicinity of the Augusta Drag Strip. By attracting a large number of spectators, firms locate in the vicinity to better serve spectators. A facility of this type can stimulate additional investment in the area.

The economic impact model incorporated the initial spending injections attributable to the Augusta Drag Strip and produced an overall economic impact analysis with the following elements: 1) the construction phase for the facility; 2) the ongoing operations of the facility; 3) visitor spending associated with the facility; and 4) taxes collected by governmental entities.

In presenting the economic impact, they are categorized into three general groups:

- *Direct Impact* - measures the employment and spending impact of the facility itself and its related developments.
- *Induced Impact* - measures the local economic activities outside of the facility created as a result of visitation to the facility.
- *Indirect Impact* - measures the “multiplier impact” resulting from successive rounds of additional spending caused by the direct and induced impact.

### Methodology

This study makes extensive use of the IMPLAN input-output economic modeling system. IMPLAN is a widely used, nationally recognized, economic impact model.

IMPLAN estimates changes in total local economic activity caused by some economic change in the area. An example of an economic change might be a new business moving into the local area. This new business makes local purchases of goods and services. These new purchases of goods and services cause changes in the overall level of economic activity in the local area. IMPLAN provides estimates of this new level of overall economic activity.

IMPLAN provides estimates of additional economic activity associated with the original economic activity. As an example, when a one local business purchases goods at another second local business, the first business is helping support the second. IMPLAN estimates all levels of economic activity supported by the first business.

The concept of direct and indirect impact is widely used in this study. Direct impacts are those related to initial spending in the economy. In the previous example, the first business purchasing goods and services is making a direct expenditure to the second business. The second business needs to purchase goods and services to produce the product the first business purchases, this and succeeding rounds of purchases, are known as the indirect impact.

## **Multipliers**

Input-output models are used to estimate multipliers. Multipliers used in this study are related to the local economy, and its unique structure and trade flows. As a result, the multipliers shown below may be different than in other published studies. In general, the multipliers used here to calculate indirect effects are conservative.

There are two types of multipliers associated with the IMPLAN model. They are the Type I and Type III. The Type I multiplier takes into account the direct and indirect spending. Again, direct spending is spending by the first business affecting the economy. Indirect spending is spending by all other businesses selling goods and services to the first business.

The Type III multiplier takes into account spending by households employed by the first and all other subsequent business on goods and services required to run a household. These multipliers can become quite high. In an effort to remain conservative, this study uses only the Type I multipliers and direct estimation of household expenditures.

## **Report Tables**

The tables presented in this report summarize the economic impacts of the project and take the form of direct and indirect impacts on four different economic

measures. The measures are total industry output, employee compensation, other income, and employment.

The first measure is total industry output. This represents the value of production of goods and services by businesses in the local economy. Total industry output, or "TIO" as it is commonly called, generally is equivalent to total business sales plus what is placed business place into (or removed from) inventory. This is an overall measure of how a local economy is affected. The second measure is employee compensation. This represents total payroll costs including wages and salaries paid to workers plus benefits such as health insurance. This is measure of how the employees of the businesses producing the total industry output share in the fortunes of those businesses.

The third measure is total other income. Other income includes income generated by self-employed individuals, corporate profits, and items such as dividends, interest, and rents earned by either individuals or corporations.

Lastly, the fourth measure is total employment. Total employment represents annual average full-time and part-time employees working for the business producing the total industry output. These employees earn the employee compensation as well as a portion of total other income.

## **Data Sources**

The International Association of Convention and Visitors Bureaus (IACVB) publishes the Convention Income Survey Report. This report surveys and interviews convention and visitors bureaus throughout the United States and Canada.

## **Assumptions**

This study utilized data and statistics from the Expects 2004 - Convention Expenditure and Impact Study. For example, visitors who traveled more than 150 miles were assumed to spend \$230 with 2.5 persons per room per night. In addition, discussions with management, analysis of historical and prospective financial information, and industry and economic statistics were utilized.

## **Summary of Economic and Fiscal Impact Estimates**

Table 7-1 presents the economic impact of Augusta Drag Strip: (This total data includes the impact from the construction period and the initial year of track operation and visitor spending related to the facility.)

**Table 7-1**

| <b>Augusta Drag Strip<br/>Economic Impact – Total</b> |                     |                   |                         |              |
|---|---------------------|-------------------|-------------------------|--------------|
|   | <b>Construction</b> | <b>Operations</b> | <b>Visitor Spending</b> | <b>Total</b> |
| Total economic activity                               | \$8,362,200         | \$3,608,300       | \$18,436,300            | \$30,406,800 |
| Total earnings  | \$3,138,900         | \$1,287,000       | \$2,554,500             | \$6,980,400  |
| Total jobs created (FTE)                              | 90                  | 50                | 350                     | 490          |
| Taxes   | \$800,600           | \$383,900         | \$2,643,500             | \$3,828,000  |

*Source: Johnson Consulting, Frost Motorsports*

Additional information on the economic impact is presented at the balance of this section.

## **Economic Impacts**

### **Construction of Augusta Drag Strip**

The construction stage covers the building of the drag strip. Local firms are expected to be involved in the project. It is estimated that the construction period for the project is eighteen months.

Although these construction and other expenditures are one-time injections into the local economy needed for the work, they have indirect impact as the wages and materials purchased are spent and re-spent in the economy. The total jobs created during the construction phase are temporary jobs that are associated with the building of the project.

Table 7-2 presents the economic impact of construction of the Augusta Drag Strip.

**Table 7-2**

| <b>Augusta Drag Strip<br/>Economic Impact - Construction</b> |              |
|--|--------------|
|  | <b>Total</b> |
| Total estimated construction spending                        | \$5,400,000  |
| Total economic activity                                      | \$8,362,200  |
| Total earnings   | \$3,138,900  |
| Total jobs created (full-time equivalent)                    | 90           |

*Source: Johnson Consulting, Frost Motorsports*

### Operation of Augusta Drag Strip

The ongoing economic impact of the Augusta Drag Strip is attributable to three items: 1) the employment of local residents; 2) the direct expenditures by the facility for goods and support services; and 3) the multiplier effect of all these initial expenditures. Again, the important concept is the local share in capturing these expenditures.

At full operation, the facility will have employees, whose wages accrue to local residents. In addition, each year operating expenses go to local area firms. These cover such expenses as business support services, utilities, supplies, and advertising. These two sources of direct impact produce additional indirect impact as the initial wages and expenditures work their way through the local economy.

Table 7-3 presents the economic impact of operations of Augusta Drag Strip.

**Table 7-3**

| <b>Augusta Drag Strip<br/>Economic Impact – Operations – Annual</b> |              |
|---|--------------|
|   | <b>Total</b> |
| Total estimated operations expense                                  | \$2,204,500  |
| Total economic activity   | \$3,608,300  |
| Total earnings  | \$1,287,000  |
| Total jobs created (full-time equivalent)                           | 50           |

*Source: Johnson Consulting, Frost Motorsports*

### Visitor Spending of Augusta Drag Strip

Another economic impact of Augusta Drag Strip results from spending by spectators, sponsors, drivers, teams and officials.

Attracting these groups induces off-site expenditures. A portion of these is from outside the area, resulting in additional room nights for hotel operators.

Table 7-4 presents details of attendance and hotel nights of Augusta Drag Strip.

**Table 7-4**

| <b>Augusta Drag Strip<br/>Economic Impact – Visitors and Roomnights</b> |                      |                        |
|---|----------------------|------------------------|
|   | <b># of Visitors</b> | <b># of Roomnights</b> |
| Local   | 57,652               | 0                      |
| Outside Augusta   | 86,478               | 51,887                 |
| <b>Total</b>  | <b>144,130</b>       | <b>51,887</b>          |

*Source: Johnson Consulting, Frost Motorsports*

The facility is estimated to trigger additional spending at other local sites each year. This induced spending is primarily for lodging, retail purchases, and food and beverages.

Table 7-5 presents details of visitor spending of Augusta Drag Strip.

**Table 7-5**

| <b>Augusta Drag Strip<br/>Economic Impact – Visitor Spending</b> |                       |                       |
|--|-----------------------|-----------------------|
|  | <b>Daily Spending</b> | <b>Total Spending</b> |
| Retail   | \$30                  | \$1,556,604           |
| Food and Beverage  | 75                    | 3,891,510             |
| Lodging  | 125                   | 6,485,850             |
| <b>Total</b>   | <b>\$230</b>          | <b>\$11,933,964</b>   |

*Source: Johnson Consulting, Frost Motorsports*

Table 7-6 presents the economic impact of non-local visitor spending of Augusta Drag Strip.

**Table 7-6**

| <b>Augusta Drag Strip<br/>Economic Impact – Summary of Visitor Spending</b> |              |
|---|--------------|
|   | <b>Total</b> |
| Total estimated visitor spending  | \$11,933,964 |
| Total economic activity   | \$18,436,300 |
| Total earnings  | \$2,554,500  |
| Total jobs created (full-time equivalent)                                   | 350          |

*Source: Johnson Consulting, Frost Motorsports*

### Annual Recurring Economic Impact of Augusta Drag Strip

When Augusta Drag Strip is operating, the total recurring economic impact of race track operations and non-local visitor spending generates economic activity, which is captured in the local economy with additional hotel and restaurant establishments. This activity supports a number of jobs with annual earnings.

Table 7-7 presents the economic impact of recurring operations of Augusta Drag Strip.

**Table 7-7**

| <b>Augusta Drag Strip<br/>Economic Impact – Operations and Visitor Spending</b> |              |
|---|--------------|
|   | <b>Total</b> |
| Total economic activity   | \$22,044,600 |
| Total earnings  | \$3,841,500  |
| Total jobs created (FTE)  | \$400        |
| <i>Source: Johnson Consulting, Frost Motorsports</i>                            |              |

### Fiscal Impacts - Tax Revenue

Taxes measure the changes in revenues to government as a result of changes in economic activity or an economic event.

Federal taxes are comprised primarily of corporate income, excise, and personal income and social security. The state / local taxes are comprised primarily of sales, corporate income, personal income, social security, property, and hotel taxes.

Table 7-8 presents the tax revenues of Augusta Drag Strip.

**Table 7-8**

| <b>Augusta Drag Strip<br/>Economic Impact – Tax Revenues</b> |                    |
|--|--------------------|
|  | <b>Total</b>       |
| Construction   | \$800,600          |
| Operations   | 383,900            |
| Visitor Spending   | 2,643,500          |
| Total  | <b>\$3,828,000</b> |
| <i>Source: Johnson Consulting, Frost Motorsports</i>         |                    |