

more than just a stadium ?





Pages	1 & 2	Sports Stadia Development
Page	3	Case Studies
Pages	4 & 5	Deepdale Stadium – Preston North End FC
Page	6	Halliwel Jones Stadium – Warrington Wolves RLFC
Page	7	Keepmoat Stadium – Doncaster Rovers FC
Page	8	Boundary Park – Oldham Athletic AFC
Pages	9 & 10	Added Value
Pages	11-13	Comparative Costs
Page	14	Closing Summary
Appendix	A	PNE FC - Larger Scale Plans and Section

sports stadia development



Over the last 20 years there has been a noticeable shift in the dynamic of sports stadia development with the realisation that stadia have the capacity to do much more than simply hosting a sporting event.

Professional sports clubs have always offered a strong association with the identity of towns and cities and their home stadia represent highly recognisable focal points for the community.

Until the late 1980's the majority of sports stadia operated only on match days generating a single income stream through spectator attendance on a maximum of perhaps 30 match days per year. The normal situation throughout the sporting world was that multi-million pound stadia would remain dormant in between fixtures leaving clubs accruing large debts and payment redevelopment finance payments.

The construction principles of traditional stands and terraces also only featured basic fit out elements such as match day bars and food kiosks and the occasional club shop and ticket office.

sports stadia development



The realisation that sports stadia can provide a wide range of income generating ancillary and community uses has now begun to play a major part in the development of stadia funding arrangements, building of business cases and architectural design and space maximisation.

A standard spectator stand will create a sizeable and covered area of usable floor space that often remains under utilised. For example a typical 40 row side stand can create in excess of 4,000m² of accommodation.

A number of stadia have however realised the added value that can be generated by utilising these shell areas that are created as a by product of the spectator viewing.

As a result, by letting or selling space for office, healthcare, education, leisure and retail uses clubs have been able to either raise much need capital or provide a guaranteed long term rental income to create a sustainable business model to build their own stadium.

This is a fundamental cost efficiency with stadia design. In effect lettable space is a low cost by product of the stadium.



There are a number of ways that ancillary income generating accommodation can be designed into either a new-build stadium or a redeveloped stand.

Depending on site configuration the simplest and most cost effective method is to utilise space purely within the new stand itself and underneath the spectator terrace. This is demonstrated by the upper graphic which indicates the proposed east stand at Watford FC which will house 1,800m² of ancillary lettable space at ground floor level within a 5,000 capacity, 33 row stand.

The remaining cross sections indicate the schemes at Oldham AFC and Preston North End FC where accommodation was created within the stand itself and additional space was built onto the back of the stand. At Oldham a seven storey mixed use office/conferencing facility is proposed and this creates in excess of 8,000m² of lettable space in addition to the essential footballing elements such as spectator concourse, sanitary accommodation and crowd fire safety. At Preston a three storey 2,500m² health facility has recently been constructed, this was incorporated both within and to the rear of the 4,000 capacity side stand.

Further information follows as four examples of mixed use stadia are examined in more detail.

preston north end football club



Over the past fifteen years Preston North End's Deepdale Stadium has undergone a systematic redevelopment scheme to transform the original stadium that first hosted league football in 1878 into a functional, modern stadium that has become a community focal point.

- 24,000 all seated capacity
- Final phase completed in 2008
- 2,500m² of lettable space for Preston PCT used as Long Term Conditions Centre
- 4,000m² of lettable space rented on long term tenancy to The National Football Museum.
- 1,800m² of lettable space rented to Fitness First
- 1,000m² of Preston North End Club Facilities including:-
 - 800 cover restaurant and conference facilities in two locations
 - 20nr. executive boxes each with 8-12 covers
- Total construction cost of £26 Million

preston north end football club



Deepdale stadium therefore is a tremendous example of stadium design which has been specifically tailored to maximise the available lettable area and therefore creates a robust business model.

In simplistic terms, the creation of over 10,000 square metres of accommodation has allowed the stadium to be largely self funding.

warrington wolves rugby league club



The Halliwell Jones Stadium is a state of the art purpose built rugby league stadium and the home of Warrington Wolves Rugby League Club.

Constructed on the site of the old Tetley Walker Brewery on Winwick Road in Warrington, the stadium provides an excellent sporting venue, exceptional conferencing and banqueting facilities and is a focal point for community activity, incorporating the Warrington Wolves Foundation learning floor and a brand new NHS Walk-in Centre.

Again this lettable area created has provided a “plank” for the stadium funding strategy and has ensured the long term sustainability of the rugby club.

- 13,000 standing terrace and seated capacity
- Construction Work completed 2003
- 2,150m² of lettable space for NHS Walk-in Centre
- 700m² of lettable space for Warrington Wolves Foundation
- 1,050m² of conference and banqueting
- Total construction cost of £12 Million

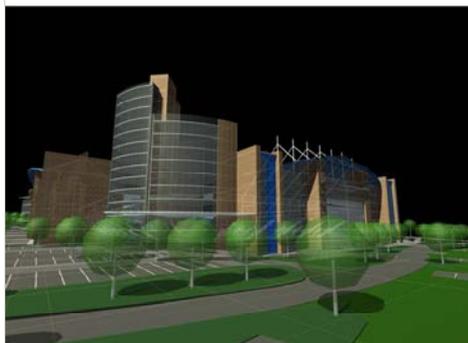


keepmoat stadium – doncaster rovers football club

The Keepmoat Stadium is a purpose built sports stadium hosting professional football for Doncaster Rovers Football Club and semi-professional rugby league for Doncaster Rugby League Club. The Keepmoat also offers a host of sporting facilities including the Lakeside health and fitness club, soccer centre with astro turf pitches, athletics running track with 500 capacity spectator stand.

- 15,200 all seated capacity
- Construction completed in 2007
- 230m² 'Twiggys' health and fitness centre
- 1,500m² restaurant/conferencing facilities
- 1,000m² 'Playing for Success' education facility
- 160m² Doncaster Rovers retail outlet.
- International standard athletics track with 500 seat amphitheatre
- Total construction cost of £32 Million

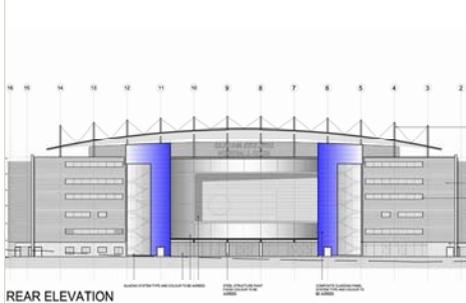
oldham athletic football club



In January 2007 Oldham Athletic AFC set about producing a masterplan for the redevelopment of their Boundary Park Stadium. As with many lower league sports clubs, Oldham Athletic had to create a scheme that included 'enabling' developments that would generate funds to allow the stadium redevelopment to be undertaken without the football club incurring significant debt.

- 120 bed 4 star Hotel
- 16,000 all seated capacity within 3 new stands
- 5,500m² of lettable office accommodation
- 1,000 space conference and banqueting facility and 28 executive boxes
- 150 Key Worker units
- 1,500m² Health facility/GP Surgery
- 625 Residential units
- Ancillary Retail accommodation

The accommodation created is a mix of stand alone accommodation and other income generators such as office, hotel and health are within and adjacent the football stands.



The construction of ancillary facilities within a sporting arena represents added value through a number of different aspects:-

Community Connections

- Focal Point – Sporting arenas are often recognisable structures within communities.
- Relationships – The sense of sporting clubs and the community working together increases the strength of relationships between the community and clubs.
- Having a permanent facility in a place such as a football stadium offers a stable long term and sustainable home for community facilities .

Cost Benefits

- A single “building shell” structure is constructed however it is providing multiple functions. Significant cost savings are made on one of the most costly elements of building construction
- Large areas of attractive rentable space are created that will command strong rental yields as a result of the unique location a stadium development can offer.



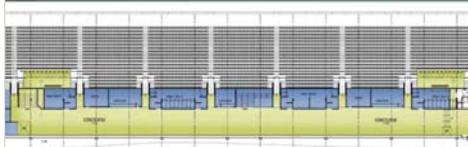
Access/Transportation

- Match day parking facilities can mostly be shared and often the required ancillary parking for the ancillary uses on non-match days. This usually works very well as the match times are generally outside of normal operating hours and has been found to work very well at stadium venues.
- Public transport links often offer direct routes to the sporting facility. For ancillary uses such as healthcare this is an extremely positive advantage and often negates the issue of patient access problems. Stadia generally are located in highly sustainable locations and this benefits ancillary uses.

Energy Efficiency

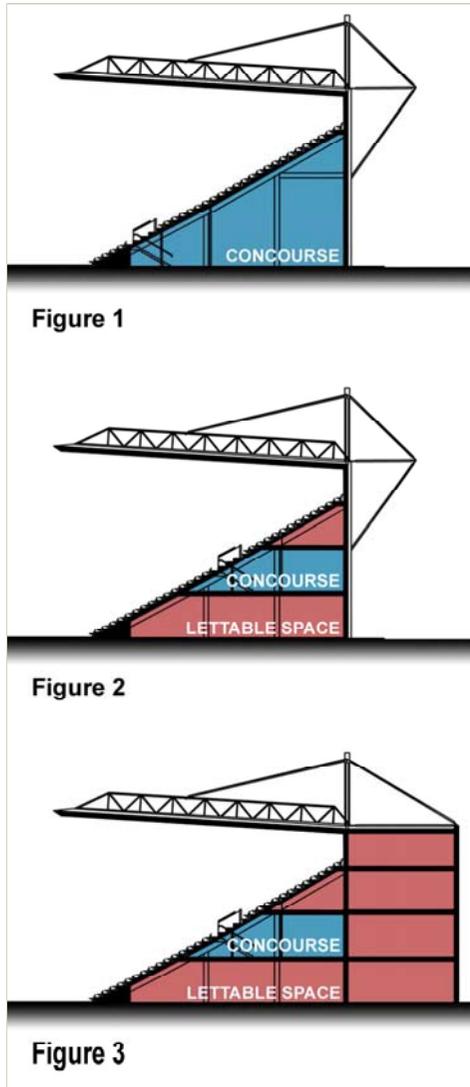
- A multi purpose facility will mean that a single building footprint is created drastically reducing the energy consumption and carbon omissions that would be created by a number of buildings on different sites.
- Efficient energy management systems can be introduced with a building in constant operation rather than on perhaps only 30 match days per year.
- Reduced capital and running costs for shared plant and equipment.

comparative costs



Stadium and Facility	Stand alone cost of equivalent facility	Cost of facility within stadium	Comparative Saving
Deepdale Stadium - Preston North End Football Club			
Healthcare (2,500m ²)	£4,750,000	£2,750,000	42%
Leisure and Recreation - Gym (1,800m ²)	£2,700,000	£1,350,000	50%
Leisure and Recreation - Museum (4,000 m ²)	£13,600,000	£8,000,000	40%
Conference and Banqueting (650m ²)	£1,365,000	£665,500	52%
Halliwel Jones Stadium - Warrington Wolves Rugby League Football Club			
Healthcare (2,150m ²)	£4,085,000	£2,365,000	43%
Office Space (700m ²)	£1,050,000	£490,000	53%
Conference and Banqueting (1,050m ²)	£2,205,000	£1,155,000	48%
Keepmoat Stadium - Doncaster Rovers Football Club			
Conference and Banqueting (1,500m ²)	£3,150,000	£1,650,000	47%
Office Space (825m ²)	£1,237,500	£577,500	55%
Education (1,000m ²)	£1,250,000	£700,000	44%
Leisure and Recreation - Gymnasium (230m ²)	£345,000	£172,500	50%

comparative costs



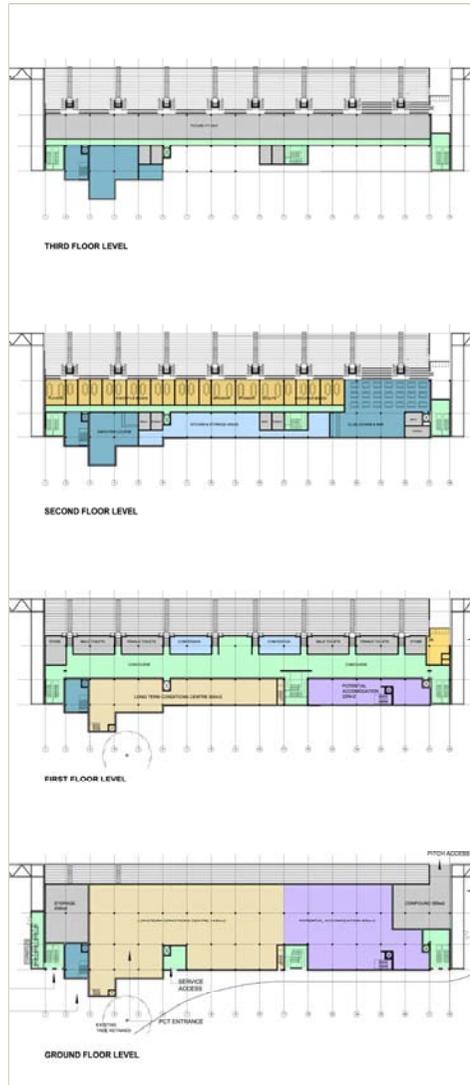
The comparatives shown within the table assume that the ancillary use integrated within the stadium shell and core does not necessitate an increase in the stand/stadium footprint. The principle benefit of integration is that the stadium construction is subsidised through the integration of these additional uses. This subsidy can be realised by either outright sale or lease. (All figures for stand alone costs taken from the Building Cost Information Service published by the RICS, all figures for facility costs within stadia are based on actual development costs and FWP experience).

The three adjacent graphics strive to confirm the fundamental logic that the construction of a stand which can accommodate lettable area will result in low cost space for rent.

If we say that the 5,000 seater stand shown in figure 1 costs £1,000 per seat with a simple ground floor concourse then £5M is the out turn cost.

At figures 2 and 3 the additional floors and extensions result in significant lettable area of approximately 4,000m² for figure 2 and 8,000m² for figure 3 and the comparative costs are around £7M and £10M respectively (which equates to £1,400 and £2,000 per seat respectively).

comparative costs



If we then use this information to compare how the business case for each example develops.

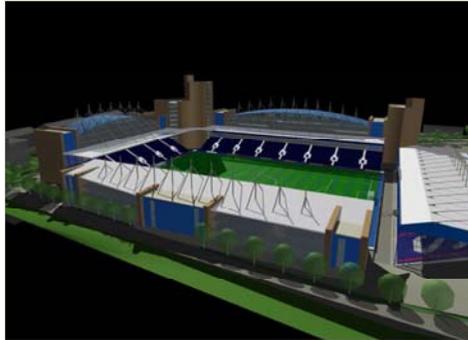
Figure 1 - No Lettable Space = £5M to be funded through sports club income

Figure 2 – Lettable Space created 4,000m² = 40,000 square feet at approximately £10 per square foot rental income, equating to £400,000 p.a. income. Rental over a 25 year period would have a nett presell value of around £4M and would therefore fund more than half of the £7M total stand cost leaving a £3M deficit.

Figure 3 – Lettable Space created 8,000m² = 80,000 square feet at approximately £10 per square foot rental income. As with figure 2 this rental over a 25 year period would have a nett presell value of around £8M and would therefore fund approximately 80% of the total stand cost leaving a £2M deficit.

Larger scale plans and section for the PNE Invincibles Stand are included at Appendix A.

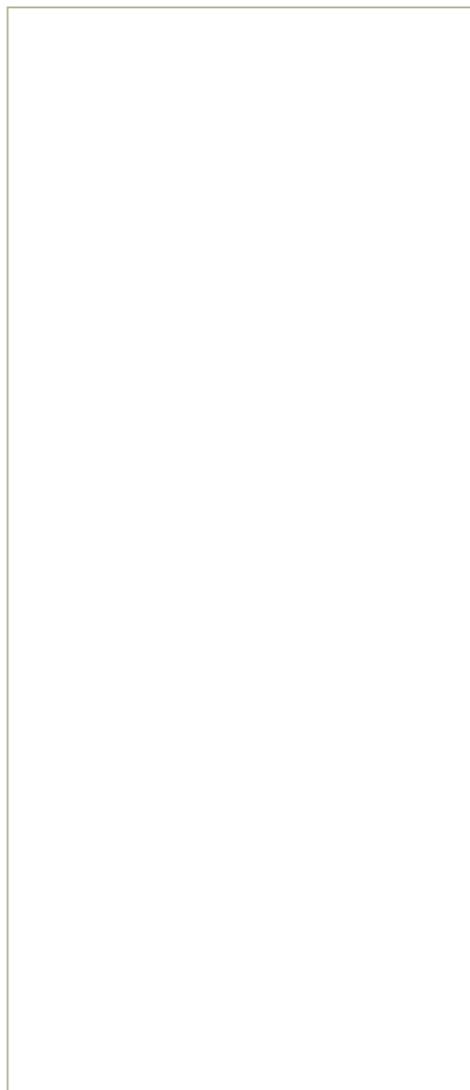
closing summary



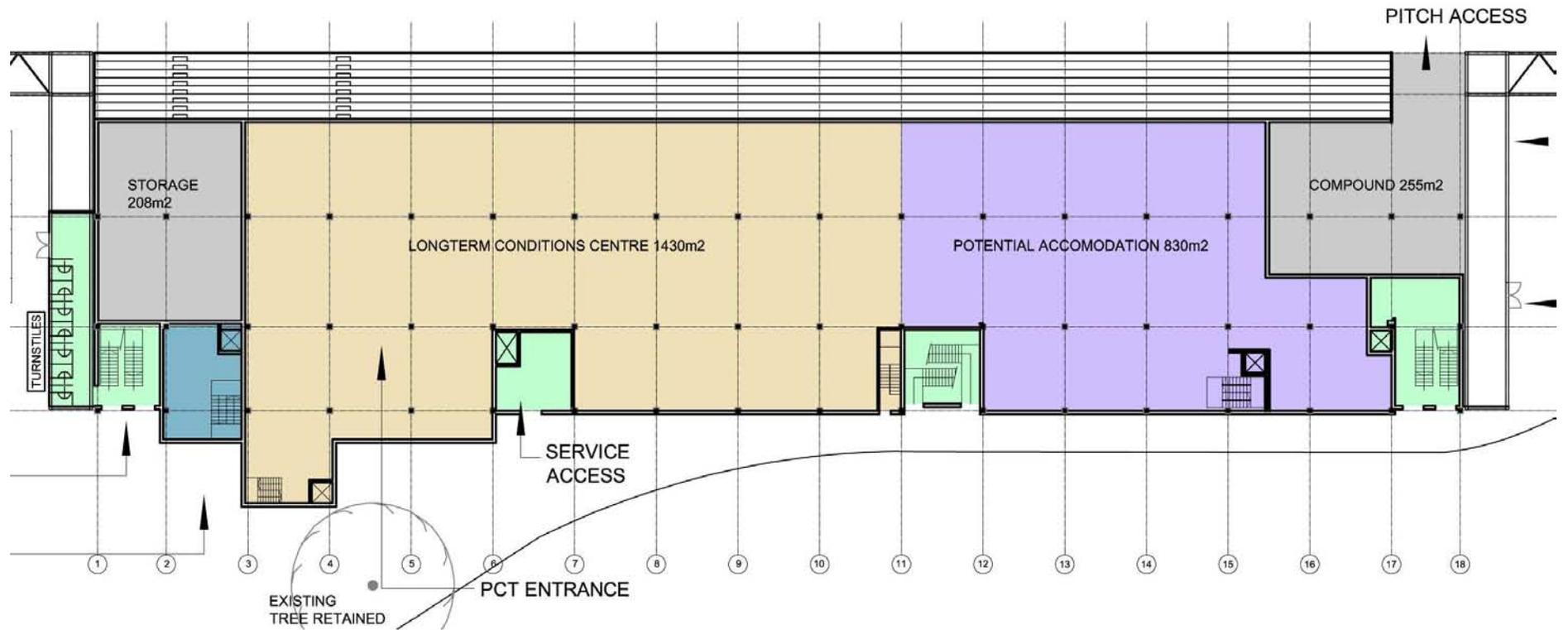
In summary the broad brush information provided within this report demonstrates that the design of any stadium can result in a viable business in terms of:-

- The stadium with respect to its capital cost being largely funded by the income generating tenants who are incorporated within and around the stadium complex.
- It is also clear that the greater accommodation provided (as was the case with Fig. 3 and at Preston and Oldham) the more the deficit between cost and value (income) is reduced.
- In fact, in simplistic terms the new £9M East Stand at Preston generates an income from the local PCT of approximately £500K per annum. The “funding” of £9M for the stand is totally funded by this £500K p.a. income over a 25 year period (because no profit element is required by the developer/owner).

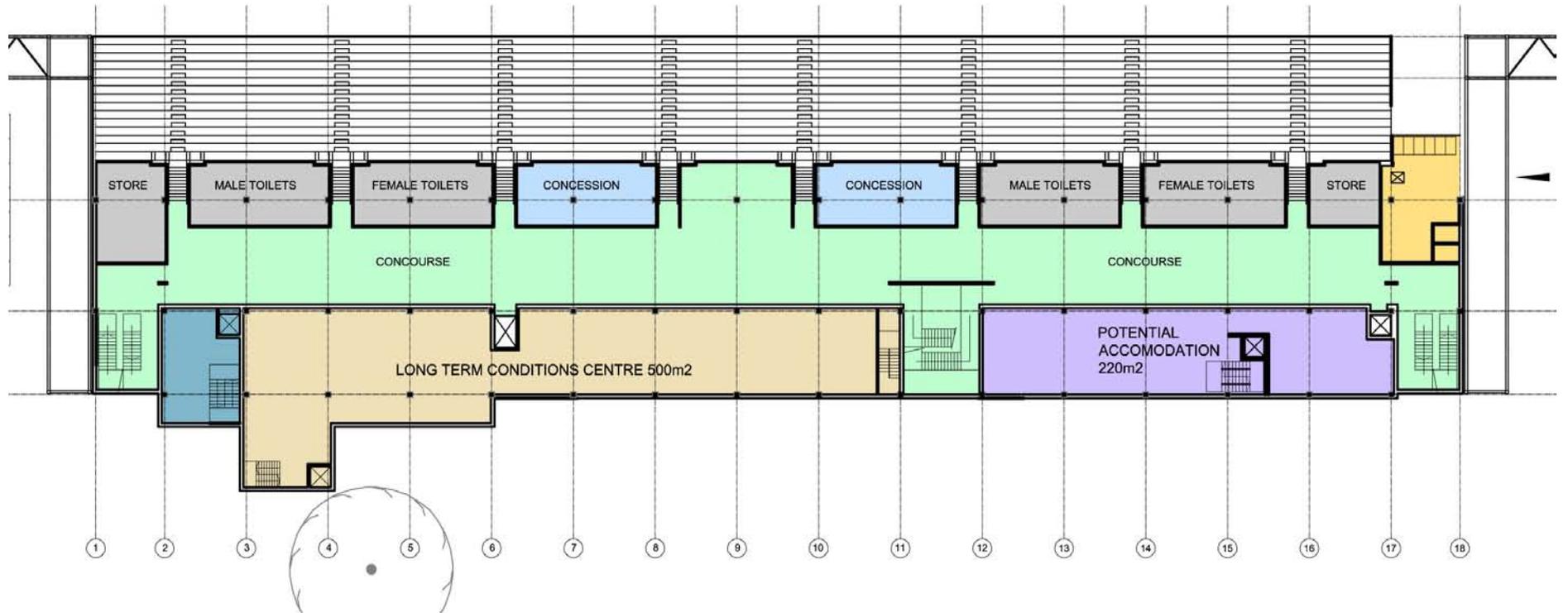
In comparison therefore to the “traditional model” a tenant driven stadium is the basis upon which many modern stadia (particularly for those clubs at lower level) are developed. There are good and bad examples of this but the undeniable conclusion must be that if done correctly a new stadium can be largely self funding and create excellent lettable space which is sustainable for a number of user types.



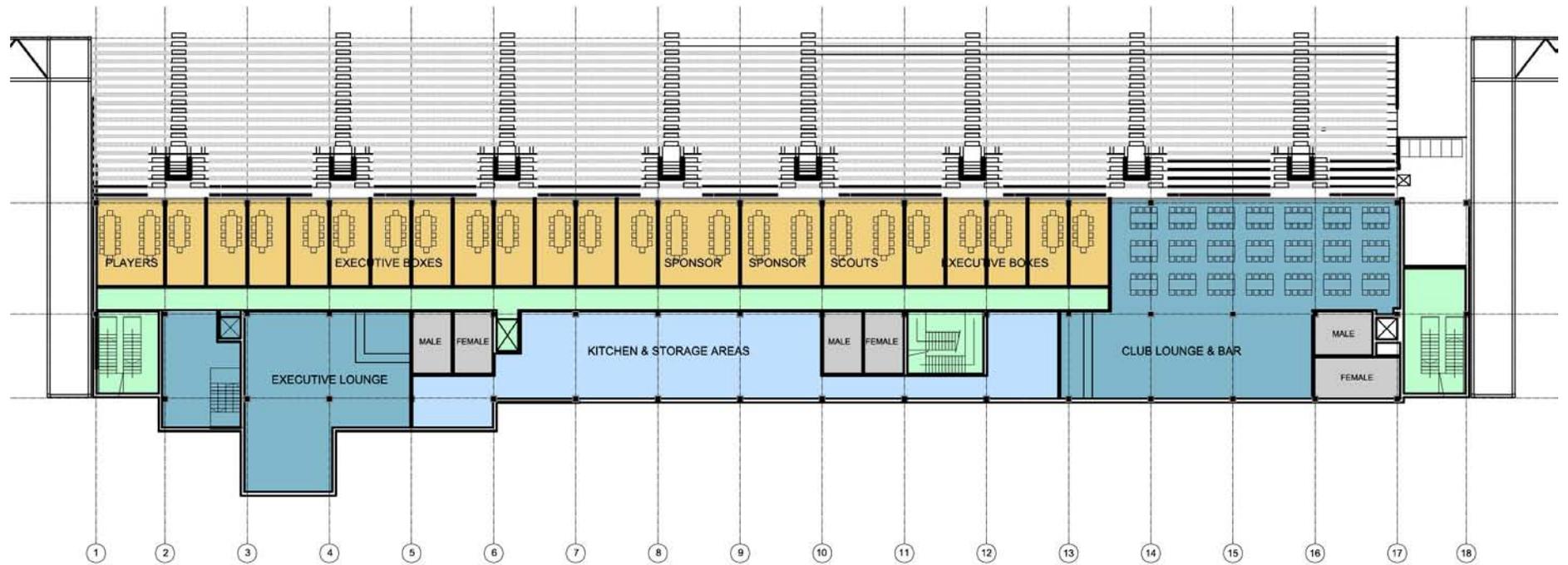
pne fc invincibles stand_ground floor plan



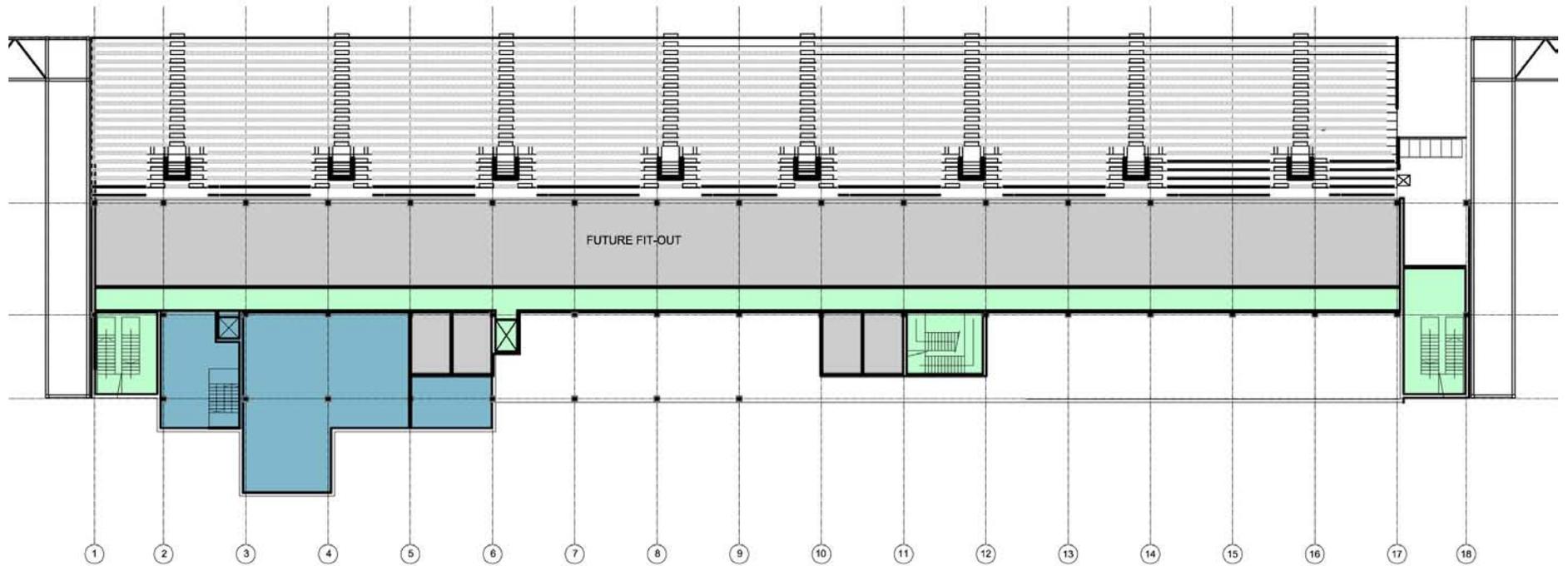
pne fc invincibles stand_first floor plan



pne fc invincibles stand_second floor plan



pne fc invincibles stand_third floor plan



pne fc invincibles cross section

