



## **CIB Approves New 25-year Agreement with Pacers Sports & Entertainment**

*New agreement funds operating expenses, technology improvements, and capital projects, including a new outdoor plaza and social gathering areas*

INDIANAPOLIS (April 12, 2019)—At its monthly board meeting today, the Capital Improvement Board of Managers (CIB) approved a resolution authorizing funding for the first long-term contract agreement with a Major League sports team in the city with no new taxes or fees.

“The Pacers have a long history in downtown Indianapolis, from the move to Market Square Arena in 1974 to the opening of Bankers Life Fieldhouse 25 years later. Today we are pleased to announce the Pacers will stay in Indiana where they belong for at least another 25 years,” said Melina Kennedy, President of the Capital Improvement Board of Managers.

“The Simon family has always desired for the Pacers to stay in Indiana for the long term,” commented Herb Simon, Owner of Pacers Sports & Entertainment. “The new agreement ensures that the Pacers will be here and that the Fieldhouse will continue to be the best facility for generations of fans and guests.”

The agreement includes \$360 million for capital improvements comprised of an estimated \$270 million from state and CIB sources and \$65 million of private investment from Pacers Sports & Entertainment, including real estate purchases needed to construct an outdoor public plaza. The City of Indianapolis also is contributing \$25 million for public infrastructure needs.

The plan also includes investments in future technology capped at \$113 million. Under the terms of the agreement, Pacers Sports & Entertainment will be responsible for any technology costs that exceed a yearly cap. Funding for Bankers Life Fieldhouse operating expenses, to be paid on a sliding scale beginning at \$12.5 million with no annual escalators, has been reduced compared to the current contract levels for the first 12 years.

### **Pacers Sports & Entertainment Provides Significant Economic Impact**

According to a study by the IU Public Policy Institute, the economic impact of Pacers Sports & Entertainment, including events at Bankers Life Fieldhouse, totaled \$370 million in 2018. Pacers Sports & Entertainment is also responsible for more than 4,000 jobs resulting in \$152 million in annual wages. In 2017 Bankers Life Fieldhouse hosted 550-plus sporting and non-sporting events that generated 15 million in annual taxes.

A second study, conducted by Rockport Analytics found that 4.4 million residents and visitors attended an event in 2017 in one of the four CIB-managed facilities—Bankers Life Fieldhouse, Lucas Oil Stadium, Victory Field, and the Indiana Convention Center. This includes the more than 1.7 million who attended Indiana Pacers and Indiana Fever home games and/or concerts and entertainment; national convention and community events; non-profit fundraisers; and more at the Fieldhouse.

“It is clear that Pacers Sports & Entertainment plays a large role in the CIB’s economic impact for the city and state. The long-term investment approved today ensures that the Fieldhouse can remain competitive in retaining and attracting more of the kinds of events that add to the vibrancy we’ve come to expect in downtown Indianapolis,” Kennedy said.

### **Year-round Public Outdoor Plaza, Social Gathering Areas, and Upgraded Views**

Rick Fuson, President of Pacers Sports & Entertainment, shared preliminary renderings of many of the proposed additions and improvements at the board meeting.

## **CIB approves PS&E funding agreement (cont.)**

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“As the Fieldhouse completes its 20<sup>th</sup> season, it still has incredible ‘bones.’ This investment helps us to continue providing great experiences that meet the evolving needs our fans and guests,” Fuson said.

Citing fans’ interest in more social and standing-room gathering spaces, interior renderings showed the removal of the top eight rows of the upper seating area to improve the fan experience and enhance views of the arena and the city. Other renderings showed an expanded entry pavilion and concourse that could host more community events.

In addition to the changes to the footprint of the building, a new outdoor plaza is planned for public use all year long. The area can host events, including outdoor basketball games, farmers markets, and rental events. In the winter, Pacers Sports & Entertainment envisions an outdoor skating rink that would be larger than the iconic Rink at Rockefeller Center in New York City.

### **No Effect on 2021 NBA All-Star Game; Pacers home games**

Construction will be completed in three phases:

- Phase 1 will focus on interior renovations and is scheduled to run February 1 to October 1, 2020. The building will be closed for events from the end of the 2019-2020 Pacers season through October 1, 2020.
- Phase 2 includes an entry pavilion expansion and exterior construction along with additional interior renovations, which will take place after the 2021 NBA All-Star Game until December 31, 2021. The building will be closed for events from the end of the Pacers 2020-2021 season through October 1, 2021.
- Phase 3 construction will take place between January 1 and October 1, 2022, to complete the entry pavilion expansion, exterior plaza and remaining interior renovations. The building will be closed for approximately 60 days in the Summer of 2022.

While the detailed project timelines have not been finalized, construction will not interfere with the 2021 NBA All-Star Game or the Indiana Pacers home basketball games. Because the Indiana Fever play during the summer, home games will be played elsewhere during the 2020 and 2021 seasons and part of the 2022 season.

Today’s resolution is contingent on passage of SB-7. Once the state funding package is finalized, the CIB and Pacers Sports & Entertainment will begin working with the city and the master developer to obtain all the necessary agreements and approvals to proceed.

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*The following documents and assets can be made available electronically.*

- CIB Agreements with Pacers Sports & Entertainment Presentation Slide Deck
- 2017 Significance of CIB-Initiated Conventions, Games, and Events Report
- 2018 Updated Indiana University Public Policy Institute Report on the Economic Contributions of Pacers Sports & Entertainment
- Pacers Sports & Entertainment Proposal Renderings

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