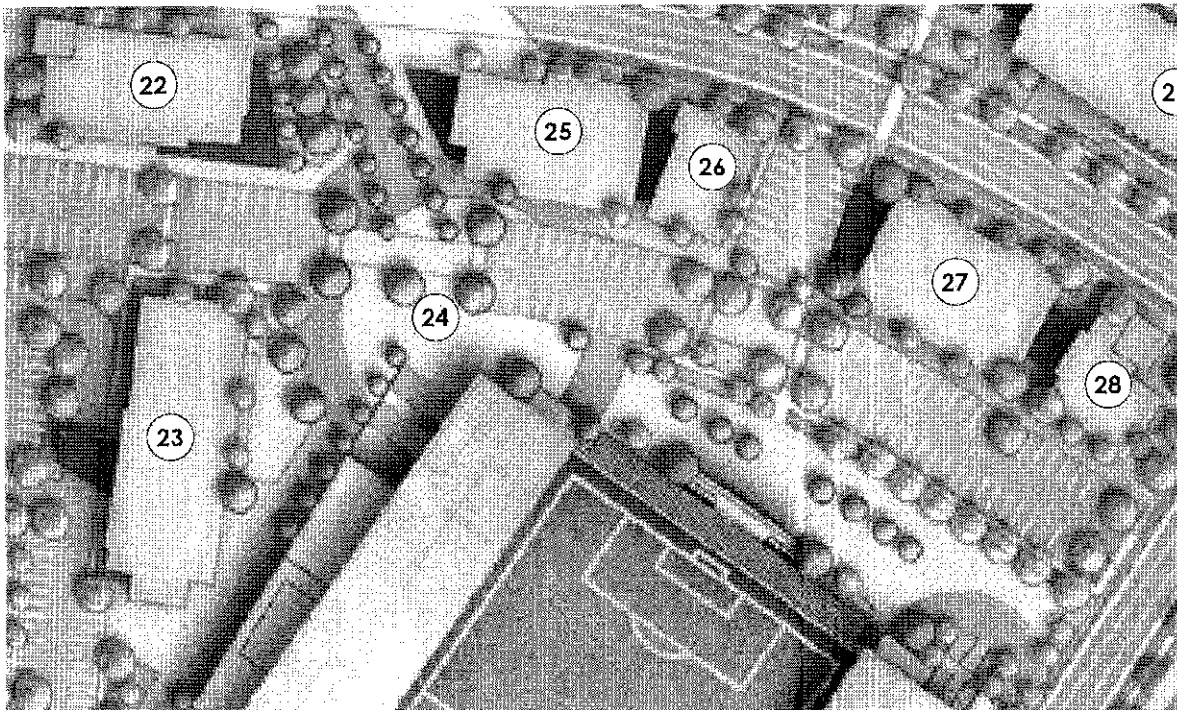


KINO DISTRICT ENTERTAINMENT CENTER

In addition to entertainment options available at the Arena and Stadium, Kino District integrates family-friendly, indoor entertainment options in keeping with its focus as a lifestyle entertainment district. Located directly adjacent to the Arena Event Plaza, the Kino District Entertainment Center (the “Entertainment Center”) includes an e-sports venue and an action sports facility. The combination of these entertainment options caters to both residents and tourists, alike, looking for a non-attendance-based event and operates as a unique draw for Kino District’s dining and retail establishments. The Entertainment Center, comprising 50,000 square feet on each of two stories, will be split into a 20,000 square foot (e-sports) and a 30,000 square foot (action sports) footprint. This physical arrangement permits Knott Development’s action sports partners floor to roof space within which to operate challenging and exhilarating attractions for all ages. Whereas our e-sports partners are able to occupy a single level partition within which to grow over time to encompass dual level operations. Knott Development is working with Edge Sports Group (Iceplex and Field House management) and its partner Select Contracts, a leader in the leisure and recreation development industry, to design and operate the action sports portion of the Entertainment Center. For the e-sports portion of the Entertainment Center, Knott Development has been in discussions with several industry partners. The Entertainment Center will be co-developed by Knott Development and industry partners pursuant to a sub-ground lease under the Master Ground Lease with its final composition announced during the MDPA’s predevelopment phase.

KINO DISTRICT STADIUM EVENT PLAZA

Directly aside the Stadium sits the Kino District Stadium Event Plaza (the “Stadium Event Plaza”), offering an external landscape complementing the Arena Event Plaza. Set as a hardscape, the Stadium Event Plaza serves as a gathering space before and after Stadium events, a stage for local musicians and performers or, perhaps, a unique creative node for craft and book shows. Architecturally linked to the Arena Event Plaza, the Stadium Event Plaza provides open space to balance Kino District and a connection between its anchor elements and amenities.



Site plan inset showing the Stadium Event Plaza (No 24) and its extension opposite Kino District Commercial (No.s 25-28)



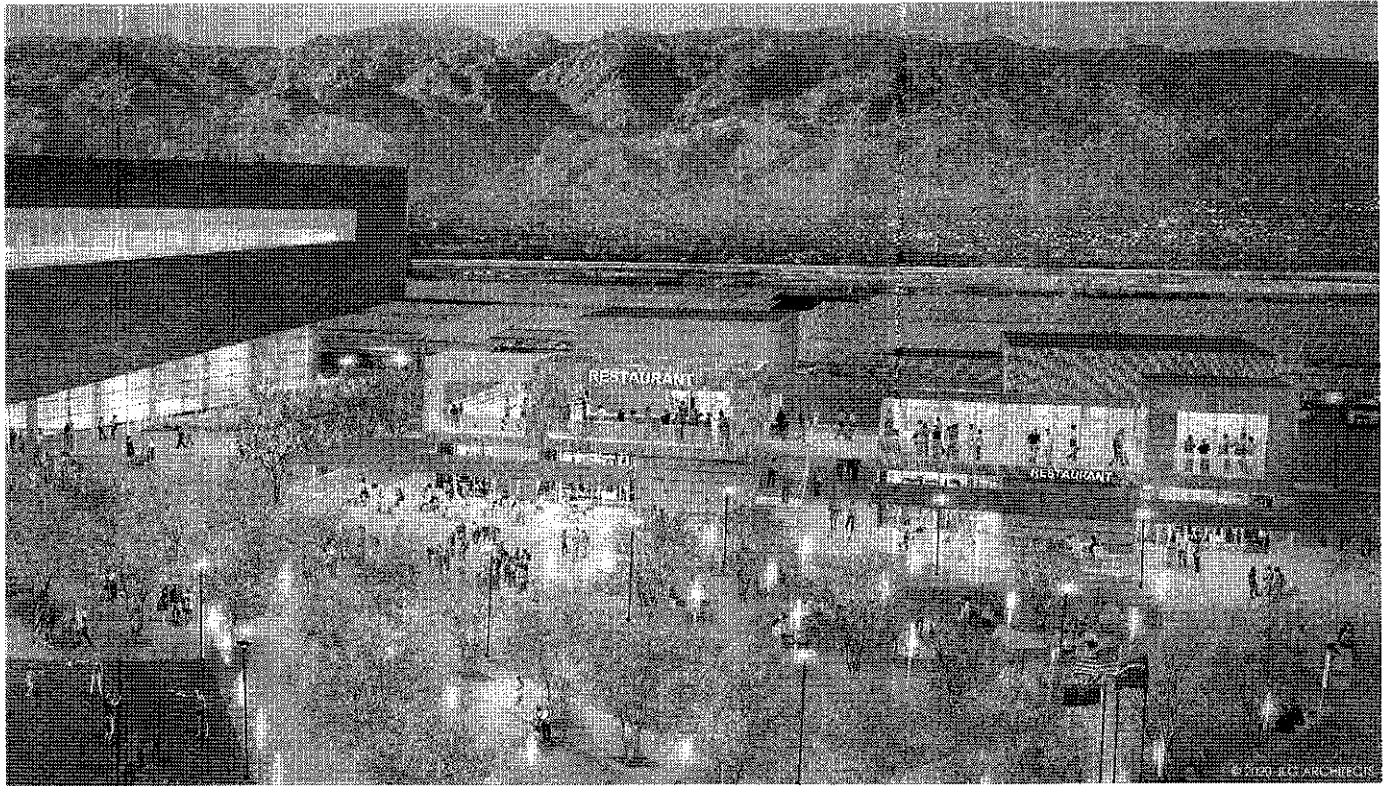
Rendering of the Stadium Event Plaza

KINO DISTRICT COMMERCIAL

In addition to the anchor elements to be developed within Kino District, adding to the lifestyle center aesthetic will be a combination of restaurant, retail, hospitality and commercial spaces ("Kino District Commercial"). Kino District Commercial will be co-developed by Knott Development and industry partners pursuant to a sub-ground lease under the Master Ground Lease.

KINO DISTRICT DINING

Due to its location within the City of Gastronomy, Kino District's amenities include an array of dining choices. From national brands to local, chef-driven eateries, Kino District will cater to the local foodie, business traveler seeking to experience Tucson's rich culinary heritage to the tired travel sports family looking for something family-friendly and familiar. With eight different restaurant locations across four nodes of activity and varying between 4,500 square feet and 10,000 square feet of gross restaurant-designated spaces, Knott Development has positioned dining areas within walking distance of each anchor element to enhance Kino District's active atmosphere. Due to the extensive number of travel tournaments hosted at the Iceplex and Field House as well as events managed at the Arena, Stadium, Kino South Complex and Kino North Complex, Knott Development intends to include a mix of family-friendly franchised brands capable of handling large, multiple service rotations. However, because the restaurant space shells are customizable within their footprints, Knott Development will broaden dining options by recruiting a number of popular local eateries to open secondary locations, allocating at least 25-30% of aggregate restaurant space to local establishments.



Inset view of a portion of Kino District Commercial located on the Arena Event Plaza. In this view dining components of Kino District are shown in the design format to be utilized by Knott Development for all dining and retail aspects of Kino District Commercial.

KINO DISTRICT HOTELS

As an adjunct amenity to the travel tournament volumes hosted at the Iceplex and Field House and due to the tourist attendance at events managed by the Arena, Stadium, Kino South Complex and Kino North Complex, Kino District will include three hotel properties ("Kino District Hotels"). In doing so, Knott Development accomplishes several development-related goals. First, provide tourist and tournament participants with limited service hotel accommodations within walking distance of athletic events as well as dining, retail (both inside Kino District and within the adjacent Campbell Benson Development) and entertainment options. Second, within their walkable proximity to dining and entertainment options, Kino District Hotels become a viable and desired option for Tucson International Airport arrivals. Third, with approximately 140-170 rooms for each of the two site-internal Kino District Hotels and 200 rooms for the peripheral Kino District Hotel (adjacent to the Field House), Kino District balances accommodations access within the development. Moreover, the development plan doesn't recklessly overextend the ability to fill rooms throughout the year and provides significant tournament overflow access to the City's downtown area, thus spreading Kino District's economic benefits across the region.

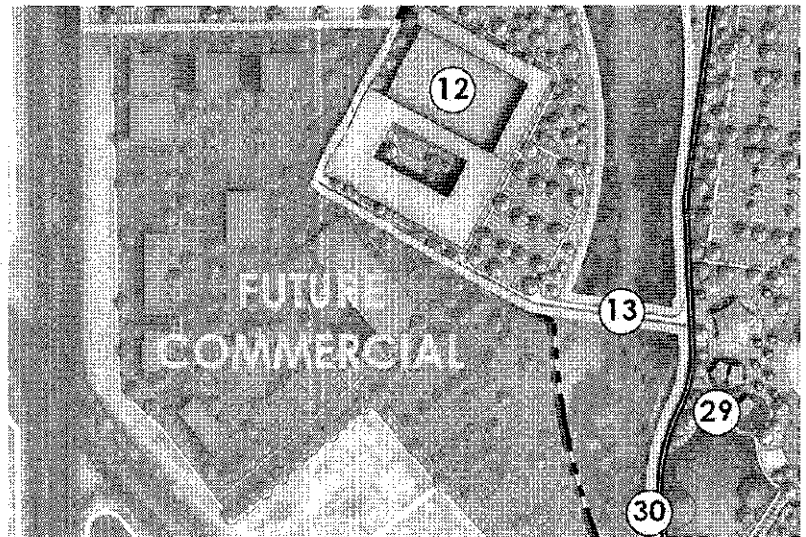
While the site-interior Kino District Hotels will be developed in tandem with anchor elements, the periphery Kino District Hotel will be developed in conjunction with the alterations to the I-10/Kino Parkway and I-10/Country Club Road interchanges. Because this ADOT project will result in more developable land under the Master Ground Lease, delayed development of this Kino District Hotel permits stabilization of the site-interior hotels as Kino District's tournament and tourist volumes expand. Kino District Hotels will be co-developed by Knott Development and industry partners pursuant to a sub-ground lease under the Master Ground Lease.

KINO DISTRICT MEDICAL OFFICE BUILDING

Intended for development following the completion of all anchor facilities and other supporting elements, the Kino District Medical Office Building (the "Medical Office Building") is the perfect compliment to Kino District's, Kino South Complex's and Kino North Complex's facilities and programming. Designed for specific private practice clients of Phoenix Commercial Advisors, Knott Development's commercial brokerage partner, that require highway visibility and nearby medical centers, the Medical Office Building location is an ideal setting for this robust athletic service practice. The Medical Office Building will be co-developed by Knott Development and industry partners pursuant to a sub-ground lease under the Master Ground Lease.

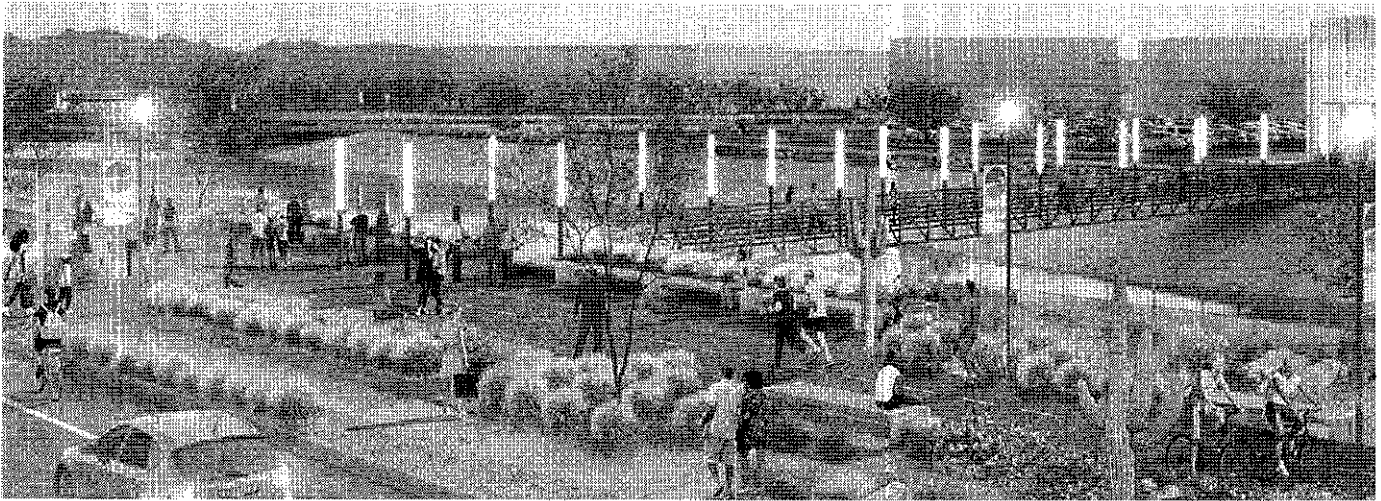
KINO DISTRICT MULTIFAMILY

Based on its development coordination agreement with 4D Properties, Knott Development plans to co-develop with industry partners a 200-250 unit apartment complex to augment the redevelopment of the Benson Highway corridor ("Kino District Multifamily"). Supported by retail and commercial establishments within the Campbell Benson Development, Kino District Multifamily will enjoy physical and aesthetic linkages to Kino District and the Loop via a pedestrian/bicycle-friendly bridge crossing the Julian Wash and leading to, among other amenities, the Julian Wash Event Plaza, Stadium and ease of access to Kino South Complex.



KINO DISTRICT LOOP ENHANCEMENT

Although not an amenity created by Knott Development, Kino District enhances both access to, and the functionality of, the Loop within its boundaries. Taking advantage of its sweeping path through Kino District, Knott Development's landscape architecture plan accentuates the Loop, providing an inviting walking, running and biking pathway from which to access all portions of Kino District. Additionally, multiple bridges set across the Julian Wash establish internal access points to facilities and amenities as well as linking Kino District and the Benson Highway Corridor through the adjacent Campbell Benson amenities as well as linking Kino District and the Benson Highway Corridor through the adjacent Campbell Benson Development. With its Kino District-internal transformation, Knott Development enhances the Loop from a community use asset to an experience and focal point.

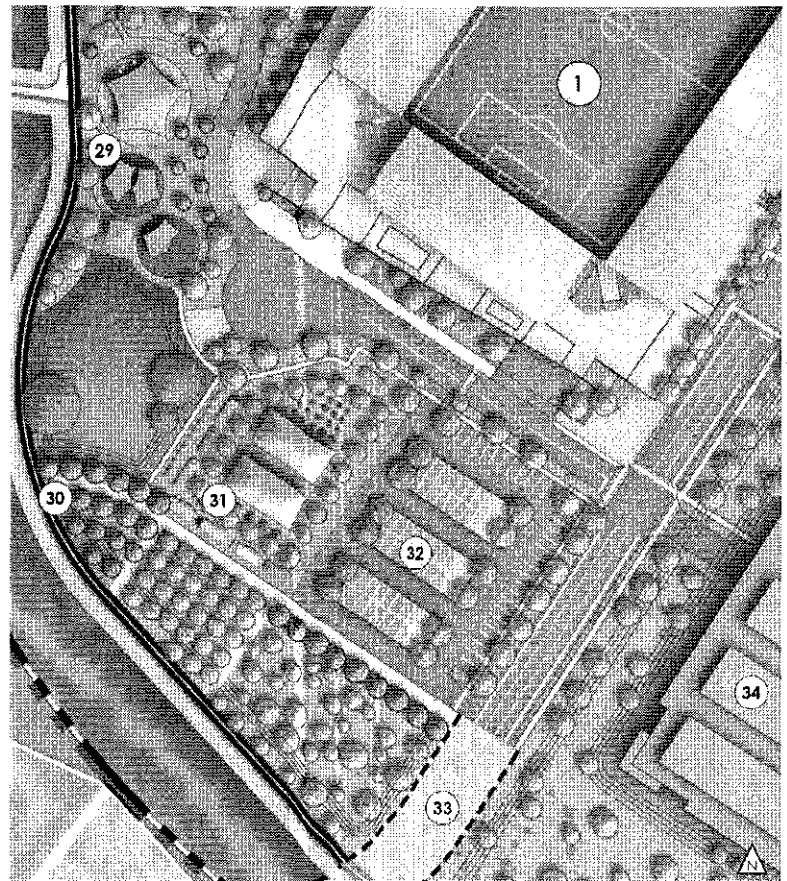


Rendering of the enhanced Loop within Kino District and the Iceplex Pedestrian Bridge

KINO DISTRICT JULIAN WASH EVENT PLAZA

To provide local, revolving and interesting food options, to Kino District visitors as well as accentuating the Julian Wash and the Loop, Knott Development has created the Kino District Julian Wash Event Plaza (the "Julian Wash Event Plaza"). Replete with community spaces, the Julian Wash Event Plaza includes a splash pad, playground and open green space. In addition to open space amenities, the Julian Wash Plaza features the Kino District Food Truck Court where local food truck purveyors will rotate on a weekly basis, providing another link to the rich culinary scene within the Southern Arizona region and promoting local businesses. Given its Loop-adjacent location, pedestrian/bicycle access and proximity to the Stadium, Kino South Complex, Kino District Multifamily and the Campbell Benson Development via a pedestrian/bicycle bridge, the Julian Wash Event Plaza represents a unique activity node.

Site plan inset of the Julian Wash Event Plaza (No.'s 29 and 31) with connections to the Loop (No. 30) via a pedestrian/bicycle bridge (not shown, but adjacent to the splash pad) connecting the event plaza to the Campbell Benson Development and Kino District Multifamily.



KINO DISTRICT DESIGN GUIDELINES

Knott Development recognizes the importance of establishing clear design standards and guidelines that respond to the values of the County and direct cohesive development over the multiple phases of construction. Due to Knott Development's control over the anchor elements and, at a minimum, the majority of supporting elements, Kino District will avoid the long-suffering problem of multi-developer design risk. Even so, Knott Development will establish its own design guidelines for implementation within Kino District (the "Kino District Design Guidelines"). As a part of that process, the formulation and implementation of the Kino District Design Guidelines will not remain solely with Knott Development, but will be subject to oversight and guidance by the Development Committee and the existing requirements for review by the Architectural Review Board established pursuant to the adoption of the City's PAD 18: Kino Health Campus Plus Minor Amendments.

The Kino District Design Guidelines will be meant to translate aspirations into three-dimensional form. As part of the development of Kino District, Knott Development will create a comprehensive and clear set of guidelines that set a theme for the overall site (including Kino South Complex) to carry through all future development, especially any portion of the development aspects of Kino District that are not developed directly by Knott Development, but through third party developers.

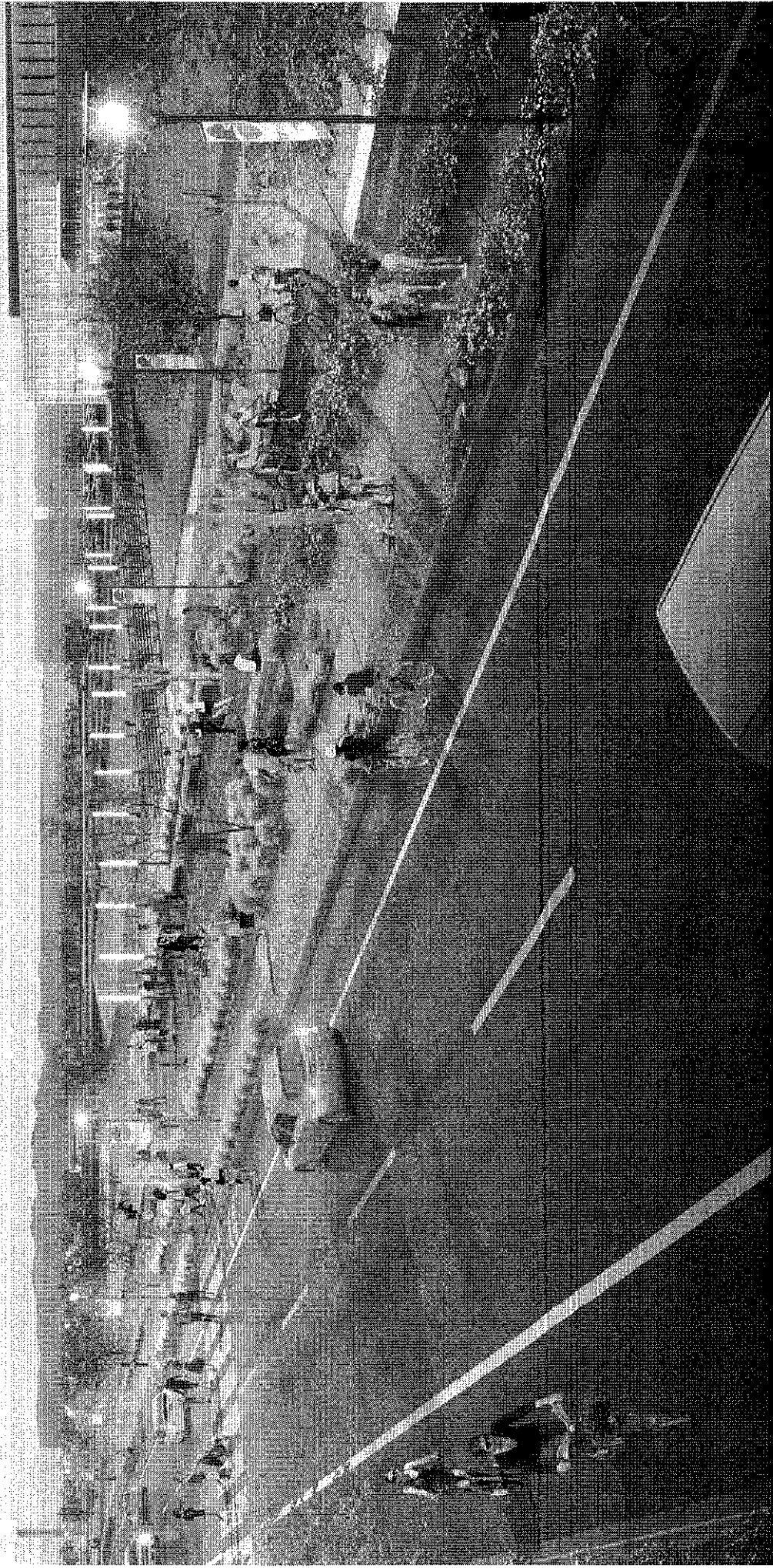
The ultimate goal of this process is to create a unified lifestyle district with a sense of place and arrival. This tone will be exciting, dynamic and create an atmosphere that represents community pride, healthy living, diversity and togetherness all in the unique context of the Southern Arizona region and the Sonoran Desert.

The Kino District Guidelines will address "Overall Vision" (Goal - i.e., a vibrant sports complex that celebrates the unique local identity within the Sonoran Desert), "Approach" (Strategy - i.e., utilize vernacular forms, materials and building practices for sustainable desert construction) and "Objectives" (Measurable Steps - i.e., specify copper tones for architectural cladding, native vegetation within landscape or locally sourced building materials). Knott Development's team has the unique ability to ensure that the themes set are not only applied to Kino District, but also to the prove property surrounding it via its development coordination agreement with 4D Properties, creating a cohesive district as envisioned by the County.

Knott Development anticipates that the Kino District Guidelines will address function and aesthetics. At a minimum, the Kino District Design Guidelines will include:

- Project vision, approach and objectives
- Precedent review of successful local development projects (historic and contemporary)
- Architecture
- Streetscape
- Promenades, plazas and patios
- Landscape guidelines
- Drainage and rainwater harvesting guidelines
- Multimodal accommodation and encouragement
- County low impact development
- Traffic calming
- Public art
- Signage

Because Knott Development may engage with third-party developers for the development of some aspects of Kino District - for example, portions of Kino District Commercial, Kino District Hotels and Kino District Multifamily - it is vitally important to ensure that the themes and quality standards established by Knott Development are carried through to other development principals. To the extent that Knott Development engages with third-party developers, it will be through the use of sub-ground leases within the Master Ground Lease which will contain covenants, conditions and restrictions subjecting such developers to the Kino District Design Guidelines. In this manner, Knott Development and the County can be assured that the original vision of the community and the highest quality standards are carried through the entire life of Kino District.



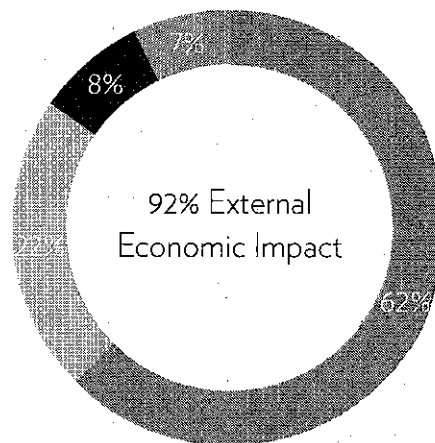
ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT IMPACT

Although developed in partnership the County, Knott Development's goal from the outset of facilities design, local and travel sports programming, community inclusion planning, entertainment venue modeling and site composition planning, was to create a mix of site uses to generate off-site opportunities that would supplement existing economic development initiatives and successes. Rather than replacing existing efforts and assets, Kino District is designed to serve as an additional catalyst of economic development for the benefit of the entire Southern Arizona region.

Representative of Knott Development's intent and execution is not just the myriad of economic development benefits created by Kino District, but the focus of economic opportunity delivery. Over 90% of the economic impact generated by Kino District will be realized outside of Kino District's physical boundaries.

- External Benefits from Tournament-Generated Spending
- External Earnings Benefits from Tournament-Generated Spending
- External Benefits Generated by New Property Taxes
- Earnings Benefits from Kino District Facility Operations



Driving this accomplishment is a refined approach to site development. Foregoing a more traditional, limited focus on site-specific metrics such as site property taxes and employment figures, Knott Development approached Kino District's physical and operational composition with a dual emphasis on site self-sufficiency and pushing economic benefit outward. To do so, Kino District is formulated to provide opportunities stemming from its anchor and support element composition, regional-oriented spending from athletic tournaments, jobs creation and enhanced earnings regionally due to spending associated with Kino District events, and fostering the development of adjacent properties. All the while, Kino District still generates significant community employment and earnings benefits from site operations. This multifaceted approach results in Kino District achieving financial self-sufficiency while spurring economic development activity across multiple regionally-impacting facets. In turn, Kino District-stimulated economic development benefits create further anchor element programming and Kino District commercial opportunities from increased tourism activity and an a more activated local customer base.

OPPORTUNITIES FROM SITE COMPOSITION

KINO DISTRICT HOSPITALITY COMPOSITION

The development of Kino District Hotels serves the hospitality demand generated by tournaments hosted at the Iceplex and Field House, travel associated with the Arena and Stadium as well as the hospitality demands associated with the existing Kino South Complex and Kino North Complex. The Kino District Hotels, however, have been designed in a manner consistent with both a purposeful delivery following opening of all anchor facilities and generating intentional overflow traffic to the City's downtown area. Both development aspects serve to benefit existing hotel properties within the region.

The two interior Kino District Hotels (adjacent to the Stadium) are scheduled to open in May, 2025 and the third, peripheral hotel - adjacent to the Field House - will not open until at least June, 2027. In contrast, both the Iceplex and Field House commence travel tournament activities in June and July of 2023, respectively. During the period preceding Kino District Hotel operations, Iceplex and Field House tournaments will generate a significant number of room nights annually from which other hotel venues within the region benefit. Specifically, and due to the development activity, amenities and investments made within the City's downtown area, Knott Development will work with downtown-based hotel ownership and management groups to quarter tournament attendees during this period. As reflected in the chart below, from June 2023 through May 2025, the City's downtown area will materially benefit from the addition of approximately 240,000 room nights.

KINO DISTRICT ECONOMIC DEVELOPMENT

HOTEL DEMAND PRE-KINO DISTRICT HOTEL OPERATIONS

	2023	2024	2025
ICEPLEX NATIONAL HOCKEY TOURNAMENTS			
Number of Tournaments	1	6	8
Room Night Demand	2,016	12,096	8,064
ICEPLEX REGIONAL/INVITATION TOURNAMENTS			
Number of Tournaments	1	2	3
Room Night Demand	896	1,792	1,344
FIELD HOUSE BASKETBALL TOURNAMENTS			
Number of Tournaments	9	18	18
Room Night Demand	20,736	41,472	20,736
FIELD HOUSE VOLLEYBALL TOURNAMENTS			
Number of Tournaments	8	16	16
Room Night Demand	23,040	46,080	23,040
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS			
Number of Tournaments	5	10	10
Room Night Demand	9,600	19,200	9,600
TOTAL ROOM NIGHTS	56,288	120,640	62,784

Following the opening of Kino District Hotels, Kino District events will continue to generate significant room night bookings to other hotels within the region, specifically those within the City's downtown area. Even when fully developed, the three Kino District Hotels are designed as limited service hotels, comprised of approximately 140-170 rooms for each of the Stadium-adjacent Kino District Hotel and 200 rooms for the Field House-adjacent Kino District Hotel. While specifically designed to promote economic viability within the Kino District site, itself, Knott Development likewise intended these self-imposed room limitations in order to partner with and benefit other hotel properties within the region. In a similar manner to Knott Development's Kino District Hotel room targets, the Iceplex and Field House designs, aside from accommodating local recreational sports and community programs, were purposely intended to maximize tournament volumes in order to eclipse the on-site hospitality infrastructure. The combination of limited on-site hotel development and expansive tournament volumes ensures that Kino District's benefits are widely felt within the metropolitan Tucson area and, specifically the City's downtown area.

As shown by the following tables, room night overflow from Kino District tournaments is significant. Assuming 20% of Kino District Hotel rooms are used for non-tournament guests (and excluding the impact of same weekend tournaments), an annual average of approximately 57,000 room nights are anticipated for off-site occupancy with a 40-year total of approximately 2,300,000 room nights required of partnering, off-site hotels.

Notes to non-Kino District hotel room demand calculations:

- 2023-2024 reflects 100% off-site hotel room allocation.
- 2025 figures include 100% off-site room allocation for 50% of that year's tournament room volume to account for Kino District Hotels opening in May, 2025. The remaining 2025 tournament room volume calculations are adjusted to reflect 20% of Kino District Hotel rooms being used for non-tournament guests.
- To keep projections conservative, it is assumed for these calculations that all three Kino District Hotels are in operation as of May, 2025 (meaning all 540 rooms are available) even though the Field House-adjacent hotel will not enter service until at least 2027.

KINO DISTRICT ECONOMIC DEVELOPMENT IMPACT

AGGREGATE OFF-SITE HOTEL DEMAND

	2023-2032	2033-2042	2043-2052	2053-2062
ICEPLEX NATIONAL HOCKEY TOURNAMENTS				
Number of Tournaments	71	80	80	80
Off-Site Room Night Demand	62,496	57,600	57,600	57,600
ICEPLEX REGIONAL/INVITATION TOURNAMENTS				
Number of Tournaments	65	100	100	100
Off-Site Room Night Demand	6,864	4,800	4,800	4,800
FIELD HOUSE BASKETBALL TOURNAMENTS				
Number of Tournaments	171	180	180	180
Off-Site Room Night Demand	205,416	177,120	177,120	177,120
FIELD HOUSE VOLLEYBALL TOURNAMENTS				
Number of Tournaments	152	160	160	160
Off-Site Room Night Demand	282,240	253,440	253,440	253,440
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS				
Number of Tournaments	95	100	100	100
Off-Site Room Night Demand	85,200	62,400	62,400	62,400
TOTAL ROOM NIGHTS	642,216	555,360	555,360	555,360

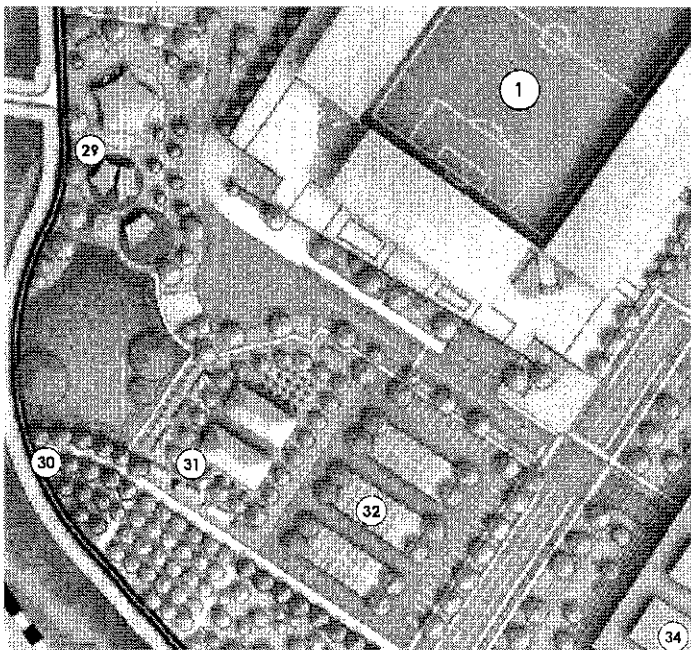
Annual off-site hotel demand projections appear in the *Financial Appendix* accompanying this Business Plan

KINO DISTRICT RESTAURANT COMPOSITION

In addition to the conscious choice of regionally-benefitting, limited hospitality assets, so too has Knott Development limited the amount of restaurant space within Kino District. While Kino District's amenities will include an array of dining choices from national brands to local, chef-driven eateries, Knott Development's goal is to provide sufficient variety and choice to Kino District visitors while not overwhelming the Tucson market with a flood of hyper-located restaurants that cannibalize other restaurant sectors. From national brands to local purveyors, Kino District's goal is to simultaneously cater to the local foodie, business traveler seeking to experience part of Tucson's rich culinary heritage to the tired travel sports family looking for something family-friendly and familiar, while simultaneously providing an apparatus that promotes Southern Arizona's vibrant restaurant industry.

Kino District's dining options are limited to eight shells within four distinct nodes of activity. Varying between 4,500 square feet and 10,000 square feet, however, the gross volume of dining options purposely limits the site's ability to serve all of its and the existing Kino South Complex's visitors. Given the large number of travel tournaments hosted at the Iceplex, the Field House and Kino South Complex, Knott Development's plans do include a short-list mix of family-friendly franchised brands capable of handling large, multiple service rotations. Even so, the combination of Kino District's planned partnerships with Tucson's downtown area and other regional hotel operators, dining options in areas outside Kino District will materially benefit from large volumes of tournament attendees staying at off-site hotels. To further promote the diversity of Southern Arizona's culinary scene, Knott Development anticipates working with Visit Tucson, Sun Corridor and local and regional restaurant associations to develop working relationships that benefit Kino District as well as other established dining sectors and market participants.

In tandem with its promotion of off-site restaurants, Knott Development will seek to broaden Kino District's dining options by recruiting a number of small, popular eateries to open additional locations or new concepts. For local restaurants, however, establishing and maintaining a full-fledged storefront may prove financially burdensome (usually leading to more extensive, risk-laden landlord tenant improvements). Because part of Kino District's restaurant nodes include contiguous shell footprints, Knott Development will offer local operators desirous of smaller footprints specific, planned options within larger shell components. By providing a smaller area, dining choices become diversified leading to Kino District visitor satisfaction and operator financial burdens are lessened. This combination leads to successful local business expansion. In order to achieve its recruitment goal, Knott Development will, in part, work with CPLC to identify experienced restaurant operators within the Latino community and, where needed, CPLC's affiliated SBA lending programs can assist these established businesses.



Julian Wash Event Plaza, including the Food Truck Court (No. 31), playground/splash pad/green space (No. 29) and the Loop (No. 30)

Lastly, and in respect of the expansive Tucson-based food truck community, Knott Development has created the Julian Wash Event Plaza, within which area food trucks will be the singular dining option, surrounded by covered dining areas as well as open green space, splash pads and playgrounds (the "Food Truck Court"). Located on the south side of the Stadium adjacent to the Loop and within walking distance of the existing Kino South Complex, the Julian Wash Plaza will have a periodic rotation of local food truck purveyors. Due to its rotating composition, the Julian Wash Plaza will promote Tucson's vibrant food truck market. In turn, this will lead to further adoption by residents and tourists who will find their favorite operator and ultimately patronize it in other food-centric portions of the City, establishing a unique growth pattern for another segment of Southern Arizona's culinary marketplace.

KINO DISTRICT ENTERTAINMENT COMPOSITION

In keeping with its lifestyle center focus, Kino District offers entertainment options outside of those available at the Arena and Stadium. While Arena and Stadium entertainment focuses on sports and touring production offerings, the Entertainment Center provides a limited focus. Including an e-sports venue and an action sports facility, the Entertainment Center offers travelers a time-abbreviated entertainment experience compared to options available within the Southern Arizona region, particularly those within the City's downtown area. As a limited space venue, the Entertainment Center does not capture the entirety of visitors' time and attention. In this manner, Kino District provides a periodic alternative for residents and a defined entertainment option for tournament visitors and Kino District Hotel guests - all without overwhelming the local market. To distinguish the Entertainment Center from other options available within the City's downtown area and the Southern Arizona region, Knott Development plans to work with Visit Tucson and Sun Corridor and other local entertainment industry groups to cross promote the vitality of all entertainment options within the market. By doing so, local entertainment venues will have direct access to the large-scale tourist volume associated with Iceplex and Field House tournaments.

OPPORTUNITIES FROM TOURNAMENT SPENDING

BROAD-BASED LOCAL MARKET SPENDING

As noted within the *Kino District Iceplex* and *Kino District Field House* sections of this Business Plan, tournament spending within the local economy associated with regional/invitation hockey tournaments and national hockey, basketball, volleyball and indoor lacrosse tournaments is extreme. In part, the anticipated spending volume is based upon the unique physical composition of the Iceplex and Field House, both of which are specifically designed to accommodate large-scale tournament events, generating significant guest volumes.

KINO DISTRICT ECONOMIC DEVELOPMENT

KINO DISTRICT TOURNAMENT TOURISM IMPACT

	2023-2032	2033-2042	2043-2052	2053-2062
ICEPLEX NATIONAL HOCKEY TOURNAMENTS				
Number of Tournaments	71	80	80	80
Annual Guest Attendance	134,190	151,200	151,200	151,200
ICEPLEX REGIONAL/INVITATION TOURNAMENTS				
Number of Tournaments	65	100	100	100
Annual Guest Attendance	81,900	126,000	126,000	126,000
FIELD HOUSE BASKETBALL TOURNAMENTS				
Number of Tournaments	171	180	180	180
Annual Guest Attendance	492,480	518,400	518,400	518,400
FIELD HOUSE VOLLEYBALL TOURNAMENTS				
Number of Tournaments	152	160	160	160
Annual Guest Attendance	547,200	576,000	576,000	576,000
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS				
Number of Tournaments	45	100	100	100
Annual Guest Attendance	228,000	240,000	240,000	240,000
TOTAL TOURNAMENT GUEST ATTENDANCE	1,483,770	1,611,600	1,611,600	1,611,600

Annual Kino District tournament attendance projections appear in the *Financial Appendix* accompanying this Business Plan

In addition, the diversified, lifestyle center focus of Kino District makes for an attractive tournament setting, incorporating a “stay where you play” mentality that enables large volume tournaments to thrive. While these aspects of Kino District’s site plan contribute to its economic viability, Knott Development’s purposeful limitation of facilities and amenities within Kino District promotes spending within multiple Southern Arizona market segments, causing a long-term ripple effect across the entire region. Kino District is projected to generate in excess of \$3.2 billion in local economy spending (including spending within Kino District) over a 40-year period with an average of \$81.5 million per year.

KINO DISTRICT ECONOMIC DEVELOPMENT

AGGREGATE TOURNAMENT REGIONAL SPENDING

	2023-2032	2033-2042	2043-2052	2053-2062
Hotel Spending	167,432,310	219,969,252	268,141,291	326,862,738
Restaurant/Dining Spending	195,409,458	256,217,195	312,327,331	380,725,274
Retail Spending	91,842,564	120,422,247	146,794,047	178,941,125
Attractions Spending	15,632,599	20,497,157	24,985,920	30,457,697
Transportation Spending	33,219,726	43,557,089	53,095,848	64,723,542
Miscellaneous Spending	52,760,672	69,178,808	84,328,581	102,796,070

TOTAL TOURNAMENT SPENDING	\$556,297,329	\$729,841,748	\$889,673,018	\$1,084,506,445
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Annual Kino District tournament aggregate spending projections appear in the *Financial Appendix* accompanying this Business Plan

Notes Regarding Aggregate Tournament Spending Calculations:

- Calculations per category represent an aggregation, without adjustment, of the same categories included within the per-tournament direct spending tables set forth in the *Kino District Iceplex* and *Kino District Field House* sections of this Business Plan.
- Embedded assumptions of number of guests per player and daily spending metrics underlying aggregate spending calculations have been taken, in order to maintain a conservative posture, directly from the 2016 Pima Multi-Purpose and Indoor Court Sports Tourism Facility study commissioned by the County and as prepared by Sport Facility Advisory.
- Embedded hotel rate figures are based on an informal survey of local hotel rates and those rates likely to be charged by limited service hotels developed within Kino District and those within the City’s downtown area.
- The material difference between the 2023-2032 and 2033-2042 decade figures represents the half year of operations and tournaments in 2023 based on the opening of the Iceplex and Field House in June and July of 2023, respectively, and the progression to a full year of tournament activity in 2024.

IMPACT ON JOBS CREATION, REGIONAL EARNINGS & TPI

The ripple effect caused by Kino District-based tournament spending within the Southern Arizona market extends beyond the direct support of recipient businesses within and outside of Kino District. As is the case with all economic development spending, but at an enhanced level due to the impact-fostering Kino District site plan and facilities design, significant jobs creation results. For economic development analysis purposes, jobs creation customarily splits into four categories of impact - initial effect, direct effect, indirect effect and induced effect - representing the ripple across a metropolitan statistical market. This layered impact has far reaching and long-term positive effects.

Initial effect refers to primary jobs created as a direct result of spending within a segment of the local economy, whether those are referenced as a specific number of jobs created at a facility or, alternatively, as a result of new spending introduced to the regional economy, for example, tournaments at the Iceplex and Field House (referred to in this Business Plan as “Primary Jobs”).

Direct effect refers to secondary jobs created as a result of the creation of Primary Jobs. This level of job creation occurs when businesses creating Primary Jobs engage in inter-industry spending to meet the growth resulting from Primary Jobs (referred to in this Business Plan as "Direct Jobs").

Indirect effect refers to a third level of jobs creation stimulated by the subsequent ripple effect in supply chains supporting businesses creating Primary Jobs - a change in the supply chain of the supply chain, so to speak (referred to in this Business Plan as "Indirect Jobs").

Finally, induced effect refers to a fourth level of jobs creation emanating from the impact of new earnings received by those receiving Primary Jobs, Direct Jobs and Indirect Jobs and represents the income effects on inter-industry trade (referred to in this Business Plan as "Induced Jobs"). Induced Job earnings enter the local economy as employees from businesses benefitting from Primary Jobs, Direct Jobs and Indirect Jobs spend their paychecks within the region on food, clothing and other goods and services.

Based on the level of spending generated by Kino District tournaments, the entire Southern Arizona economy, including local governments, benefits. Taking the two largest categories of tournament impact, hotel and restaurant spending, based on modeling provided to Knott Development by Emsi, Kino District tournaments will generate significant jobs creation, increases to regional earnings and state and local sales and use taxes.

For example, Iceplex-hosted hockey tournaments will generate, merely from hotel and restaurant spending, a total of 6,700 jobs, \$219.17 million of additional earnings and a \$44.2 million increase in taxes on productions and imports over the term of Knott Development's public private partnership with the County. These figures represent growth in the overall Tucson metropolitan statistical market, demonstrating benefits to businesses in all areas, including the City and the remainder of Southern Arizona. When combined with direct spending in the retail, transportation, attractions and miscellaneous market categories (although not tracked for this presentation per the notes below), the impact of Iceplex tournament spending within the Southern Arizona regional economy is staggering.

ICEPLEX ECONOMIC DEVELOPMENT

TOURNAMENT-GENERATED HOTEL SPENDING IMPACT

	2023-2032	2033-2042	2043-2052	2053-2062
TOURNAMENT HOTEL SPENDING	\$27,991,233	\$41,858,227	\$51,024,945	\$62,199,123
REGIONAL JOBS CREATION				
Primary Jobs - Created by Hotel Spending	255	383	466	568
Direct Jobs - Created Due to Primary Jobs	52	76	94	114
Indirect Jobs - Created Due to Primary and Direct Jobs	13	20	22	30
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	104	155	189	230
TOTAL JOBS CREATED	424	634	771	942
REGIONAL ECONOMY EARNINGS CHANGE				
Regional Earnings Change - Primary Jobs	\$8,748,250	\$13,082,174	\$15,947,099	\$19,439,424
Regional Earnings Change - Direct Jobs	\$1,989,448	\$2,975,030	\$3,626,544	\$4,420,737
Regional Earnings Change - Indirect Jobs	\$524,460	\$784,280	\$956,033	\$1,165,400
Regional Earnings Change - Induced Jobs	\$4,709,542	\$7,042,672	\$8,584,976	\$10,465,039
TOTAL CHANGE IN EARNINGS	\$15,971,700	\$23,884,156	\$29,114,652	\$35,490,600
CHANGE IN TAXES ON PRODUCTION & IMPORTS				
Local	\$1,803,479	\$2,696,929	\$3,287,542	\$4,007,495
State	\$1,480,266	\$2,213,599	\$2,698,364	\$3,289,292
Federal	\$591,728	\$884,872	\$1,078,655	\$1,314,872
TOTAL CHANGE IN TAXES	\$3,875,473	\$5,795,400	\$7,064,561	\$8,611,659

ICEPLEX ECONOMIC DEVELOPMENT

TOURNAMENT-GENERATED RESTAURANT SPENDING IMPACT

	2023-2032	2033-2042	2043-2052	2053-2062
TOURNAMENT RESTAURANT SPENDING	\$29,474,576	\$44,265,075	\$53,958,879	\$65,775,572
REGIONAL JOBS CREATION				
Primary Jobs - Created by Restaurant Spending	420	633	771	942
Direct Jobs - Created Due to Primary Jobs	54	80	97	119
Indirect Jobs - Created Due to Primary and Direct Jobs	22	34	41	51
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	101	152	185	226
TOTAL JOBS CREATED	597	899	1,094	1,338
REGIONAL ECONOMY EARNINGS CHANGE				
Regional Earnings Change - Primary Jobs	\$9,699,709	\$14,567,072	\$17,757,178	\$21,645,904
Regional Earnings Change - Direct Jobs	\$2,376,750	\$3,569,415	\$4,351,099	\$5,303,965
Regional Earnings Change - Indirect Jobs	\$899,288	\$1,350,552	\$1,646,316	\$2,006,852
Regional Earnings Change - Induced Jobs	\$4,499,751	\$6,757,748	\$8,237,657	\$10,041,658
TOTAL CHANGE IN EARNINGS	\$17,475,498	\$26,244,787	\$31,992,250	\$38,998,379
CHANGE IN TAXES ON PRODUCTION & IMPORTS				
Local	\$1,336,303	\$2,006,866	\$2,446,358	\$2,982,097
State	\$1,096,771	\$1,647,134	\$2,007,848	\$2,447,556
Federal	\$438,247	\$658,163	\$802,295	\$977,994
TOTAL CHANGE IN TAXES	\$2,871,321	\$4,312,163	\$5,256,501	\$6,407,647

Notes Regarding Iceplex Tournament Direct Spending Impact Calculations:

- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in taxes on production and imports ("TPI") consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. TPI is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.
- The material difference between the 2023-2032 and 2033-2042 decade figures represents the half year of tournaments in 2023 based on the opening of the Iceplex in June of 2023 and the progression to a full year of tournament activity in 2024-2025.

Similar to the direct spending associated with Iceplex-based tournaments, Field House-hosted tournaments in basketball, volleyball and indoor lacrosse generate significant jobs, earnings and tax benefits throughout the Southern Arizona region. However, because of the facility's composition and the size of its hosted tournaments, Field House direct spending impacts dwarf those associated with Iceplex tournaments.

For example, basketball, volleyball and indoor lacrosse tournaments will generate, from only hotel and restaurant spending, a total of approximately 31,000 jobs, \$940 million in increased regional earnings and a \$184 million increase in TPI over the term of Knott Development's public private partnership with the County. These figures represent growth in the overall Tucson metropolitan statistical market and are not limited to Kino District businesses, demonstrating benefits to all regional areas, including the City and the remainder of Southern Arizona. When combined with direct spending in the retail, transportation, attractions and miscellaneous market categories (although not tracked for this presentation, please see the notes below), the impact of Kino District tournament spending within the Southern Arizona regional economy is astonishing.

FIELD HOUSE ECONOMIC DEVELOPMENT

TOURNAMENT-GENERATED HOTEL SPENDING IMPACT

	2023-2032	2033-2042	2043-2052	2053-2062
TOURNAMENT HOTEL SPENDING	\$139,441,077	\$178,111,026	\$217,116,346	\$264,663,615
REGIONAL JOBS CREATION				
Primary Jobs - Created by Hotel Spending	1,274	1,629	1,983	2,419
Directly Jobs - Created Due to Primary Jobs	257	327	399	485
Indirect Jobs - Created Due to Primary and Direct Jobs	63	82	99	121
Induced Jobs - Created Due to Primary, Direct Indirect Jobs	514	657	801	974
TOTAL JOBS CREATED	2,108	2,695	3,282	3,999
REGIONAL ECONOMY EARNINGS CHANGE				
Regional Earnings Change - Primary Jobs	\$43,580,263	\$55,665,986	\$67,856,522	\$39,312,525
Regional Earnings Change - Direct Jobs	\$9,910,628	\$12,659,053	\$15,431,314	\$8,940,098
Regional Earnings Change - Indirect Jobs	\$2,612,651	\$3,337,194	\$4,068,021	\$2,356,798
Regional Earnings Change - Induced Jobs	\$23,461,040	\$29,967,283	\$36,529,949	\$21,163,544
TOTAL CHANGE IN EARNINGS	\$79,564,582	\$101,629,516	\$123,885,806	\$71,772,965
CHANGE IN TAXES ON PRODUCTION & IMPORTS				
Local	\$8,984,199	\$11,495,265	\$14,000,000	\$8,200,000
State	\$7,374,098	\$9,383,179	\$11,500,000	\$6,700,000
Federal	\$2,947,748	\$3,765,221	\$4,589,781	\$2,659,081
TOTAL CHANGE IN TAXES	\$19,306,045	\$24,643,665	\$30,089,781	\$17,559,081

FIELD HOUSE ECONOMIC DEVELOPMENT

TOURNAMENT-GENERATED RESTAURANT SPENDING IMPACT

	2023-2032	2033-2042	2043-2052	2053-2062
TOURNAMENT RESTAURANT SPENDING	\$164,868,729	\$211,952,120	\$258,368,452	\$314,949,701
REGIONAL JOBS CREATION				
Primary Jobs - Created by Restaurant Spending	2,359	3,032	3,694	4,505
Direct Jobs - Created Due to Primary Jobs	298	383	467	570
Indirect Jobs - Created Due to Primary and Direct Jobs	127	163	199	243
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	566	727	887	1,082
TOTAL JOBS CREATED	3,350	4,305	5,247	6,400
REGIONAL ECONOMY EARNINGS CHANGE				
Regional Earnings Change - Primary Jobs	\$54,256,196	\$69,750,739	\$85,025,762	\$103,645,927
Regional Earnings Change - Direct Jobs	\$13,294,570	\$17,091,247	\$20,834,137	\$25,396,693
Regional Earnings Change - Indirect Jobs	\$5,030,243	\$6,466,786	\$7,882,976	\$9,609,302
Regional Earnings Change - Induced Jobs	\$25,169,763	\$32,357,769	\$39,443,940	\$48,081,943
TOTAL CHANGE IN EARNINGS	\$97,750,772	\$125,666,541	\$153,186,815	\$186,733,865
CHANGE IN TAXES ON PRODUCTION & IMPORTS				
Local	\$7,474,731	\$9,609,373	\$11,753,035	\$14,300,000
State	\$6,134,884	\$7,886,891	\$9,527,450	\$11,800,000
Federal	\$2,451,373	\$3,151,437	\$3,841,584	\$4,682,871
TOTAL CHANGE IN TAXES	\$16,060,988	\$20,647,701	\$25,122,069	\$30,782,871

Notes Regarding Field House Tournament Direct Spending Impact Calculations:

- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. TPI is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.
- The material difference between the 2023-2032 and 2033-2042 decade figures represents the half year of tournaments in 2023 based on the opening of the Field House in July of 2023 and the progression to a full year of tournament activity in 2024-2025.

SPURRING AND COMPLIMENTING ADJACENT DEVELOPMENT

BENSON HIGHWAY CORRIDOR DEVELOPMENT

In June, 2020 Knott Development entered into an exclusive development coordination agreement with the primary, private, adjacent landowner, 4D Properties, concerning its planned commercial development along the north side of Benson Highway between Kino Parkway and Irvington Road (the “Benson Highway Corridor”), more formally known as Campbell Benson (the “Campbell Benson Development”). Through its agreement with 4D Properties, Knott Development is supporting and ensuring that the Benson Highway Corridor experiences significant redevelopment activity.

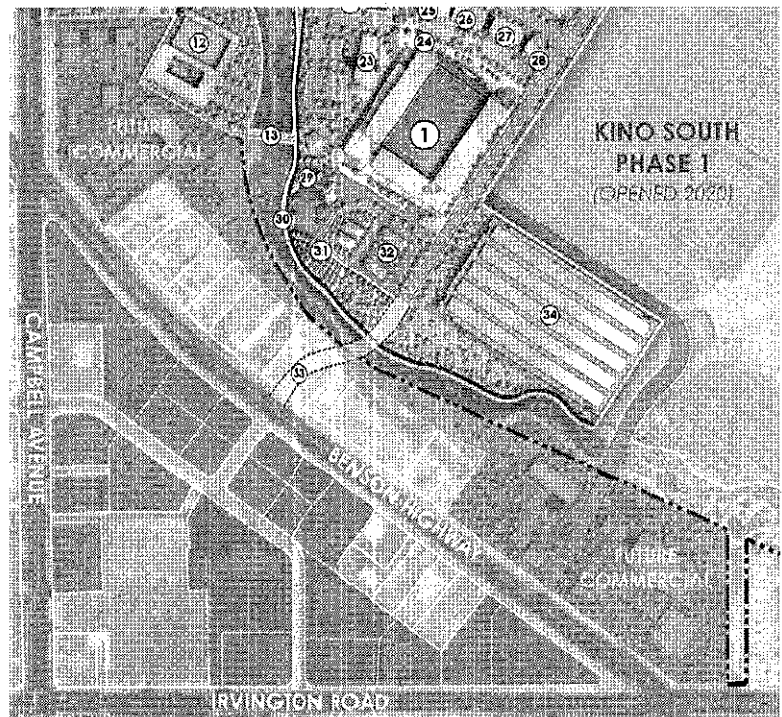
Knott Development and 4D Properties have made several commitments benefitting the area’s redevelopment. The parties have agreed to develop Kino District and the Campbell Benson Development with a unified aesthetic to enhance the redevelopment of the Benson Highway Corridor. Likewise, the parties have committed to ensure that the commercial, retail and dining components of Kino District and the Campbell Benson Development compliment one another, including signage, hardscape and softscape. Integral to the agreement’s genesis was the desire to create a “one site” aesthetic, supporting the Campbell Benson Development and contributing to 4D Properties efforts to revitalize the Benson Highway Corridor.

In addition to visual linkage, Knott Development has agreed to participate in a shared parking arrangement should City parking regulations impose additional requirements on 4D Properties. With this additional support, Knott Development is enabling 4D Properties’ development flexibility, ensuring the most beneficial composition of the Campbell Benson Development, the overall success of Kino District and the redevelopment of the Benson Highway Corridor.

BENSON HIGHWAY TRIANGLE

Consistent with its goal of having Kino District become a catalyst for economic development, the effects associated with Knott Development’s coordination agreement with 4D Properties are not limited to the Benson Highway Corridor. Due to 4D Properties affiliates’ significant property holdings, revitalization of the Benson Highway Corridor will be extensive. With ownership of a majority of commercial parcels within the triangle created by Benson Highway, Irvington Road and Campbell Avenue (the “Benson Highway Triangle”), completion of the Campbell Benson Development will initiate a redevelopment of the Benson Highway Triangle, thus further extending the benefits associated with the development of Kino District.

To the right, and marked in purple, is an inset of the Kino District site plan, showing the 4D Properties controlled parcels within the Benson Highway Corridor and the Benson Highway Triangle. The breadth of the Benson Highway Triangle evidences the wide-ranging impact associated with its redevelopment in conjunction with the development of Kino District.



ON-SITE JOBS CREATION

In alignment with its regional jobs creation impact, Kino District likewise creates a substantial number of both short and long-term employment opportunities for County, City and Southern Arizona residents. Due to the concentration of local firms within its development team, Knott Development's addition of construction jobs to the regional economy will be pronounced. And, as each anchor and support element reaches completion, construction jobs are replaced by a substantial number of permanent jobs. Combined with the regional earnings growth associated with on-site jobs and increase in TPI, Kino District's economic impact on the regional economy will be material.

KINO DISTRICT ECONOMIC DEVELOPMENT

AGGREGATE CONSTRUCTION & OPERATIONAL JOBS CREATION

KINO DISTRICT ON-SITE JOBS CREATION

Primary Jobs - Construction Activity	2,450
Direct Jobs - Created Due to Primary Jobs	416
Indirect Jobs - Created Due to Primary, Direct Jobs	158
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	1,341
Primary Jobs - Anchor & Support Element Operations	2,989
Direct Jobs - Created Due to Primary Jobs	318
Indirect Jobs - Created Due to Primary, Direct Jobs	121
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	716
TOTAL ON-SITE JOBS CREATED	8,509

REGIONAL ECONOMY EARNINGS CHANGE

Construction Jobs	\$166,316,097
Direct Jobs	\$20,898,206
Indirect Jobs	\$6,719,397
Induced Jobs	\$57,552,383
Anchor & Support Element Operations Jobs	\$75,443,466
Direct Jobs	\$13,532,572
Indirect Jobs	\$4,893,268
Induced Jobs	\$31,625,403
TOTAL CHANGE IN REGIONAL EARNINGS	\$376,980,792

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$14,713,089
State	\$12,310,367
Federal	\$5,800,912
TOTAL INCREASE IN TPI	\$32,824,368

Notes Regarding Aggregate Job Creation Calculations:

- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

SITE-SPECIFIC JOBS CREATION

CIVIL SITE WORK CONSTRUCTION

Pursuant to current construction logistics modeling, Knott Development's design builder, Hensel Phelps Construction, projects the creation of 370 on-site construction jobs during Kino District's civil construction phase. This level of jobs creation, aside from having a direct effect on the lives of those directly employed, causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these construction job levels, adding 207 additional jobs to the regional market, increasing market area earnings (outside of the civil construction jobs) by approximately \$9.24 million and increasing TPI by approximately \$1.5 million.

KINO DISTRICT ECONOMIC DEVELOPMENT

CIVIL CONSTRUCTION JOBS CREATION

CIVIL CONSTRUCTION JOBS CREATION

Primary Jobs - Construction Activity	370
Direct Jobs - Created Due to Primary Jobs	45
Indirect Jobs - Created Due to Primary, Direct Jobs	17
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	145
TOTAL JOBS CREATED	577

REGIONAL ECONOMY EARNINGS CHANGE

Primary Jobs	\$17,995,404
Direct Jobs	\$2,267,793
Indirect Jobs	\$729,164
Induced Jobs	\$6,239,431
TOTAL CHANGE IN EARNINGS	\$27,231,792

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$636,833
State	\$549,343
Federal	\$321,624
TOTAL CHANGES IN TAXES	\$1,507,800

Notes Regarding Civil Construction Job Calculations:

- Initial Jobs figures represent Hensel Phelps Construction's experience in building similarly constructed facilities and the number of construction jobs created related thereto.
- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

ICEPLEX CONSTRUCTION

Pursuant to current construction logistics modeling, Knott Development's design builder, Hensel Phelps Construction, projects the creation of 275 on-site construction jobs during Iceplex construction activities. This level of jobs creation, aside from having a direct effect on the lives of those directly employed, causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these construction job levels, adding 226 additional jobs to the regional market, increasing market area earnings (outside of the Iceplex construction jobs) by approximately \$10 million and increasing TPI by approximately \$1.63 million.

KINO DISTRICT ECONOMIC DEVELOPMENT

ICEPLEX CONSTRUCTION JOBS CREATION

ICEPLEX CONSTRUCTION JOBS CREATION

Primary Jobs - Construction Activity	275
Direct Jobs - Created Due to Primary Jobs	49
Indirect Jobs - Created Due to Primary, Direct Jobs	19
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	158
TOTAL JOBS CREATED	501

REGIONAL ECONOMY EARNINGS CHANGE

Primary Jobs	\$19,609,707
Direct Jobs	\$2,463,156
Indirect Jobs	\$791,978
Induced Jobs	\$6,784,164
TOTAL CHANGE IN EARNINGS	\$29,649,005

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$689,402
State	\$594,489
Federal	\$347,321
TOTAL CHANGES IN TAXES	\$1,631,212

Notes Regarding Iceplex Construction Job Calculations:

- Initial Jobs figures represent Hensel Phelps Construction's experience in building similarly constructed facilities and the number of construction jobs created related thereto.
- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

FIELD HOUSE CONSTRUCTION

Pursuant to current construction logistics modeling, Knott Development's design builder, Hensel Phelps Construction, projects the creation of 290 on-site construction jobs during Field House construction activities. This level of jobs creation, aside from having a direct effect on the lives of those directly employed, causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these construction job levels, adding 239 additional jobs to the regional market, increasing market area earnings (outside of the Field House construction jobs) by approximately \$10.6 million and increasing TPI by approximately \$1.72 million.

KINO DISTRICT ECONOMIC DEVELOPMENT

FIELD HOUSE CONSTRUCTION JOBS CREATION

FIELD HOUSE CONSTRUCTION JOBS CREATION

Primary Jobs - Construction Activity	290
Direct Jobs - Created Due to Primary Jobs	52
Indirect Jobs - Created Due to Primary, Direct Jobs	20
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	167
TOTAL JOBS CREATED	529

REGIONAL ECONOMY EARNINGS CHANGE

Primary Jobs	\$20,679,328
Direct Jobs	\$2,597,509
Indirect Jobs	\$835,177
Induced Jobs	\$7,154,210
TOTAL CHANGE IN EARNINGS	\$31,266,224

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$727,006
State	\$626,916
Federal	\$366,265
TOTAL CHANGES IN TAXES	\$1,720,187

Notes Regarding Field House Construction Job Calculations:

- Initial Jobs figures represent Hensel Phelps Construction's experience in building similarly constructed facilities and the number of construction jobs created related thereto.
- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

ARENA CONSTRUCTION

Pursuant to current construction logistics modeling, Knott Development's design builder, Hensel Phelps Construction, projects the creation of 325 on-site construction jobs during Arena construction activities. This level of jobs creation, aside from having a direct effect on the lives of those directly employed, causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these construction job levels, adding 267 additional jobs to the regional market, increasing market area earnings (outside of the Arena construction jobs) by approximately \$11.9 million and increasing TPI by approximately \$1.93 million.

KINO DISTRICT ECONOMIC DEVELOPMENT

ARENA CONSTRUCTION JOBS CREATION

ARENA CONSTRUCTION JOBS CREATION

Primary Jobs - Construction Activity	325
Direct Jobs - Created Due to Primary Jobs	58
Indirect Jobs - Created Due to Primary, Direct Jobs	22
Induced Jobs - Created Due to Primary, Direct Indirect Jobs	187
TOTAL JOBS CREATED	592

REGIONAL ECONOMY EARNINGS CHANGE

Primary Jobs	\$23,175,108
Direct Jobs	\$2,911,002
Indirect Jobs	\$935,974
Induced Jobs	\$8,017,649
TOTAL CHANGE IN EARNINGS	\$35,039,733

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$814,748
State	\$702,578
Federal	\$410,470
TOTAL CHANGES IN TAXES	\$1,927,796

Notes Regarding Arena Construction Job Calculations:

- Initial Jobs figures represent Hensel Phelps Construction's experience in building similarly constructed facilities and the number of construction jobs created related thereto.
- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

STADIUM CONSTRUCTION

Pursuant to current construction logistics modeling, Knott Development's design builder, Hensel Phelps Construction, projects the creation of 360 on-site construction jobs during Stadium construction activities. This level of jobs creation, aside from having a direct effect on the lives of those directly employed, causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these construction job levels, adding 295 additional jobs to the regional market, increasing market area earnings (outside of the Stadium construction jobs) by approximately \$13.14 million and increasing TPI by approximately \$2.14 million.

KINO DISTRICT ECONOMIC DEVELOPMENT

STADIUM CONSTRUCTION JOBS CREATION

STADIUM CONSTRUCTION JOBS CREATION

Primary Jobs - Construction Activity	360
Direct Jobs - Created Due to Primary Jobs	64
Indirect Jobs - Created Due to Primary, Direct Jobs	24
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	207
TOTAL JOBS CREATED	655

REGIONAL ECONOMY EARNINGS CHANGE

Primary Jobs	\$25,670,889
Direct Jobs	\$3,224,495
Indirect Jobs	\$1,036,771
Induced Jobs	\$8,881,088
TOTAL CHANGE IN EARNINGS	\$38,813,243

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$902,490
State	\$778,240
Federal	\$454,674
TOTAL CHANGES IN TAXES	\$2,135,404

Notes Regarding Stadium Construction Job Calculations:

- Initial Jobs figures represent Hensel Phelps Construction's experience in building similarly constructed facilities and the number of construction jobs created related thereto.
- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

PARKING GARAGE CONSTRUCTION

Pursuant to current construction logistics modeling, Knott Development's design builder, Hensel Phelps Construction, projects the creation of 85 on-site construction jobs during Parking Garage construction activities. This level of jobs creation, aside from having a direct effect on the lives of those directly employed, causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these construction job levels, adding 70 additional jobs to the regional market, increasing market area earnings (outside of the Parking Garage construction jobs) by approximately \$3.1 million and increasing TPI by approximately \$504,000.

KINO DISTRICT ECONOMIC DEVELOPMENT PARKING GARAGE CONSTRUCTION JOBS CREATION

PARKING GARAGE JOBS CREATION

Primary Jobs - Construction Activity	85
Direct Jobs - Created Due to Primary Jobs	15
Indirect Jobs - Created Due to Primary, Direct Jobs	6
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	49
TOTAL JOBS CREATED	155

REGIONAL ECONOMY EARNINGS CHANGE

Primary Jobs	\$6,061,182
Direct Jobs	\$761,339
Indirect Jobs	\$244,793
Induced Jobs	\$2,096,923
TOTAL CHANGE IN EARNINGS	\$9,164,237

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$213,088
State	\$183,751
Federal	\$107,354
TOTAL CHANGES IN TAXES	\$504,193

Notes Regarding Garage Construction Job Calculations:

- Initial Jobs figures represent Hensel Phelps Construction's experience in building similarly constructed facilities and the number of construction jobs created related thereto.
- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

SUPPORT ELEMENT CONSTRUCTION

Pursuant to current construction logistics modeling, Knott Development's design builder, Hensel Phelps Construction, projects the creation of 745 on-site construction jobs during the construction of Kino District's support elements (i.e., hotels, commercial sites, medical office building, etc). This level of jobs creation, aside from having a direct effect on the lives of those directly employed, causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these construction job levels, adding 611 additional jobs to the regional market, increasing market area earnings (outside of the support element construction jobs) by approximately \$27.2 million and increasing TPI by approximately \$4.44 million.

KINO DISTRICT ECONOMIC DEVELOPMENT

SUPPORT ELEMENT CONSTRUCTION JOBS CREATION

SUPPORT ELEMENT CONSTRUCTION JOBS CREATION

Primary Jobs - Construction Activity	745
Direct Jobs - Created Due to Primary Jobs	133
Indirect Jobs - Created Due to Primary, Direct Jobs	50
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	428
TOTAL JOBS CREATED	1,356

REGIONAL ECONOMY EARNINGS CHANGE

Primary Jobs	\$53,124,479
Direct Jobs	\$6,672,912
Indirect Jobs	\$2,145,540
Induced Jobs	\$18,378,918
TOTAL CHANGE IN EARNINGS	\$80,321,849

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$1,900,000
State	\$1,600,000
Federal	\$940,923
TOTAL CHANGES IN TAXES	\$4,440,923

Notes Regarding Support Element Construction Job Calculations:

- Initial Jobs figures represent Hensel Phelps Construction's experience in building similarly constructed facilities and the number of construction jobs created related thereto.
- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

ICEPLEX OPERATIONS

As noted in the Iceplex section of this Business Plan, Knott Development and Edge Sports Group anticipate creating, between full time and part time positions, approximately 55 jobs for Iceplex management. This level of jobs creation, aside from having a direct effect on the lives of those directly employed, causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these Iceplex hiring levels, adding 10 additional jobs to the regional market, increasing market area earnings (outside of the Iceplex jobs) by approximately \$475,000 and increasing TPI by approximately \$151,500.

KINO DISTRICT ECONOMIC DEVELOPMENT

ICEPLEX ON-SITE JOBS CREATION

ICEPLEX JOBS CREATION

Primary Jobs - Iceplex Operations	55
Direct Jobs - Created Due to Primary Jobs	3
Indirect Jobs - Created Due to Primary, Direct Jobs	1
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	6
TOTAL JOBS CREATED	65

CHANGE IN EARNINGS

Primary Jobs	\$550,000
Direct Jobs	\$131,505
Indirect Jobs	\$96,714
Induced Jobs	\$246,335
TOTAL CHANGE IN EARNINGS	\$1,024,554

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$72,345
State	\$58,629
Federal	\$20,561
TOTAL CHANGES IN TAXES	\$151,535

Notes Regarding Iceplex Impact Calculations:

- All calculations presented are derived from the Emsi economic market impact scenario model.
- To account for the existence of part time jobs, for purposes of these calculations it is assumed then two part time jobs equal one full time job, resulting in an assumed addition of 30 "full time" jobs (25 full time jobs calculated off of 50 part time jobs and 5 true full time jobs).
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

FIELD HOUSE OPERATIONS

As noted in the Field House section of this Business Plan, Knott Development and Edge Sports Group anticipate creating, between full time and part time positions, approximately 33 jobs for Field House management. This level of jobs creation, aside from having a direct effect on the lives of those directly employed, causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these Field House hiring levels, adding 6 additional jobs to the regional market, increasing market area earnings (outside of Field House jobs) by approximately \$285,000 and increasing TPI by approximately \$91,000.

KINO DISTRICT ECONOMIC DEVELOPMENT

FIELD HOUSE ON-SITE JOBS CREATION

FIELD HOUSE JOBS CREATION

Primary Jobs - Field House Operations	33
Direct Jobs - Created Due to Primary Jobs	2
Indirect Jobs - Created Due to Primary, Direct Jobs	1
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	3
TOTAL JOBS CREATED	39

CHANGE IN EARNINGS

Primary Jobs	\$330,000
Direct Jobs	\$78,903
Indirect Jobs	\$58,022
Induced Jobs	\$147,801
TOTAL CHANGE IN EARNINGS	\$614,726

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$43,407
State	\$35,177
Federal	\$12,336
TOTAL CHANGES IN TAXES	\$90,920

Notes Regarding Field House Impact Calculations:

- All calculations presented are derived from the Emsi economic market impact scenario model.
- To account for the existence of part time jobs, for purposes of these calculations it is assumed then two part time jobs equal one full time job, resulting in an assumed addition of 18 "full time" jobs (15 full time jobs calculated off of 30 part time jobs and 3 true full time jobs).
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

ARENA AND STADIUM OPERATIONS

As noted in the Arena and Stadium sections of this Business Plan, Knott Development, Arena Management and Stadium Management anticipate creating, between full time and part time positions, approximately 117 jobs for the joint management of the Arena and the Stadium. This level of jobs creation causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these Arena and Stadium hiring levels, adding 46 additional jobs to the regional market, increasing market area earnings by approximately \$2.7 million and increasing TPI by approximately \$341,000.

KINO DISTRICT ECONOMIC DEVELOPMENT

ARENA & STADIUM ON-SITE JOBS CREATION

ARENA & STADIUM JOBS CREATION

Primary Jobs - Arena and Stadium Operations	67
Direct Jobs - Created Due to Primary Jobs	25
Indirect Jobs - Created Due to Primary, Direct Jobs	4
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	17
TOTAL JOBS CREATED	113

CHANGE IN EARNINGS

Primary Jobs	\$1,300,000
Direct Jobs	\$499,224
Indirect Jobs	\$154,383
Induced Jobs	\$753,444
TOTAL CHANGE IN EARNINGS	\$2,707,051

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$156,019
State	\$113,057
Federal	\$72,332
TOTAL CHANGES IN TAXES	\$341,408

Notes Regarding Arena and Stadium Impact Calculations:

- All calculations presented are derived from the Emsi economic market impact scenario model.
- To account for the existence of part time jobs, for purposes of these calculations it is assumed then two part time jobs equal one full time job, resulting in an assumed addition of 67 "full time" jobs (50 full time jobs calculated off of 100 part time jobs and 17 true full time jobs).
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

HOTEL OPERATIONS

Pursuant to the limited service style and room composition layout of each of the Kino District Hotels, Knott Development anticipates the creation of approximately 150 jobs for the management and operation of all Kino District Hotels. This level of jobs creation causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these Kino District Hotel hiring levels, adding 99 additional jobs to the regional market, increasing market area earnings by approximately \$4.24 million and increasing TPI by approximately \$2.73 million.

KINO DISTRICT ECONOMIC DEVELOPMENT

ON-SITE HOTEL JOBS CREATION

KINO DISTRICT HOTEL JOBS CREATION

Primary Jobs - Hotel Operations	150
Direct Jobs - Created Due to Primary Jobs	30
Indirect Jobs - Created Due to Primary, Direct Jobs	8
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	61
TOTAL JOBS CREATED	249

REGIONAL ECONOMY EARNINGS INCREASE

Primary Jobs	\$5,130,905
Direct Jobs	\$1,166,824
Indirect Jobs	\$307,599
Induced Jobs	\$2,762,177
TOTAL CHANGE IN EARNINGS	\$9,367,505

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$1,057,751
State	\$868,187
Federal	\$347,052
TOTAL CHANGES IN TAXES	\$2,272,990

Notes Regarding Kino District Hotel Impact Calculations:

- All calculations presented are derived from the Emsi economic market impact scenario model.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

RESTAURANT OPERATIONS

Based on 51,500 square feet of restaurant space within the Kino District site plan, Knott Development anticipates the creation of approximately 2,684 jobs for the management and operation of all restaurants within Kino District Commercial. This level of jobs creation causes a ripple effect similar in nature to that to be experienced from tournament spending impacts. The chart below demonstrates the widespread effects associated with these Kino District restaurant hiring levels, adding 994 additional jobs to the regional market, increasing market area earnings by approximately \$43.65 million and increasing TPI by approximately \$16.1 million.

KINO DISTRICT ECONOMIC DEVELOPMENT

ON-SITE RESTAURANT JOBS CREATION

KINO DISTRICT RESTAURANT JOBS CREATION

Primary Jobs - Restaurant Operations	2,684
Direct Jobs - Created Due to Primary Jobs	258
Indirect Jobs - Created Due to Primary, Direct Jobs	107
Induced Jobs - Created Due to Primary, Direct, Indirect Jobs	629
TOTAL JOBS CREATED	3,678

REGIONAL ECONOMY EARNINGS INCREASE

Primary Jobs	\$68,132,561
Direct Jobs	\$11,656,116
Indirect Jobs	\$4,276,550
Induced Jobs	\$27,715,646
TOTAL CHANGE IN EARNINGS	\$111,780,873

CHANGE IN TAXES ON PRODUCTION & IMPORTS

Local	\$7,500,000
State	\$6,200,000
Federal	\$2,400,000
TOTAL CHANGES IN TAXES	\$16,100,000

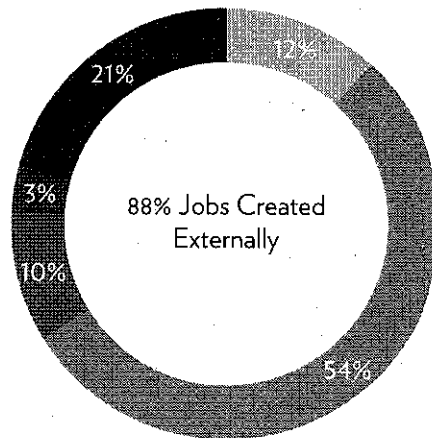
Notes Regarding Restaurant Job Impact Calculations:

- All calculations presented are derived from the Emsi economic market impact scenario model.
- All restaurant square footage is blended together using industry averages to calculate front and back of house jobs assumptions, due to non-final selection of location-specific brand occupancy and per-restaurant table/seating counts, with all locations assumed to be full service restaurants due to County restrictions for Kino District.
- Change in earnings calculations represents the total change in earnings within the market resulting from the creation of Primary Jobs and its progression through Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations is based primarily on the Quarterly Census of Employment and Wages from the Bureau of Labor Statistics and the Bureau of Economic Analysis.
- Jobs created calculations represent the total number of jobs created as the result of the creation of Primary Jobs and its impact on Direct Jobs, Indirect Jobs and Induced Jobs. Emsi data underlying calculations incorporates data from the Bureau of Economic Analysis.
- Change in TPI consists of tax liabilities - primarily non-personal property taxes, licenses, and sales and gross receipts taxes - and Federal excise taxes on goods and services. Special assessments are also included. Taxes on production and imports is one of the four components of gross regional product. Emsi data underlying these calculations incorporates data from the Bureau of Economic Analysis.

BALANCED REGIONAL EMPLOYMENT IMPACT

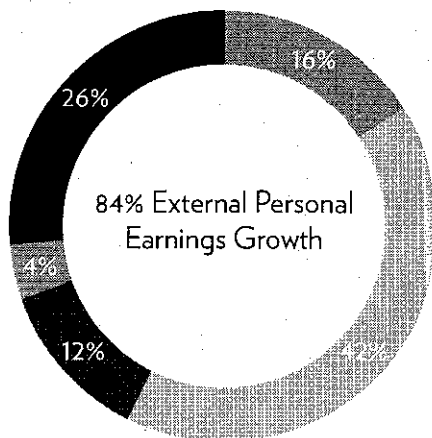
Through the creation of Kino District on-site construction and operational jobs, a disproportionately larger number of jobs is created throughout Southern Arizona. When, however, on-site jobs are combined with regional spending generated by Kino District tournaments, regional job creation demonstrates the extensive benefits of Kino District's site design, element composition and facility programming. For each job created within Kino District's boundaries (whether part time or full time), another 7.6 jobs are created in the Southern Arizona Region.

- Kino District Jobs
- Regional Direct Jobs
- Regional Induced Jobs
- External Primary Jobs
- Regional Indirect Jobs



Similar to jobs growth, the rise in regional personal earnings resulting from Kino District on-site jobs and tournament-generated spending is impressive. For each dollar of on-site job earnings, another \$5.36 results within Southern Arizona, demonstrating that Kino District is representative of a "development for all" concept.

- Kino District Personal Earnings
- Regional Direct Personal Earnings
- Regional Induced Personal Earnings
- External Primary Personal Earnings
- Regional Indirect Personal Earnings



PROPERTY TAX EXPANSION

Kino District anchor elements pay all applicable property taxes without discount or abatement. Currently, the property on which Kino District will be developed constitutes a zero tax base for the County, the City and all other taxing jurisdictions. As a result, the development and operation of the Iceplex, Field House, Arena, Stadium and Parking Garage provide all taxing jurisdictions with a significant augmentation of property taxes, including the following 40-year projected property tax receipts for each anchor element, calculated per primary and secondary taxing source applicable to the Kino District property. Please note that property tax projections for Kino District's support elements have not been presently calculated, but will be provided in further updates to this Business Plan. Support element property taxes will be additive to the projections currently set forth in this Business Plan.

KINO DISTRICT ECONOMIC DEVELOPMENT

EXPANSION OF REGIONAL PROPERTY TAXES

	2023-2032	2033-2042	2043-2052	2053-2062	JURISDICTION TOTAL
PRIMARY RATE TAXES					
Pima County Primary	\$19,461,520	\$28,648,822	\$34,922,754	\$42,570,643	\$125,603,740
Tucson School District 1	\$25,161,392	\$37,039,463	\$45,150,898	\$55,038,693	\$162,390,446
Pima County Community College District	\$5,956,707	\$8,768,721	\$10,689,023	\$13,029,859	\$38,444,310
City of Tucson	\$2,037,982	\$3,205,155	\$3,907,066	\$4,762,692	\$13,912,895
AGGREGATE PRIMARY RATE TAXES	\$52,617,602	\$77,662,162	\$94,669,742	\$115,401,887	\$340,351,391
SECONDARY RATE TAXES					
Pima County Bonds	\$2,318,652	\$3,413,231	\$4,160,709	\$5,071,882	\$14,964,474
Tucson School District 1	\$2,146,537	\$3,159,864	\$3,851,857	\$4,695,392	\$13,853,650
Joint Technical Education District	\$222,947	\$328,195	\$400,068	\$487,681	\$1,438,892
City of Tucson	\$3,874,825	\$5,704,034	\$6,953,186	\$8,475,894	\$25,007,939
Central Arizona Water Conservation District	\$624,253	\$918,947	\$1,120,191	\$1,365,507	\$4,028,897
Pima County Flood District	\$1,487,059	\$2,189,063	\$2,668,455	\$3,252,832	\$9,597,408
Pima County Library District	\$2,386,874	\$3,513,659	\$4,283,130	\$5,221,112	\$15,404,775
Fire District Assistance	\$185,492	\$273,058	\$332,857	\$405,751	\$1,197,158
AGGREGATE SECONDARY RATE TAXES	\$13,246,640	\$19,500,051	\$23,770,453	\$28,976,050	\$85,493,193
AGGREGATE PROPERTY TAXES	\$65,864,241	\$97,162,212	\$118,440,195	\$144,377,936	\$425,844,584

Annual Kino District Anchor Element property tax projections appear in the *Financial Appendix* accompanying this Business Plan

Notes Regarding Property Tax Projections:

- Projections based on current year primary and secondary property tax rates for the premises on which Kino District will be developed. All current primary and secondary property tax rates were provided by Pima County.
- Current primary and secondary tax rates are assumed to increase from their current value each year by 2%.
- Accrual of property tax liabilities is assumed not to occur until the opening of each Kino District element.

USE TAX EXPANSION

As a direct result of the introduction of Kino District-hosted tournaments at the Iceplex and Field House, multiple taxing jurisdictions benefit from the materially increased use of hotel assets and expansion of retail sales. With respect to taxes on hotel rates, the City, Pima County Stadium District, Regional Transportation Authority, Visit Tucson and Pima County Attractions and Tourism each receive substantial financial benefits from Kino District events. In addition, due to Knott Development's commitment to work with downtown area hotel operators to accommodate Iceplex and Field House tournament visitors, the City further benefits from an influx of hotel guests that will generate enhanced volumes of hotel surcharge taxes. From the retail and restaurant perspective (and not including taxes on transportation and miscellaneous tournament spending), based on the location of tournament guests within incorporated Pima County, each of the County, the City and Rio Nuevo stand to benefit from an increase in sales tax collections.

KINO DISTRICT ECONOMIC DEVELOPMENT

CITY OF TUCSON TOURNAMENT-GENERATED HOTEL SURCHARGE TAXES

	2023-2032	2033-2042	2043-2052	2053-2062
ICEPLEX NATIONAL HOCKEY TOURNAMENTS				
Number of Tournaments	71	80	80	80
Room Night Demand	143,136	161,280	161,280	161,280
City of Tucson Hotel Surcharge Taxes	\$715,680	\$806,400	\$806,400	\$806,400
ICEPLEX REGIONAL/INVITATION TOURNAMENTS				
Number of Tournaments	65	100	100	100
Room Night Demand	58,240	89,600	89,600	89,600
City of Tucson Hotel Surcharge Taxes	\$291,200	\$448,000	\$448,000	\$448,000
FIELD HOUSE BASKETBALL TOURNAMENTS				
Number of Tournaments	171	180	180	180
Room Night Demand	393,984	414,720	414,720	414,720
City of Tucson Hotel Surcharge Taxes	\$1,969,920	\$2,073,600	\$2,073,600	\$2,073,600
FIELD HOUSE VOLLEYBALL TOURNAMENTS				
Number of Tournaments	152	160	160	160
Room Night Demand	437,760	460,800	460,800	460,800
City of Tucson Hotel Surcharge Taxes	\$2,188,800	\$2,304,000	\$2,304,000	\$2,304,000
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS				
Number of Tournaments	95	100	100	100
Room Night Demand	182,400	192,000	192,000	192,000
City of Tucson Hotel Surcharge Taxes	\$912,000	\$960,000	\$960,000	\$960,000
TOTAL CITY OF TUCSON SURCHARGE TAXES	\$6,077,600	\$6,592,000	\$6,592,000	\$6,592,000

Annual hotel surcharge tax projections appear in the *Financial Appendix* accompanying this Business Plan

KINO DISTRICT ECONOMIC DEVELOPMENT

STADIUM DISTRICT ALLOCATION OF TOURNAMENT HOTEL TAXES

	2023-2032	2033-2042	2043-2052	2053-2062
ICEPLEX NATIONAL HOCKEY TOURNAMENTS				
Total Hotel Spending	\$19,796,558	\$26,908,860	\$32,801,750	\$39,985,150
Pima County Hotel Tax - Stadium District Allocation	\$403,850	\$548,941	\$669,156	\$815,697
ICEPLEX REGIONAL/INVITATION TOURNAMENTS				
Total Hotel Spending	\$8,194,676	\$14,949,367	\$18,223,195	\$22,213,972
Pima County Hotel Tax - Stadium District Allocation	\$167,171	\$304,967	\$371,753	\$453,165
FIELD HOUSE BASKETBALL TOURNAMENTS				
Total Hotel Spending	\$54,171,354	\$69,194,211	\$84,347,358	\$102,818,958
Pima County Hotel Tax - Stadium District Allocation	\$1,105,096	\$1,411,562	\$1,720,686	\$2,097,507
FIELD HOUSE VOLLEYBALL TOURNAMENTS				
Total Hotel Spending	\$60,190,393	\$76,882,457	\$93,719,286	\$114,243,287
Pima County Hotel Tax - Stadium District Allocation	\$1,227,884	\$1,568,402	\$1,911,873	\$2,330,563
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS				
Total Hotel Spending	\$25,079,330	\$32,034,357	\$39,049,703	\$47,601,370
Pima County Hotel Tax - Stadium District Allocation	\$511,618	\$653,501	\$796,614	\$971,068
TOTAL STADIUM DISTRICT ALLOCATION	\$3,415,619	\$4,487,373	\$5,470,082	\$6,668,000

KINO DISTRICT ECONOMIC DEVELOPMENT

REGIONAL TRANSPORTATION AUTHORITY ALLOCATION OF TOURNAMENT HOTEL TAXES

	2023-2032	2033-2042	2043-2052	2053-2062
ICEPLEX NATIONAL HOCKEY TOURNAMENTS				
Total Hotel Spending	\$19,796,558	\$26,908,860	\$32,801,750	\$39,985,150
Pima County Hotel Tax - RTA Allocation	\$108,881	\$147,999	\$180,410	\$219,918
ICEPLEX REGIONAL/INVITATION TOURNAMENTS				
Total Hotel Spending	\$8,194,676	\$14,949,367	\$18,223,195	\$22,213,972
Pima County Hotel Tax - RTA Allocation	\$45,071	\$82,222	\$100,228	\$122,177
FIELD HOUSE BASKETBALL TOURNAMENTS				
Total Hotel Spending	\$54,171,354	\$69,194,211	\$84,347,358	\$102,818,958
Pima County Hotel Tax - RTA Allocation	\$297,942	\$380,568	\$463,910	\$565,504
FIELD HOUSE VOLLEYBALL TOURNAMENTS				
Total Hotel Spending	\$60,190,393	\$76,882,457	\$93,719,286	\$114,243,287
Pima County Hotel Tax - RTA Allocation	\$331,047	\$422,854	\$515,456	\$628,338
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS				
Total Hotel Spending	\$25,079,330	\$32,034,357	\$39,049,703	\$47,601,370
Pima County Hotel Tax - RTA Allocation	\$137,936	\$176,189	\$214,773	\$261,808
TOTAL RTA ALLOCATION	\$920,878	\$1,209,831	\$1,474,777	\$1,797,745

Annual tournament hotel tax projections appear in the *Financial Appendix* accompanying this Business Plan

KINO DISTRICT ECONOMIC DEVELOPMENT

VISIT TUCSON ALLOCATION OF TOURNAMENT HOTEL TAXES

	2023-2032	2033-2042	2043-2052	2053-2062
ICEPLEX NATIONAL HOCKEY TOURNAMENTS				
Total Hotel Spending	\$19,796,558	\$26,908,860	\$32,801,750	\$39,985,150
Pima County Hotel Tax - Visit Tucson Allocation	\$593,897	\$807,266	\$984,053	\$1,199,555
ICEPLEX REGIONAL/INVITATION TOURNAMENTS				
Total Hotel Spending	\$8,194,676	\$14,949,367	\$18,223,195	\$22,213,972
Pima County Hotel Tax - Visit Tucson Allocation	\$245,840	\$448,481	\$546,696	\$666,419
FIELD HOUSE BASKETBALL TOURNAMENTS				
Total Hotel Spending	\$54,171,354	\$69,194,211	\$84,347,358	\$102,818,958
Pima County Hotel Tax - Visit Tucson Allocation	\$1,625,141	\$2,075,826	\$2,530,421	\$3,084,569
FIELD HOUSE VOLLEYBALL TOURNAMENTS				
Total Hotel Spending	\$60,190,393	\$76,882,457	\$93,719,286	\$114,243,287
Pima County Hotel Tax - Visit Tucson Allocation	\$1,805,712	\$2,306,474	\$2,811,579	\$3,427,299
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS				
Total Hotel Spending	\$25,079,330	\$32,034,357	\$39,049,703	\$47,601,370
Pima County Hotel Tax - Visit Tucson Allocation	\$752,380	\$961,031	\$1,171,491	\$1,428,041
TOTAL VISIT TUCSON ALLOCATION	\$5,022,969	\$6,599,078	\$8,044,239	\$9,805,882

KINO DISTRICT ECONOMIC DEVELOPMENT

PIMA COUNTY ATTRACTIONS & TOURISM ALLOCATION OF TOURNAMENT HOTEL TAXES

	2023-2032	2033-2042	2043-2052	2053-2062
ICEPLEX NATIONAL HOCKEY TOURNAMENTS				
Total Hotel Spending	\$19,796,558	\$26,908,860	\$32,801,750	\$39,985,150
Pima County Hotel Tax - Attractions & Tourism Allocation	\$190,047	\$258,325	\$314,897	\$383,857
ICEPLEX REGIONAL/INVITATION TOURNAMENTS				
Total Hotel Spending	\$8,194,676	\$14,949,367	\$18,223,195	\$22,213,972
Pima County Hotel Tax - Attractions & Tourism Allocation	\$78,669	\$143,514	\$174,943	\$213,254
FIELD HOUSE BASKETBALL TOURNAMENTS				
Total Hotel Spending	\$54,171,354	\$69,194,211	\$84,347,358	\$102,818,958
Pima County Hotel Tax - Attractions & Tourism Allocation	\$520,045	\$664,264	\$809,735	\$987,062
FIELD HOUSE VOLLEYBALL TOURNAMENTS				
Total Hotel Spending	\$60,190,393	\$76,882,457	\$93,719,286	\$114,243,287
Pima County Hotel Tax - Attractions & Tourism Allocation	\$577,828	\$738,072	\$899,705	\$1,096,736
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS				
Total Hotel Spending	\$25,079,330	\$32,034,357	\$39,049,703	\$47,601,370
Pima County Hotel Tax - Attractions & Tourism Allocation	\$240,762	\$307,530	\$374,877	\$456,973
TOTAL ATTRACTIONS & TOURISM ALLOCATION	\$1,607,350	\$2,111,705	\$2,574,156	\$3,137,882

Annual tournament hotel tax projections appear in the *Financial Appendix* accompanying this Business Plan

KINO DISTRICT ECONOMIC DEVELOPMENT

PIMA COUNTY SALES TAX GENERATED FROM KINO DISTRICT TOURNAMENTS

	2023-2032	2033-2042	2043-2052	2053-2062
ICEPLEX NATIONAL HOCKEY TOURNAMENTS				
Total Retail Spending	\$9,606,751	\$13,058,165	\$15,917,830	\$19,403,746
Total Restaurant Spending	\$20,439,946	\$27,783,398	\$33,867,807	\$41,284,668
Pima County Sales Taxes	\$150,233	\$204,208	\$248,928	\$303,442
ICEPLEX REGIONAL/INVITATION TOURNAMENTS				
Total Retail Spending	\$4,246,305	\$7,746,441	\$9,442,869	\$11,510,805
Total Restaurant Spending	\$9,034,630	\$16,481,677	\$20,091,072	\$24,490,905
Pima County Sales Taxes	\$66,405	\$121,141	\$457,302	\$180,009
FIELD HOUSE BASKETBALL TOURNAMENTS				
Total Retail Spending	\$30,298,151	\$38,700,467	\$47,175,653	\$57,506,858
Total Restaurant Spending	\$64,463,911	\$82,341,112	\$100,373,355	\$122,354,560
Pima County Sales Taxes	\$473,810	\$605,208	\$737,745	\$899,307
FIELD HOUSE VOLLEYBALL TOURNAMENTS				
Total Retail Spending	\$33,664,487	\$43,000,358	\$52,417,197	\$63,896,270
Total Restaurant Spending	\$71,626,568	\$91,490,124	\$111,525,951	\$135,949,511
Pima County Sales Taxes	\$526,455	\$672,452	\$819,716	\$999,229
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS				
Total Retail Spending	\$14,026,869	\$17,916,816	\$21,840,499	\$26,623,446
Total Restaurant Spending	\$29,844,403	\$38,120,885	\$46,469,146	\$56,645,630
Pima County Sales Taxes	\$219,356	\$280,189	\$341,548	\$416,345
TOTAL PIMA COUNTY SALES TAXES	\$1,436,260	\$1,883,197	\$2,605,239	\$2,798,332

Annual tournament sales tax projections appear in the *Financial Appendix* accompanying this Business Plan

KINO DISTRICT ECONOMIC DEVELOPMENT

CITY OF TUCSON SALES TAX GENERATED FROM KINO DISTRICT TOURNAMENTS

	2023-2032	2033-2042	2043-2052	2053-2062
ICEPLEX NATIONAL HOCKEY TOURNAMENTS				
Total Retail Spending	\$9,606,751	\$13,058,165	\$15,917,830	\$19,403,746
Total Restaurant Spending	\$20,439,946	\$27,783,398	\$33,867,807	\$41,284,668
City of Tucson Sales Taxes	\$781,214	\$1,061,881	\$1,294,427	\$1,577,899
ICEPLEX REGIONAL/INVITATION TOURNAMENTS				
Total Retail Spending	\$4,246,305	\$7,746,441	\$9,442,869	\$11,510,805
Total Restaurant Spending	\$9,034,630	\$16,481,677	\$20,091,072	\$24,490,905
City of Tucson Sales Taxes	\$345,304	\$629,931	\$767,882	\$936,044
FIELD HOUSE BASKETBALL TOURNAMENTS				
Total Retail Spending	\$30,298,151	\$38,700,467	\$47,175,653	\$57,506,858
Total Restaurant Spending	\$64,463,911	\$82,341,112	\$100,373,355	\$122,354,560
City of Tucson Sales Taxes	\$2,463,814	\$3,147,081	\$3,836,274	\$4,676,397
FIELD HOUSE VOLLEYBALL TOURNAMENTS				
Total Retail Spending	\$33,664,487	\$43,000,358	\$52,417,197	\$63,896,270
Total Restaurant Spending	\$71,626,568	\$91,490,124	\$111,525,951	\$135,949,511
City of Tucson Sales Taxes	\$2,737,567	\$3,496,753	\$4,262,522	\$5,195,990
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS				
Total Retail Spending	\$14,026,869	\$17,916,816	\$21,840,499	\$26,623,446
Total Restaurant Spending	\$29,844,403	\$38,120,885	\$46,469,146	\$56,645,630
City of Tucson Sales Taxes	\$1,140,653	\$1,456,980	\$1,776,051	\$2,164,996
TOTAL CITY OF TUCSON SALES TAXES	\$7,468,553	\$9,792,626	\$11,937,156	\$14,551,326

Annual tournament sales tax projections appear in the *Financial Appendix* accompanying this Business Plan

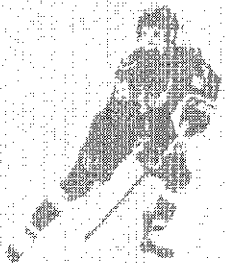
KINO DISTRICT ECONOMIC DEVELOPMENT

RIO NUEVO SALES TAX GENERATED FROM KINO DISTRICT TOURNAMENTS

	2023-2032	2033-2035
ICEPLEX NATIONAL HOCKEY TOURNAMENTS		
Total Retail Spending	\$9,606,751	\$3,649,701
Total Restaurant Spending	\$20,439,946	\$7,765,340
Total Hotel Spending	\$19,796,558	\$7,520,911
Pima Rio Nuevo Sales Taxes	\$2,791,222	\$1,060,413
ICEPLEX REGIONAL/INVITATION TOURNAMENTS		
Total Retail Spending	\$4,246,305	\$2,165,097
Total Restaurant Spending	\$9,034,630	\$4,606,558
Total Hotel Spending	\$8,194,676	\$4,178,284
Pima Rio Nuevo Sales Taxes	\$1,202,634	\$613,197
FIELD HOUSE BASKETBALL TOURNAMENTS		
Total Retail Spending	\$30,298,151	\$10,816,614
Total Restaurant Spending	\$64,463,911	\$23,013,987
Total Hotel Spending	\$54,171,354	\$19,339,485
Pima Rio Nuevo Sales Taxes	\$8,340,271	\$2,977,525
FIELD HOUSE VOLLEYBALL TOURNAMENTS		
Total Retail Spending	\$33,664,487	\$12,018,415
Total Restaurant Spending	\$71,626,568	\$25,571,097
Total Hotel Spending	\$60,190,393	\$21,488,317
Pima Rio Nuevo Sales Taxes	\$9,266,961	\$3,308,358
FIELD HOUSE INDOOR LACROSSE TOURNAMENTS		
Total Retail Spending	\$14,026,869	\$5,007,673
Total Restaurant Spending	\$29,844,403	\$10,654,624
Total Hotel Spending	\$25,079,330	\$8,953,465
Pima Rio Nuevo Sales Taxes	\$3,861,234	\$1,378,483
TOTAL RIO NUEVO SALES TAXES	\$25,462,323	\$9,337,976

Rio Nuevo sales tax collections are only projected through 2035, the statutory expiration year of Rio Nuevo's existence. For purposes of these projections, it is assumed that all required state minimum collections from applicable sales taxes are met prior to the generation of qualifying sales taxes generated from Kino District tournament hotel, restaurant and retail spending.

Annual tournament sales tax projections appear in the *Financial Appendix* accompanying this Business Plan



ATHLETICS INCLUSION FOUNDATION

Enhancing Diversity Within Southern Arizona Youth Sports

ATHLETICS INCLUSION FOUNDATION

ATHLETICS INCLUSION FOUNDATION

Knott Development has created the Athletics Inclusion Foundation (the "Foundation") from which it will support youth sport development, access and programming within neighboring communities as well as the entire Southern Arizona region. The Foundation's mandate is to provide financial support for economically disadvantaged, visually-impaired, indigenous and minority youth as well as displaced teenagers and children within the foster care system to participate in Kino District programming. Community engagement and support will also extend to children with disabilities and those with developmental disorders who could benefit from the creation of customized programming within the Iceplex and the Field House.

GRANT STRUCTURE

The Foundation's grant structure applies to programming housed within the Iceplex and Field House. Support recipients will receive grants covering the costs associated with program fees, team fees, uniforms, practice sessions and equipment ("Foundation Grants"). Because a youth athlete's best experience is not derived from one, isolated season or event, Foundation Grants will be structured to permit a recipient to participate on a team or within a programming set for a minimum period of two to three years. Once the initial Foundation Grant has expired, recipients are eligible to renew their participation in their chosen activity under a new Foundation Grant. With a long-term outlook and focus on the positive physical and mental health impacts participation in organized athletic activities (whether team or simply skill session-based) has on child development, the Foundation is committed to ensuring not just a new experience for the children it serves, but extended participatory benefits.

COMMUNITY OUTREACH AND ENGAGEMENT

Foundation Grants applicable to Iceplex programming will be focused on providing access to Junior Roadrunners' youth hockey house league and travel team programming as well as skills programs to be offered at the Iceplex. The initial application of Foundation Grants to Field House programming will be centered on programming offered by Zona Volleyball, but will extend to other organizations as Knott Development formalizes facility use agreements with other youth sports organizations. In order to provide a broad array of children with Foundation Grants and, thus, expand the community access and involvement aspects of Kino District, Knott Development and the Foundation will be working on a multi-track engagement effort.

With respect to Iceplex programming access, the Foundation has already commenced programming outreach through the Junior Roadrunners organization. In cooperation, and while providing guidance, Knott Development and the Foundation have enabled the Junior Roadrunners to initiate program planning and to enter various stages of discussions with area organizations. Included among these are Arizona School for the Deaf and Blind, Autism Society of Arizona, You Can Play Project, SAAVI, Youth on Their Own, Arizona Autism Academy and USA Hockey.

In order to expand the Foundation's community outreach and engagement, Knott Development's relationship with CPLC extends to active participation in program planning and adoption. CPLC will assist with the Foundation's introduction to the regional Latino and Spanish-speaking community and in the design and development of Iceplex and Field House programming access options most beneficial to all of its constituents. By embracing unique opportunities in which the Foundation can support CPLC-served communities, the combination of Kino District's facilities and Foundation-sponsored programming access will have a profound impact in the Southern Arizona region. To ensure long-term viability of benefits to the broader community, CPLC has agreed to join the Foundation's board of directors with David Adame, its President, as their board representative.

In tandem with its institutional and nonprofit outreach, the Foundation will work with County and City instrumentalities to address athletic programming access on a broad basis throughout Southern Arizona. Whether working with regional school systems, municipal foster care agencies or other governmental service agencies, Knott Development and the Foundation

seek to create pathways to inclusion for all underserved youth within the community. The development of programming access and, if necessary, customized support programs will be performed on a discrete basis to ensure community members with differing needs are provided with a unique solution to address existing under-representation within youth sports.

Finally, as one member of a broad community of support options, the Foundation will forge partnerships with other nonprofit groups within the Southern Arizona region. This effort serves to both cover a larger spectrum of children in need and to leverage joint resources and capabilities to further enhance the overall impact of each individual group. For example, Knott Development has already discussed partnering opportunities with the Oro Valley Sports Alliance, a local privately-organized nonprofit organization, focused on providing underprivileged youth with sports equipment to enable league participation. As a further aspect of its guidance to the Foundation, Knott Development will work with CPLC to identify additional local charitable organizations to create partnerships for the mutual benefit of their respective constituents. Finally, Knott Development and the Foundation will seek to develop programming and access at the Iceplex and Field House with the Coronado division of Special Olympics Arizona.

Under these and other burgeoning partnerships, in conjunction with its organizational and individual commitments to diversity, the Foundation aims to be a leading facilitator in Southern Arizona of access, representation and protections for marginalized and under-represented communities in sports.

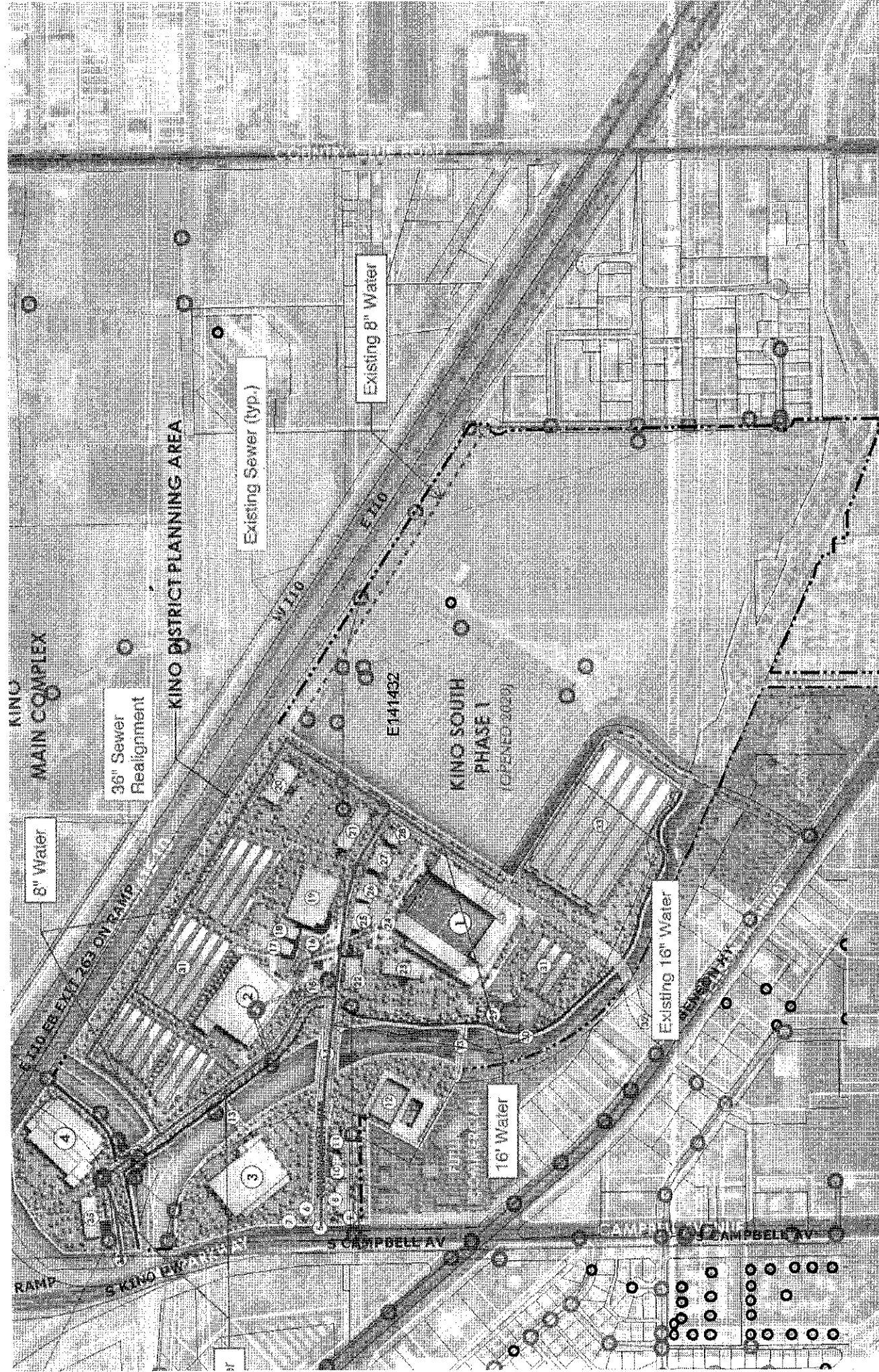
LEADERSHIP AND GOVERNANCE

To enhance the Foundation's connection to the local community, Knott Development has constituted the Foundation's board of directors with several members of the Tucson community. Local board membership is currently comprised of Jeremy Bow, David Adame, Ryan DeJoe, Elaine Becherer, Patrick DeConcini, Clint Mabie, Danny Plattner and Linda Morales. During the Predevelopment Phase and on a continuing basis, Mr. Knott will seek additional local representatives to join the board of directors to further the Foundation's mission. To further link the Foundation to the local community, Knott Development has recruited a local resident to lead the organization in tandem with the board of directors. Jeremy Bow, currently the President of the Junior Roadrunners, will join the Foundation as its Executive Director in July, 2021. Knott Development and Mr. Knott have been working with Mr. Bow for over 2 years in formulating the Iceplex's youth hockey programming and Mr. Bow has demonstrated his advocacy for the underserved and well-connected and respected within the community.

In addition to local leadership, the Foundation will become part of a network of similarly-focused charitable organizations created by Knott Development. Currently, Knott Development is in the planning stages of several athletic-focused lifestyle developments. In each jurisdiction, Knott Development will create a variation of the Foundation to support local, under-represented youth. In order to provide supplemental philanthropic guidance and resources to each local organization, Mr. Knott has formed a parent version of non-profit organization comprised of organizations and individual leaders from a wide array of foundations and charitable organizations. Among the skill sets included in this national support network are youth sports athletic directors, foundation executive directors, economic development experts, and regional/national charitable organizations. From this well of expertise, each local version of the Foundation will draw organizational, operational and programming guidance. The executive director of the Foundation will become a member of this umbrella organization.

ORGANIZATIONAL FUNDING

The Foundation will have two contribution classes, Administrative Donations and Mission Donations. Administrative Donations are funded exclusively by Mr. Knott and Knott Development and are allocable solely to the Foundation's operational and administrative expenses. Mission Donations will be sought from third party individuals, corporations and foundations and will be solely allocated to Foundation Grants. This segregated donation structure is designed to provide transparency and ensure that Mission Donations are utilized solely for Foundation Grants. Mr. Knott and Knott Development will make the first Mission Donation upon the commencement of Iceplex construction.



TRANSPORTATION + INFRASTRUCTURE

TRANSPORTATION & INFRASTRUCTURE

KINO DISTRICT TRANSPORTATION

The Kino District site plan defines an internal multimodal circulation system and site access. Off-site improvements on Kino Parkway and Benson Highway will address the impacts of Kino District on traffic operations and safety, as well as improvements to enhance access via transit and bicycles as well as for pedestrians. In developing its infrastructure plan, Knott Development and its team prepared a traffic assessment to establish preliminary capacity requirements for the internal circulation system and access points on Kino Parkway and Benson Highway as well as bicycle and pedestrian connectivity and accommodations for shared ride operations on site. The proposed roadway cross sections and intersection lane configurations and controls are based on expected traffic demand during larger events at the Arena, Stadium and Kino South Complex. As part of the initial development implementation phase, Knott Development will prepare and submit a traffic study to the City and the County to formalize the site transportation network and needed off-site improvements to mitigate adverse impacts to the surrounding system and enhance access. The study will define the master transportation plan for Kino District's development build-out as well as the system elements that will be implemented during the initial development phase. The traffic study will be updated with the progression of each development phase.

KINO DISTRICT ACCESS

Multimodal access to Kino District and the Kino South Complex, as well as connectivity to the surrounding roadway network, will include the following elements:

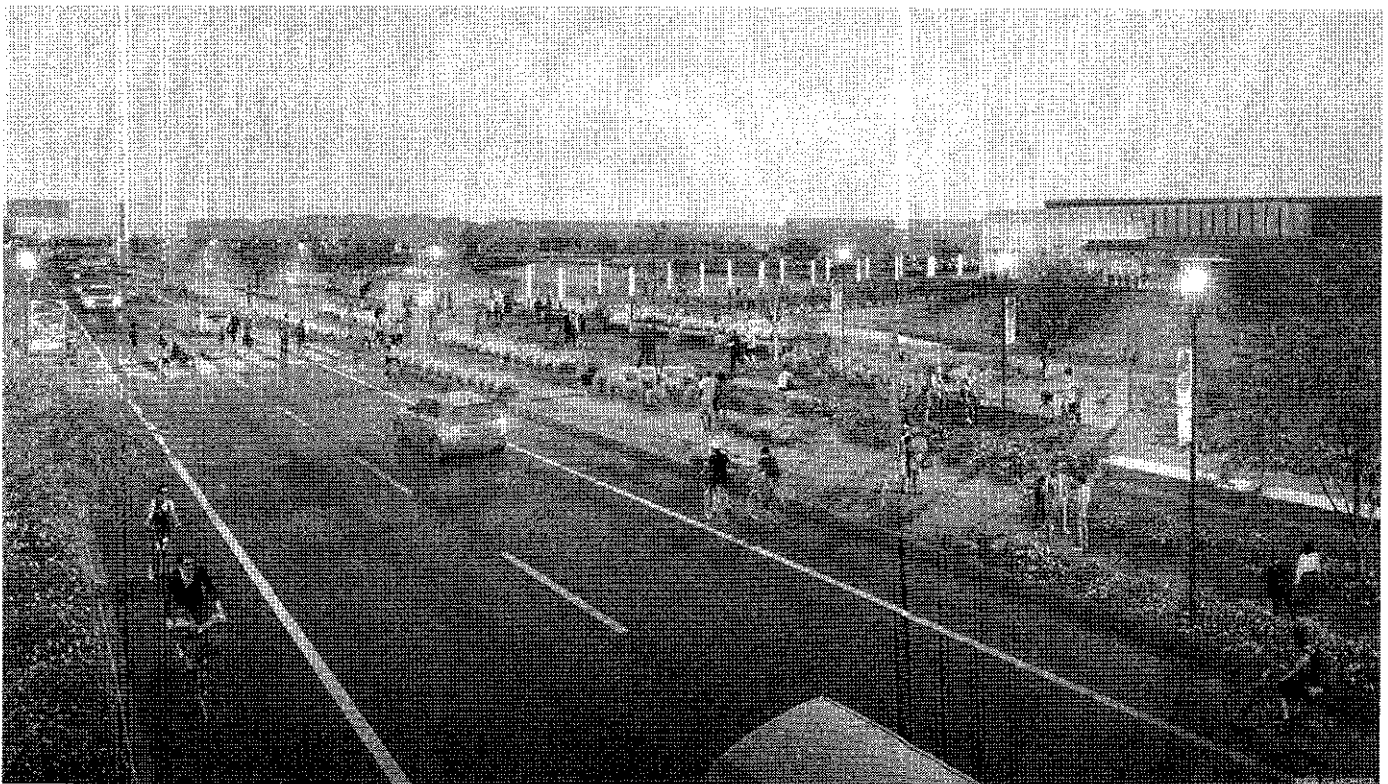
- Site access with the initial development phase will include the existing limited access driveway (no left turn out) on Benson Highway and a new, main Tournament Way driveway connecting with Kino Parkway. Tournament Way will encompass five lanes at the Kino Parkway intersection (two lanes entering, three lanes exiting) and will be signalized. Additional intersection improvements will include extending the southbound left turn storage on Kino Parkway, an exclusive right turn lane on the northbound approach, and provisions for the addition of future transit stops with bus pullouts.
- Based on the initial concept prepared by ADOT for the planned reconstruction of the I-10/Kino Parkway interchange, it is expected that a right-in/right-out driveway will be added at the northwestern end of the development's Kino Parkway boundary, with approval from ADOT. Knott Development will cooperate with ADOT as a part of the Kino District traffic study to be prepared.
- To provide better access from Benson Highway, Knott Development has planned for the addition of a new signalized intersection between Kino Parkway and Irvington Road that could be implemented as the Campbell Benson Development proceeds.
- The existing bridge across the Julian Wash at the current entry to the Kino South Complex and the new Tournament Way bridge and pedestrian bridge connecting Kino District Multifamily and the Julian Wash Event Plaza will provide broad intermodal connectivity between Kino District and the Campbell Benson Development. Additional bridges will connect the Iceplex and Field House with the rest of Kino District, as well as the Loop.

KINO DISTRICT CIRCULATION

Kino District's internal roadway network includes Tournament Way, which will connect Kino District with Kino South Complex, providing multimodal access and emergency service access to Kino District's various facilities, venues and parking areas. Additional roadways will connect Tournament Way to the Field House and the surface parking north of the Arena. The internal circulatory roadways will include bicycle lanes and sidewalks, as well as roadway lighting. Crossings for pedestrians and at the Loop will be designated with enhanced illumination, signage/markings and pavement to provide a high level of safety. Drop-off and pickup areas for use by shared ride services and others will be provided near the Arena and the Stadium.

EVENT TRAFFIC MANAGEMENT

It is anticipated that traffic management will be required during large or simultaneous events. Knott Development and Kino District facility management teams will coordinate with the County and the City to implement traffic management strategies to handle high levels of traffic demand safely and efficiently. Example strategies include implementing event signal operations on Kino Parkway and Benson Highway, implementation of a shuttle to Kino North Complex and the use of off-duty police for traffic control.



Rendering of one intersection of the Loop and the Kino District access road between the Iceplex and Arena

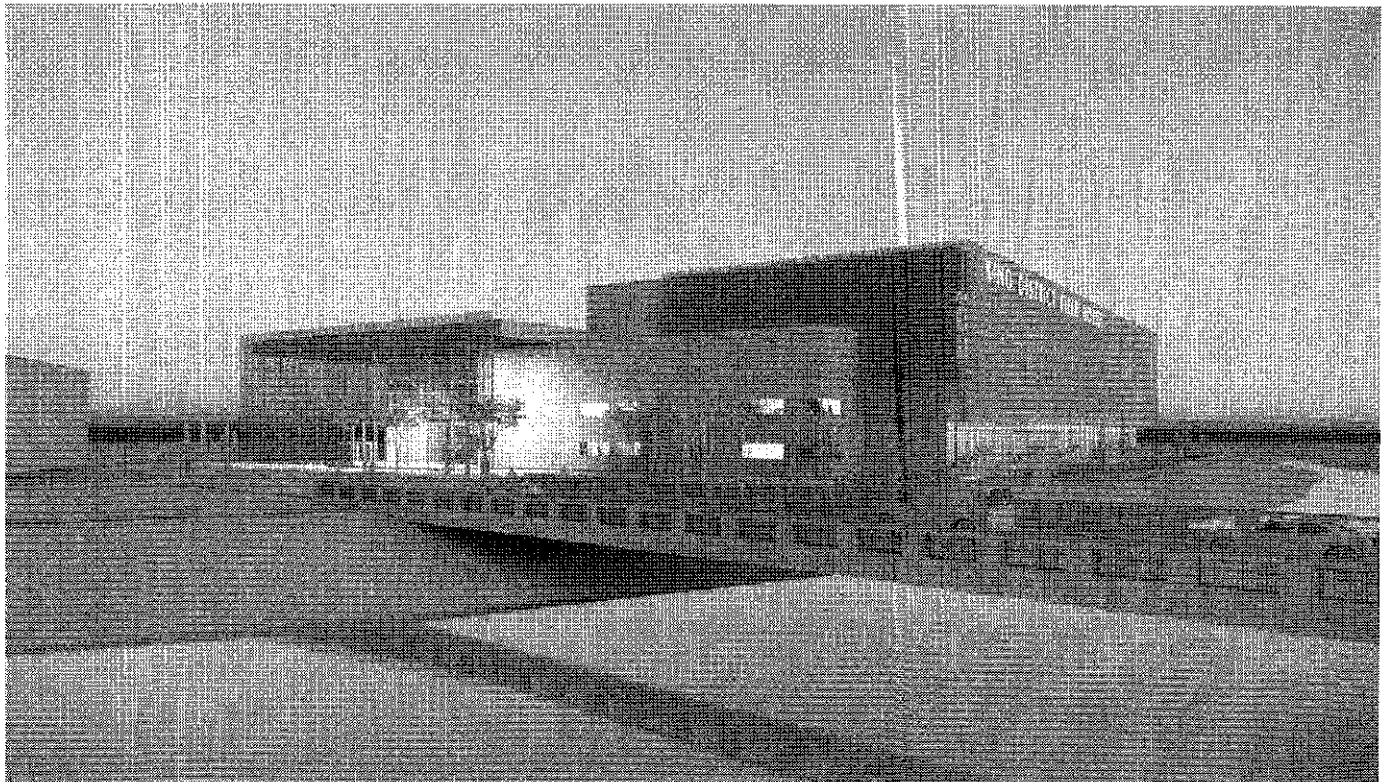
KINO DISTRICT PARKING PLAN

Kino District's development plan includes parking areas designated for Kino District Commercial, Kino District Hotels and Kino District Multifamily as well as anchor elements (Iceplex, Field House, Arena and Stadium). The table below summarizes the parking supply for each land use and its availability during weekday, weekend and event uses.

KINO DISTRICT PARKING PLAN

PARKING SUPPLY USE AND AVAILABILITY

	<u>PARKING SUPPLY</u>	<u>AVAILABILITY</u>
ANCHOR ELEMENTS		
Arena Surface Parking	1,469	Shared at all times
Iceplex Surface Parking	268	Shared at all times
Field House Surface Parking	106	Shared at all times
Stadium Surface Parking - West	222	Shared at all times
Stadium Surface Parking - South	192	Shared at all times
Parking Garage	2,000	Shared at all times
KINO DISTRICT COMMERCIAL		
Restaurant & Retail - Kino Parkway	257	Reserved at all times
Kino District Multifamily		Reserved at all times
Restaurant & Retail - Arena Area	133	Shared at all times
Restaurant & Retail - Stadium Area	222	Shared at all times
Medical Office Building	126	Portions reserved weekdays, shared on weekends and during events
KINO DISTRICT HOTELS		
Arena Area Hotel	101	Reserved at all times
Stadium Area Hotel	117	Reserved at all times
Field House Area Hotel	114	Reserved at all times



Field House Multimodal Bridge

KINO DISTRICT PARKING MANAGEMENT

Knott Development will coordinate with the County and the City to ensure there is sufficient parking available for simultaneous or large events and has developed a shared parking model to evaluate parking supply and demand as part of advance event planning. The table below illustrates the application of the shared parking model to a multiple event scenario. This model will be updated on an ongoing basis to reflect current factors affecting parking demand.

KINO DISTRICT PARKING MANAGEMENT

SIMULTANEOUS EVENT PARKING MANAGEMENT ANALYSIS

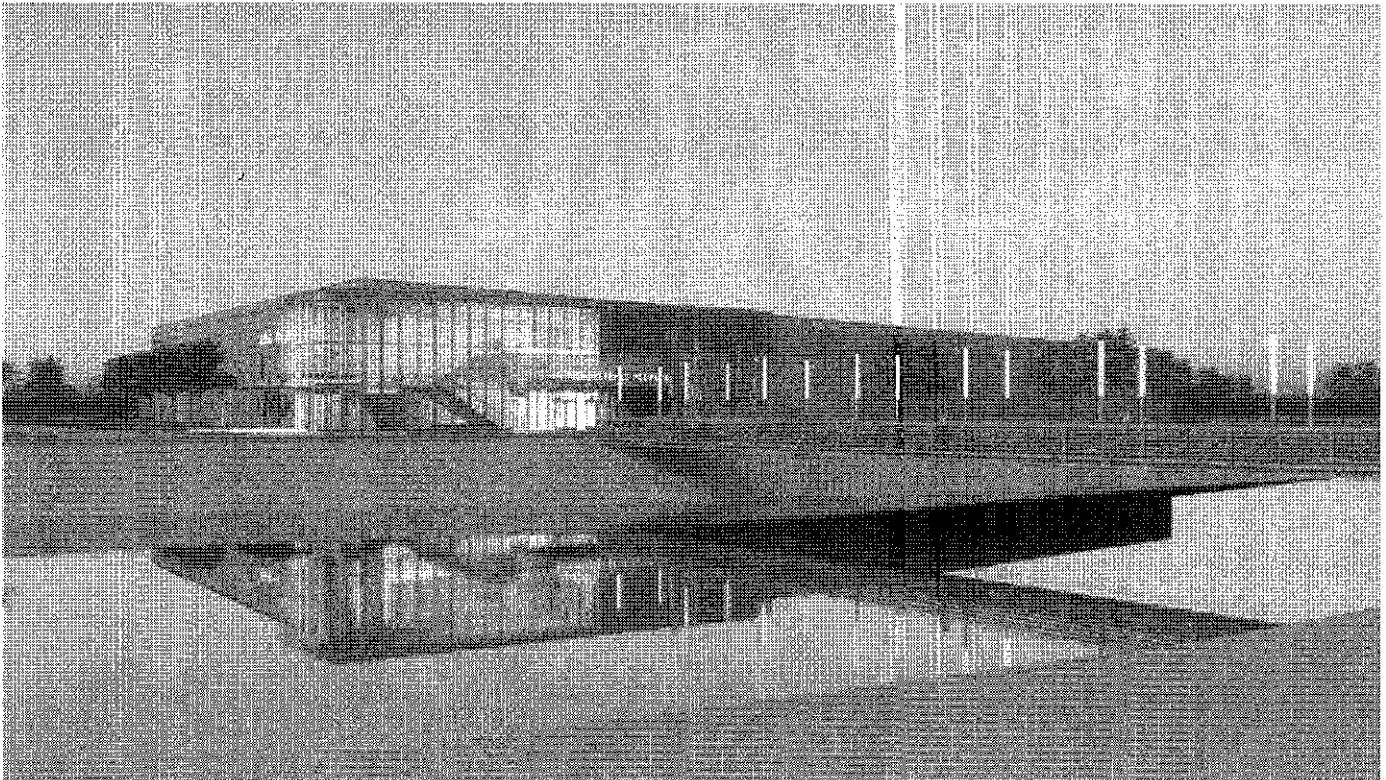
	PARKING SUPPLY	EVENT-AVAILABLE
ANCHOR ELEMENTS		
Arena Surface Parking	1,469	1,469
Iceplex Surface Parking	268	0
Field House Surface Parking	106	0
Stadium Surface Parking - West	222	222
Stadium Surface Parking - South	192	192
Parking Garage	2,000	2,000
KINO DISTRICT COMMERCIAL		
Restaurant & Retail - Kino Parkway	257	0
Kino District Multifamily		
Restaurant & Retail - Arena Area	133	133
Restaurant & Retail - Stadium Area	222	222
Medical Office Building	126	126
KINO DISTRICT HOTELS		
Arena Area Hotel	101	50
Stadium Area Hotel	117	50
Field House Area Hotel	114	0
KINO NORTH COMPLEX		
Soccer Fields - North	300	300
Soccer Fields - South	271	271
Soccer Fields - East	438	438
TOTAL PARKING SUPPLY	6,336	5,473

	MODE SPLIT	SPECTATORS	OCCUPANCY	DEMAND
KINO DISTRICT ARENA				
Automobile	86%	5,160	2.5	2,064
Shared Ride	10%	600	1.5	
Pedestrian	2%	120		
Bicycle	1%	60		
Public Transportation	1%	60		
Total	100%	6,000		
KINO DISTRICT STADIUM				
Automobile	86%	6,880	2.5	2,752
Shared ride	10%	800	1.5	
Pedestrian	2%	160		
Bicycle	1%	80		
Public Transportation	1%	80		
Total	100%	8,000		4,816

INFRASTRUCTURE

INFRASTRUCTURE LINKAGE FOCUS

As a development site split by an ephemeral wash, Kino District's infrastructure plan requires a comprehensive focus on linkage between facilities and experiences. As a result, several types of physical linkage are implemented. Due to the site's promotion of pedestrian and bicycle access in its architectural layout and linkage to the Loop, all modes of site access are multimodal. Auto, pedestrian and bicycle access is not merely accommodated but encouraged. In order to provide additional methods of access between facilities, Kino District features several pedestrian/bicycle bridges crossing the Julian Wash. These include a bridge to foster linkage between Kino District, the Campbell Benson Development and the Benson Highway Corridor. Finally, to better link Kino District, Kino South Complex and Kino North Complex, as described in the *Kino District Parking Garage* section of this Business Plan, Knott Development will provide funding for the County's construction of an underpass beneath I-10.



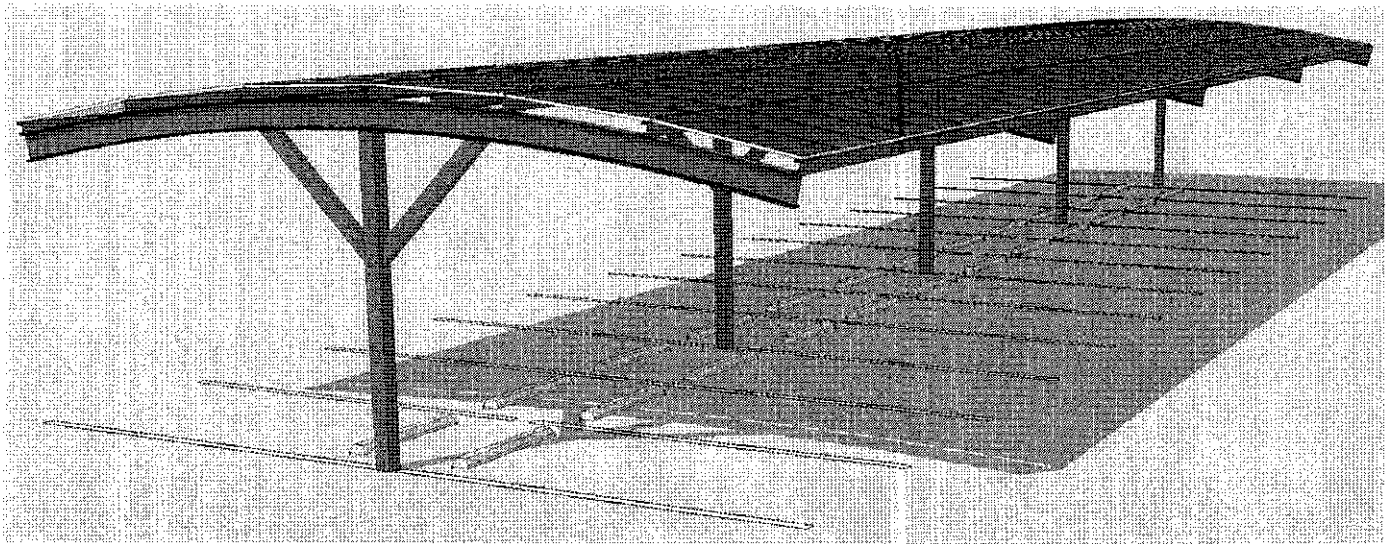
Iceplex Pedestrian Bridge

ENVIRONMENTAL SUSTAINABILITY FOCUS

Our civil designs and operational planning for Kino District's facilities, in particular the Iceplex, take into account the unique environmental sustainability challenges posed by Southern Arizona's climate. For example, a unique and primary sustainability consideration involves Iceplex water usage. For comparison, in the Northeast and Midwest, similar facilities could be expected to initially utilize approximately 45,000 gallons of water to create 3 ice sheets and an aggregate of 9,000 gallons per day for resurfacing. Based on the local environment and long-term aridification concerns throughout the Southwest, from the outset our team was cognizant of the need for consumption mitigation efforts. While the initial water volume required to install our ice sheets is unavoidable, alleviation of daily and annual operational water demands through passive and active conservation techniques will be achieved.

Water reduction efforts begin with our capture of runoff. Kino District's civil design was devised to retain 100% of storm water runoff generated by the entire 90 acre site. In addition to site-generated runoff, Kino District's retention system will tie into the County's existing infrastructure to offload any available excess storm water captured throughout the remaining portions of the Kino Sports & Entertainment Complex. To further reduce reliance on aquifer-sourced resurfacing water, and using our system's connection to County apparatus, Kino District will draw from local reclaimed water production sources. Utilizing special filtration systems, the Iceplex will convert all retained and reclaimed water to ice resurfacing volume. Knott Development's widespread deployment of photovoltaic parking canopy systems throughout Kino District will offset the significant energy resources needed to operate the filtration systems.

In addition to providing power for filtration systems, Kino District's solar canopy system (the "Kino District Array") is designed to meet all site-general, non-facility power requirements while providing supplemental power to each of the Anchor Elements. The Kino District Array will include the battery storage capacity required to capture all unused day-time generation for use during the evening hours.



CAD drawing of one of the canopies within the Kino District Solar Array



DEVELOPMENT PHASING

DEVELOPMENT PHASING

Kino District's development development phasing combines four concepts. First, to efficiently develop Kino District's anchor and support elements in a manner, and on a schedule, that optimizes the operational and financial stability of each element. Second, to utilize the Knott Development-Hensel Phelps design-build mechanism to construct Kino District's anchor elements based on an active trending cost analysis basis, tightly integrating design with preconstruction planning to achieve cost efficiencies. Third, to avoid the financial pitfall of empty facility space and dead time slots by engaging in program recruitment prior to jointly assuming lease structure liability with the County to assure facility self-sufficiency from opening day. Fourth, to utilize Knott Development's and CTL Capital's structured finance expertise to design a financing and public private partnership lease structure that not only mitigates, but avoids, municipal credit rating impacts.

In order to successfully integrate these concepts into a phasing plan, Knott Development will engage in a three-part development phasing strategy: a predevelopment phase, a determination phase and a development/construction phase. In doing so, Knott Development assumes all predevelopment financial risk, avoids placing the County in a position of participating in a "build it and see what comes" scenario, and rounds out the structured finance-oriented umbrella of long-term risk protection for the benefit of Kino District, the County and Knott Development.

PREDEVELOPMENT PHASE

Upon the execution of the MDPA, Knott Development and its team will begin a predevelopment period during which site plan, civil engineering and design, site investigation work and architectural design efforts on the Iceplex, Field House, Arena, Stadium and Parking Garage continue (the "Predevelopment Phase"). During the Predevelopment Phase's 10-12 month period, Knott Development will, in addition to obtaining all initial permits for site plan approval and civil construction, further refine anchor element architectural plans to solidify construction budgets, utilize the refined cost analysis to reduce Kino District's financing needs, and obtain additional anchor element usage commitments to further demonstrate Kino District's financial viability.

PREDEVELOPMENT PHASE WORK

In order to maintain the commencement timing associated with Knott Development's existing anchor programming agreements and the attendant opening dates for the Iceplex and Field House, as well as preparing the entire site for civil construction on a cost-efficient basis, all site plan approvals and civil construction design and permitting will be completed during the Predevelopment Phase. Completing this work will provide a more accurate assessment of the overall development and construction budgets from which the Kino District Financing and lease structure emanate.

Presently, on a high level anticipatory basis, the construction cost budgets maintained by Knott Development and its design builder, Hensel Phelps, are subject to significant contingencies both as to time-based market cost escalation projections as well as labor and materials commitment costs projections. While those contingencies are necessary from a conceptual planning perspective, the Predevelopment Phase period offers a substantial time period within which to whittle down contingencies to a more reasoned position. In order to do so, Knott Development, Hensel Phelps, JLG Architects and DFDG Architecture will refine the design, scope and cost of each anchor element by completing the schematic design phase of each anchor element and the design development phase with respect to the Iceplex, Field House and Arena. This work will enable Hensel Phelps and Knott Development to more accurately create a total project budget, including more realistic contingency levels, from which the overall Kino District Financing, and the anchor element lease structure, is based.

In addition to development and construction related refinements, Knott Development will use the Predevelopment Phase in order to round out the use agreements associated with all anchor elements. This work includes executing final agreements with all anchor and tournament programming for the Iceplex and the Field House, triple net management leases for the Arena and Stadium and management agreements for the Parking Garage. For the limited remaining programming time available at the Iceplex and the Field House, Knott Development and its management teams will likewise come to agreement with prospective local and national athletic programming clients to augment the committed mix of programming for both facilities. This aspect of the Predevelopment Phase achieves two self-fulfilling operational benefits - closing out limited programming vacancies which increases facility operational cash flow - both of which serve to financially bolster Kino District and its ability to service the Kino District Financing, providing an extra layer of financial risk mitigation and avoiding a “build it and see who comes” proposition.

Knott Development will work with the County to meet and review the Kino District development plan with representatives of neighboring residential and business areas, the City, the City of South Tucson, Rio Nuevo, University of Arizona, Banner Medical Center, Visit Tucson, Sun Corridor and other local governmental instrumentalities and agencies, public and private regional stakeholders identified by the County and Knott Development (“Stakeholder Meetings”). Knott Development will utilize Stakeholder Meetings to review and discuss Kino District’s components, how they relate to regional stakeholders and to demonstrate the region-wide benefits associated with the development of Kino District. Mr. Knott and his team will conduct Stakeholder Meetings at least once per calendar month during the Predevelopment Phase.

As an additional part of its Predevelopment Phase work, Knott Development will prepare a development financing, leasing and financial structure review package (the “Rating Review Package”). The Rating Review Package will be used by Knott Development and the County during the Determination Phase to meet with all applicable credit rating agencies (“Applicable Rating Agencies”) that then-currently issue credit ratings on the County’s debt issues, in particular its Certificates of Participation.

Knott Development will compile a detailed economic and business overview for the County for review following the conclusion of the Predevelopment Phase (the “Development Overview”). The Development Overview will include an update to this Business Plan incorporating all development, construction, operational and community related aspects of the final plan for the development of Kino District, including all refined construction and development budgets, facility operating budgets, use agreements for each anchor element, lease structure documentation and associated financial metrics as well as the final Kino District Financing documentation. As described below, the County and Knott Development, including their advisors, will conduct an in-depth review of the Development Overview in order to determine the inclusion of the County in the anchor element lease structure and the development phasing to be implemented.

Knott Development will self-fund its work during the Predevelopment Phase. The County is not responsible for the up-front funding any of the Predevelopment Phase costs. Knott Development’s Predevelopment Phase costs will be recovered through the Kino District Financing or, in the alternative, from the County during the Determination Phase as described below.

DETERMINATION PHASE

At the conclusion of the Predevelopment Phase and upon the delivery of the Development Overview, Knott Development and the County will commence a two to four month analysis to determine whether the County will participate in the anchor element leasing structure and, if so, the phasing for the development and construction of Kino District (the “Determination Phase”).