



Economic and Fiscal Impact Analysis for Select Outdoor Sports Tournaments Held in Harford County, Maryland

Final Report

March 2019

Report Letter

March 1, 2019

Mr. Greg Pizzuto, Executive Director
Visit Harford!
115 N. Main Street, Suite C
Bel Air, MD 21014

Dear Mr. Pizzuto:

Crossroads Consulting Services, LLC has completed its economic and fiscal impact analysis on select outdoor sports tournaments held in Harford County from 2016 through 2018. This report summarizes our research and analysis to date.

The information contained in the report reflects analysis of primary and secondary sources. We have utilized sources that are deemed to be reliable but cannot guarantee their accuracy. All information provided to us by others was not audited or verified and was assumed to be correct. We have no obligation unless subsequently engaged, to update this report or revise this analysis as presented due to events or conditions occurring after the date of this report.

In accordance with the terms of our engagement letter, the accompanying report is restricted to internal use by Visit Harford! and may not be relied upon by any party for any purpose including financing. Although you have authorized reports to be sent electronically for your convenience, only the final hard copy report should be viewed as our work product.

We have enjoyed working on this engagement and our on-going relationship with Visit Harford! And look forward to the opportunity to provide you with continued service.

Sincerely,

Crossroads Consulting Services, LLC

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Harford County (County) offers a vibrant and diverse community that is located 25 miles northeast of Baltimore. Positioned along the shores of the Chesapeake Bay, Harford County offers a broad range of experiences including harbor towns, urban centers and cultural and sports amenities. Comprised of three municipalities, Aberdeen, Bel Air and Havre de Grace, each offers specialized attractions. One of Harford County's objectives is to serve as a sports tourism destination and as such it currently hosts a variety of sporting events within the community.

Tournament producers consider both facility attributes (e.g., the number, type and configuration of fields; spectator seating; parking; patron amenities such as restrooms, concessions, Wi-Fi, etc.) as well as supporting infrastructure in terms of accessibility, hotel supply and affordability when deciding where to host their events.

Harford County has several sports facilities that are able to accommodate tournament activity, foster sports tourism and support the local sports needs of residents. The following provides a brief description of the outdoor facilities that host the majority of baseball, lacrosse and soccer tournaments in Harford County.

- ▶ The Ripken Experience Aberdeen has nine total baseball and softball fields and is the home to Cal Ripken Stadium which has 6,300 seats.
- ▶ Cedar Lane Regional Park is a 110-acre multi-sport recreation complex that has 12 natural grass fields and one turf field that can accommodate field hockey, football, lacrosse and soccer. The same management team operates the 12-field Carsins Run complex.
- ▶ The Harford Polo Grounds is used for polo during the summer months and is available in the spring and fall months to host field hockey, lacrosse and soccer tournaments. A maximum of nine fields can be created at the Harford Polo Grounds.

INTRODUCTION

Project Background (cont'd)

Major highway access for Harford County is provided by Interstate 95 which runs north/south. Commercial air service is provided by the Baltimore/Washington International Airport, which ranked 22nd in the U.S. with approximately 13.0 million enplanements in 2017, which was a 5.2% increase from 2016.. The Federal Aviation Administration defines enplanements as domestic, territorial and international passengers who board an aircraft in scheduled and non-scheduled service of aircraft. Proximate, convenient air access can be beneficial in accommodating the needs of sporting event promoters/producers, athletes/teams or their VIPs.

Proximity to hotels with multiple service levels and price points is advantageous in attracting competitive sporting events that draw overnight attendees. Harford County currently offers approximately 2,800 hotel rooms. All of the hotel properties are limited service or economy. A list of hotels in Harford County along with statistics regarding average daily rate and occupancy can be found in the Appendix.

Annual, rotational and one-time users hosted tournament events at Cedar Lane during the profiled period, which resulted in significant economic activity in Harford County. Notable non-annual events for Cedar Lane include the Maryland State Youth Soccer Association's Presidents Cup in 2018 (rotational) and the upcoming U.S. Lacrosse National Tournament in May of 2019 (one-time).

Although not analyzed in this study, daily uses such as league play also generate economic activity to the County. One example is the Elite Development Program (EDP) which is part of U.S. Youth Soccer and is comprised of teams from the Northeast to the Mid-Atlantic. The EDP utilizes Cedar Lane for 84 games in the Spring and Fall. Five EDP teams use Cedar Lane as their home field complex including: Abingdon FC, FC USA, Harford FC, Baltimore Bays, and PHWM FC. The EDP occasionally uses Cedar Lane as a neutral site for two teams playing at a centrally located field.

Visit Harford! retained Crossroads Consulting Services LLC (Crossroads) to estimate the economic and fiscal impacts associated with baseball, lacrosse and soccer tournaments held in Harford County over the last three calendar years.

Research tasks completed as part of this study effort included, but were not limited to, the following:

- Confirmed study objectives with representatives from Visit Harford!.
- Distributed surveys to event organizers who produced/hosted outdoor sports tournaments in Harford County over the last three years.
- Compiled and analyzed data related to outdoor sports tournaments held in Harford County for which information was provided.
- Developed estimates of economic and fiscal impacts associated with outdoor sports tournaments held in Harford County in 2016, 2017 and 2018 based on information provided by Visit Harford! and individual tournament organizers as well as other secondary research.
- Summarized our analysis in a written report.

The remainder of this report summarizes the key findings from our research and analysis.

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Economic Impact Analysis – Methodology

Regional input-output models are typically used by economists as a tool to understand the flow of goods and services among regions and measure the complex interactions among them given an initial spending estimate.

- ▶ Relative to estimating the economic impact associated with select outdoor sports tournaments in Harford County, the first step is to estimate the sources of direct spending. Direct spending represents the initial change in spending that occurs as a direct result from event activity. This spending occurs both inside and outside of the facility from attendees and tournament organizers on items such as lodging, food/beverage, retail/shopping, entertainment/recreation, and transportation. For instance, an out-of-town attendee spends money staying at a local hotel and eating at a local restaurant.
- ▶ Additional economic impacts are produced through the re-spending of direct spending. To quantify the inputs needed to produce the total output, economists have developed multiplier models. The estimation of multipliers relies on input-output models, a technique for quantifying interactions between firms, industries and social institutions within a local economy. This analysis uses IMPLAN software and databases which are developed under exclusive rights by the Minnesota IMPLAN Group, Inc. IMPLAN, which stands for *Impact Analysis for Planning*, is a computer software package that consists of procedures for estimating local input-output models and associated databases. The IMPLAN software package allows the estimation of the multiplier effects of changes in final demand for one industry on all other industries within a defined economic area. Its proprietary methodology includes a matrix of production and distribution data among all counties in the U.S. As such, the advantages of this model are that it is sensitive to both location and type of spending and can provide indirect/induced spending, employment and earnings information by specific industry category while considering the leakages associated with the purchase of certain goods and services outside the economy under consideration.
- ▶ Once the direct spending amounts are assigned to a logical category, the IMPLAN model estimates the economic multiplier effects for each type of direct new spending attracted to or retained in the local area resulting from ongoing operations of select outdoor sports tournaments in Harford County.

GENERAL METHODOLOGY OVERVIEW

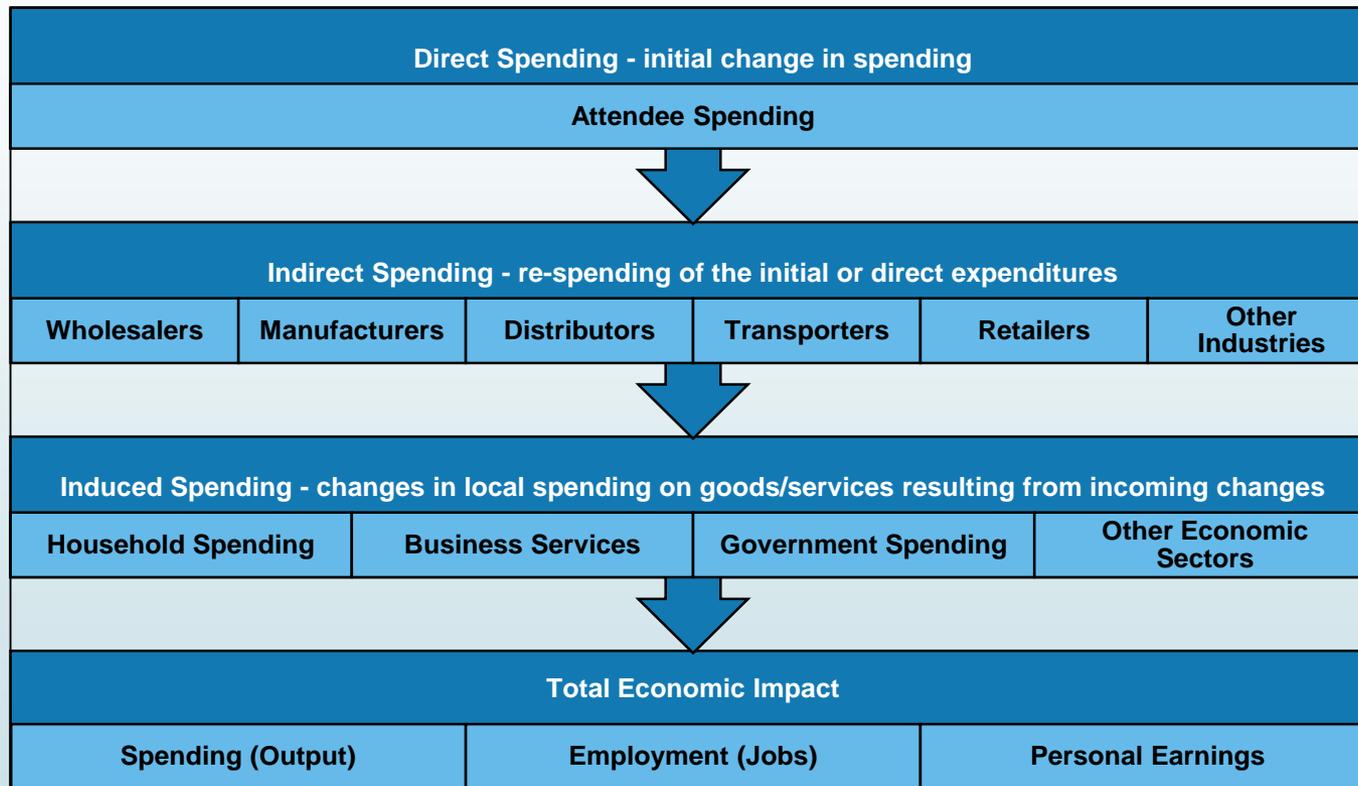
Economic Impact Analysis – Methodology

- ▶ Total economic impact is calculated by applying an economic multiplier to the initial direct spending amount. The total output multiplier is used to estimate the aggregate total spending that occurs beginning with direct spending and continuing through successive rounds of re-spending which are generally referred to as indirect and induced effects on the area economy.
 - Indirect effects reflect the re-spending of the initial or direct expenditures or the business-to-business transactions required to satisfy the direct effect. For example, area hotels, restaurants and retail stores purchase various goods and services from local and regional vendors. A portion of these expenditures occurs in the local economy and a portion leaves the local economy through leakage.
 - Induced effects reflect changes in local spending by households on goods and services that result from income changes in the directly and indirectly affected industry sectors (e.g., impacts from wage expenditures).
- ▶ The calculated multiplier effect is then added to the direct impact to quantify the total economic impact in terms of total output, employment and earnings which are defined below:
 - *Total Output* represents the sum of direct, indirect and induced spending effects generated from operations at select outdoor sports tournaments. This calculation measures the total dollar change in output that occurs in the local economy for each dollar of output delivered to final demand.
 - *Employment (Jobs)* represents the number of full and part-time jobs supported by operations of the select outdoor sports tournaments. The employment multiplier measures the total change in the number of jobs supported in the local economy for each additional \$1.0 million of output delivered to final demand.
 - *Earnings (Personal Income)* represent the wages and salaries earned by employees of businesses associated with or impacted by operations at select outdoor sports tournaments. In other words, the multiplier measures the total dollar change in earnings of households employed by the affected industries for each additional dollar of output delivered to final demand.

GENERAL METHODOLOGY OVERVIEW

Economic Impact Analysis – Methodology (cont'd)

The following graphic illustrates the multiplier effects for calculating total economic impact.



GENERAL METHODOLOGY OVERVIEW

Fiscal Impact Analysis – Methodology

The estimated spending generated from outdoor sports tournaments held in Harford County creates tax revenues for the County and the State of Maryland. Although experience in other markets suggests that a significant portion of the direct spending would occur near the host facility, spending also occurs in other areas within the State, particularly such spending as business services and the everyday expenditures of residents. In addition, this analysis estimates revenues generated from hotel occupancy tax in Harford County as well as sales/use tax, personal income tax and corporate income tax at the State level.

In general terms, all State tax proceeds are collected in the State's General Fund and then allocated to variety of program areas such as education, transportation, public safety and others. As such, individual revenue sources, such as the sales and use tax, are not designated to fund specific programs. As a result of this process, municipalities and counties may benefit from a variety of State and locally administered programs. For purposes of this analysis, only collections have been quantified, without regard as to how these funds are ultimately spent through the individual State departments/funds.

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SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Outdoor Tournament Activity Background

Estimating the economic impact of a sporting event is based on the inputs used, primarily those related to the number of participants and spectators attending and the amount that they spend on items outside the facilities where the event occurs.

Visit Harford! reached out to sports organizers that produced/hosted baseball, lacrosse and soccer tournaments in Harford County over the last three years. Survey respondents included the following by sport:

- Baseball - Ripken Baseball
- Lacrosse - Aloha Tournaments, Crabs Lacrosse, Inside Lacrosse, Long Island Showcase, Top of the Bay and U.S. Lacrosse
- Soccer - Central Maryland Soccer Association (CMSA), Elite Tournaments and Maryland Youth Soccer Association (MYSA)

Although all of the baseball events are held at the Ripken Experience Aberdeen, some lacrosse and soccer tournaments utilize multiple locations to host their event, not just facilities in Harford County. On average, approximately 90% of the teams playing in the lacrosse tournaments and 65% of the teams playing in the soccer tournaments played in Harford County. Inputs used in the economic model only include activity for teams that played at facilities in Harford County.

Crossroads analyzed event-specific attributes such as the number of teams, average roster size, number of participants, number of spectators, length of event, etc. for baseball, lacrosse and soccer tournaments held in Harford County for which data was provided. Although this data does not reflect all events held in Harford County, it encompassed boys' and girls' tournaments representing various age groups as well as size, type and scope.

SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Outdoor Tournament Activity Background (cont'd)

Attendance at profiled sporting events includes both participants and spectators. Participants were calculated by multiplying average roster size by the number of teams. The estimated number of participants excludes coaches and team staff which provides a conservative estimate.

For tournament activity, an attendee day is defined as total attendance (including participants and spectators) multiplied by the event length. For example, a three-day tournament with 200 attendees equates to 600 attendee days which reflects that people return to the event multiple days.

Based on information provided by Visit Harford! and individual tournament organizers, the following slides summarize key event attributes for baseball, lacrosse and soccer tournaments held in Harford County over the last three years.

SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Baseball Tournaments – Event Attributes

Over the profiled three-year period, baseball tournament activity averaged 39 events per year with approximately 20,600 total participants and 62,000 total spectators in Harford County for a total of 261,100 attendee days. All of the baseball teams play in Harford County. These numbers exclude the Cal Ripken World Series, which was only held in Harford County in 2016, as data was not provided for this event.

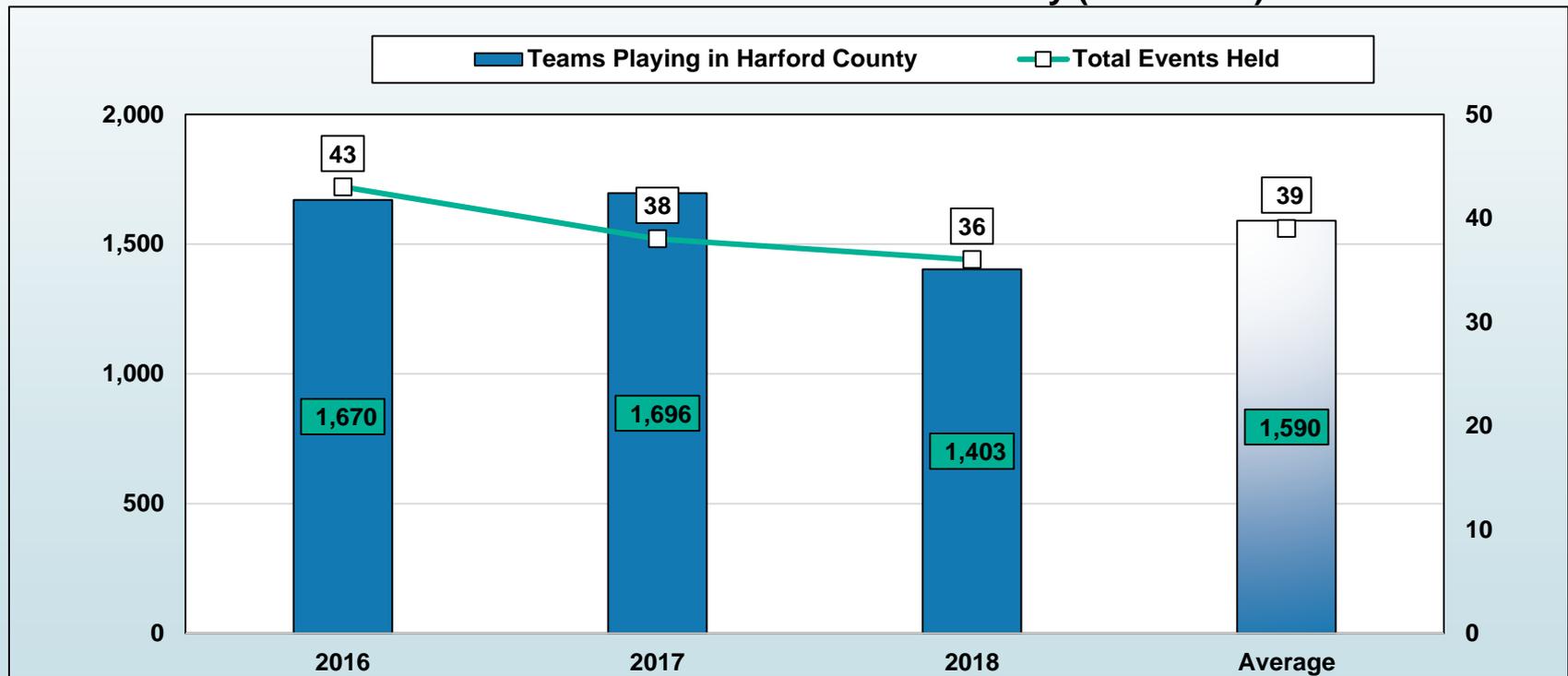
Summary of Event Attributes - Baseball Tournaments in Harford County						
Category	2016	2017	2018	Average	Percent Change	
					2016-17	2017-18
Total Events	43	38	36	39	-12%	-5%
Total Teams	1,670	1,696	1,403	1,590	2%	-17%
Total Teams Playing in Harford County	1,670	1,696	1,403	1,590	2%	-17%
Total Participants Playing in Harford County	21,700	22,000	18,200	20,600	1%	-17%
Total Spectators at Tournaments in Harford County	65,100	66,100	54,700	62,000	2%	-17%
Average Spectators Per Participant	3.0	3.0	3.0	3.0	0%	0%
Total Attendance (Participants & Spectators)	86,800	88,100	72,900	82,600	1%	-17%
Average Event Length	3.1	3.1	3.3	3.2	0%	6%
Total Attendee Days at Tournaments in Harford County	269,200	273,400	240,800	261,100	2%	-12%

SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Baseball Events and Teams

The number of baseball tournaments held in Harford County decreased in both 2017 and 2018. The average number of baseball teams playing in Harford County remained relatively consistent in 2016 and 2017 before decreasing by 17% in 2018.

Baseball Tournaments Held in Harford County (2016-2018)

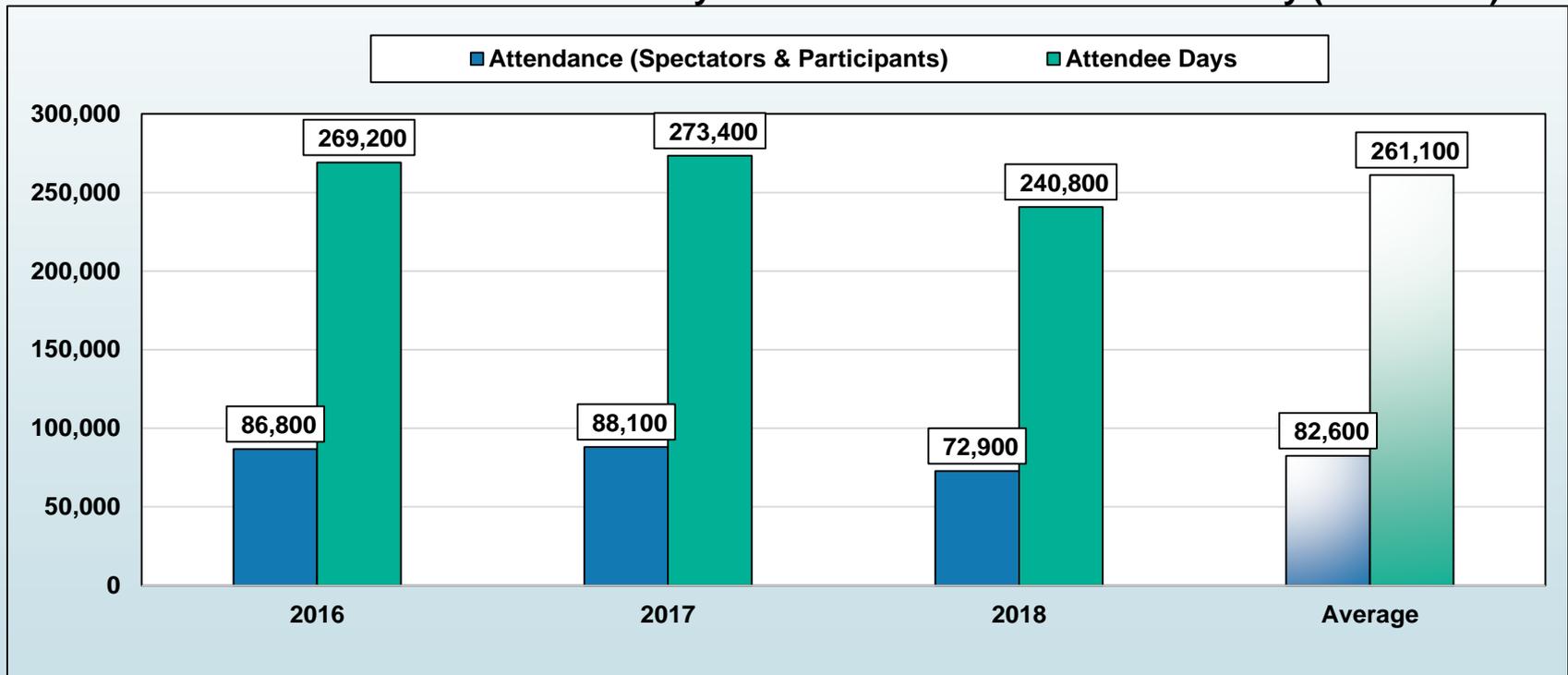


SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Baseball Attendance and Attendee Days

Baseball tournaments averaged 82,600 in attendance and 261,100 attendee days each year during the profiled three-year period.

Baseball Attendance and Attendee Days at Tournaments in Harford County (2016-2018)



SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Lacrosse Tournaments – Event Attributes

Over the profiled three-year period, lacrosse tournament activity averaged 15 events per year with approximately 33,300 total participants and 76,100 total spectators in Harford County for a total of 179,800 attendee days. In general, the number of participants and spectators in Harford was relatively consistent during the profiled three-year period. However, the average event length increased in 2018 resulting in more total attendee days.

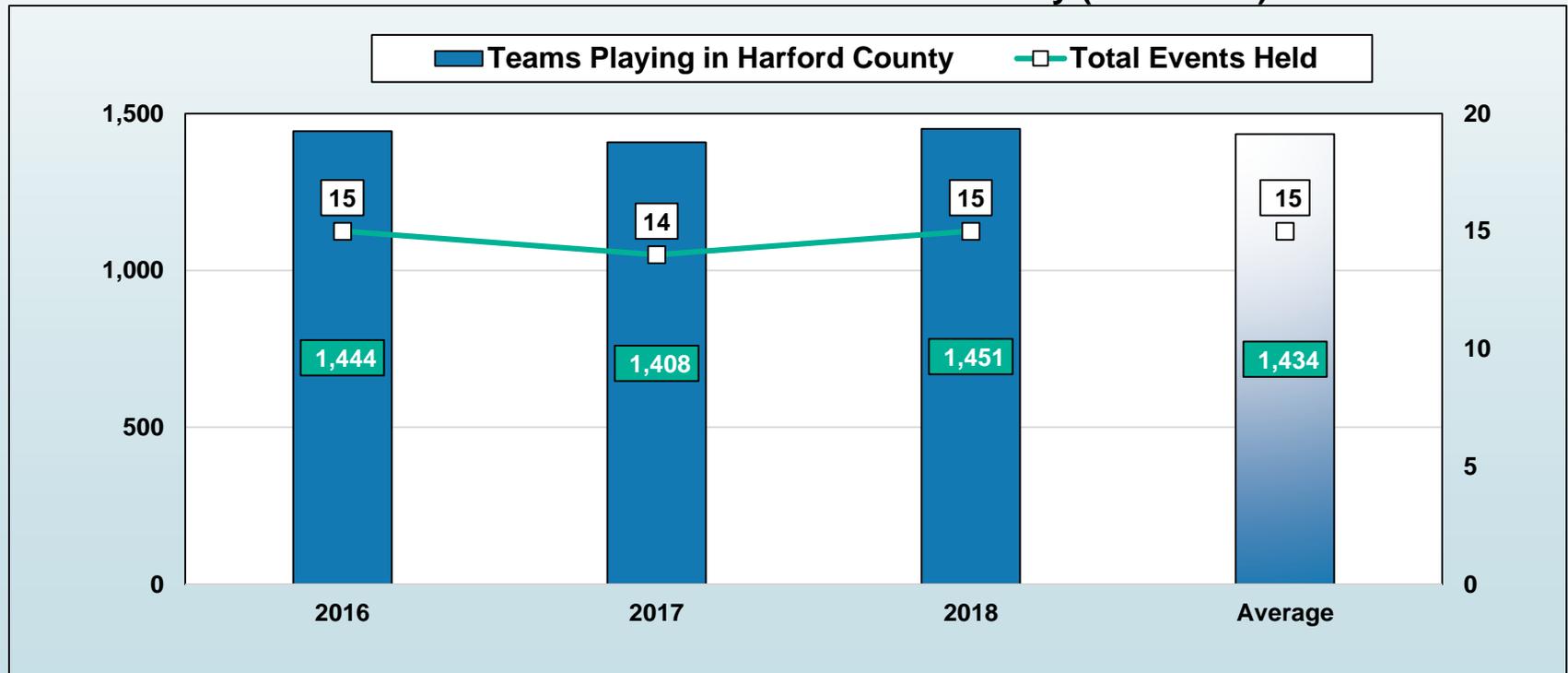
Summary of Event Attributes - Lacrosse Tournaments in Harford County						
Category	2016	2017	2018	Average	Percent Change	
					2016-17	2017-18
Total Events	15	14	15	15	-7%	7%
Total Teams	1,558	1,534	1,709	1,600	-2%	11%
Total Teams in Harford County	1,444	1,408	1,451	1,434	-2%	3%
Total Participants Playing in Harford County	33,400	32,600	33,800	33,300	-2%	4%
Total Spectators at Tournaments in Harford County	76,100	74,200	78,100	76,100	-2%	5%
Average Spectators Per Participant	2.3	2.3	2.3	2.3	0%	0%
Total Attendance (Participants & Spectators)	109,500	106,800	111,900	109,400	-2%	5%
Average Event Length	1.6	1.6	1.7	1.6	0%	6%
Total Attendee Days at Tournaments in Harford County	177,200	170,300	191,800	179,800	-4%	13%

SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Lacrosse Events and Teams

In general, the number of lacrosse tournaments and total number of teams playing in Harford County remained relatively consistent during the profiled three-year period. In 2017, there was one less lacrosse tournament compared to 2016 and 2018, which corresponded to a decrease in teams playing in Harford County. On average, 1,434 lacrosse teams played in Harford County during the profiled three-year period.

Lacrosse Tournaments Held in Harford County (2016-2018)

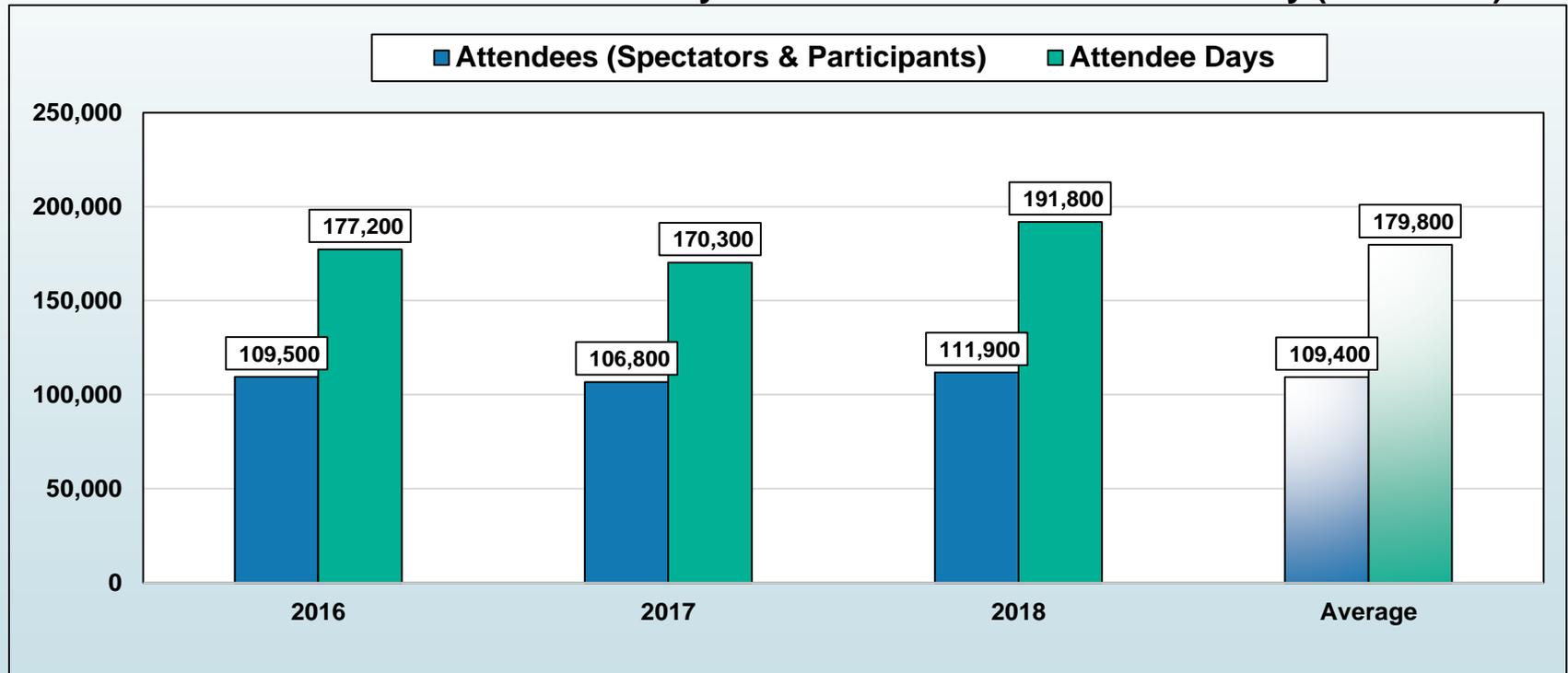


SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Lacrosse Attendance and Attendee Days

Lacrosse tournaments averaged 109,400 attendees and 179,800 attendee days each year during the profiled three-year period.

Lacrosse Attendance and Attendee Days at Tournaments in Harford County (2016-2018)



SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Soccer Tournaments – Event Attributes

Over the profiled three-year period, soccer tournament activity averaged three events per year with approximately 9,000 total participants and 18,900 total spectators in Harford County for a total of 53,100 attendee days. As a point of reference, one tournament was cancelled due to inclement weather in both 2017 and 2018.

In 2018, Maryland Youth Soccer Association (MYSA) hosted four events in Harford County, including one State Cup and three Presidents Cups, which resulted in significantly more teams and total attendees compared to 2016 and 2017. However, most of these teams originated in Maryland.

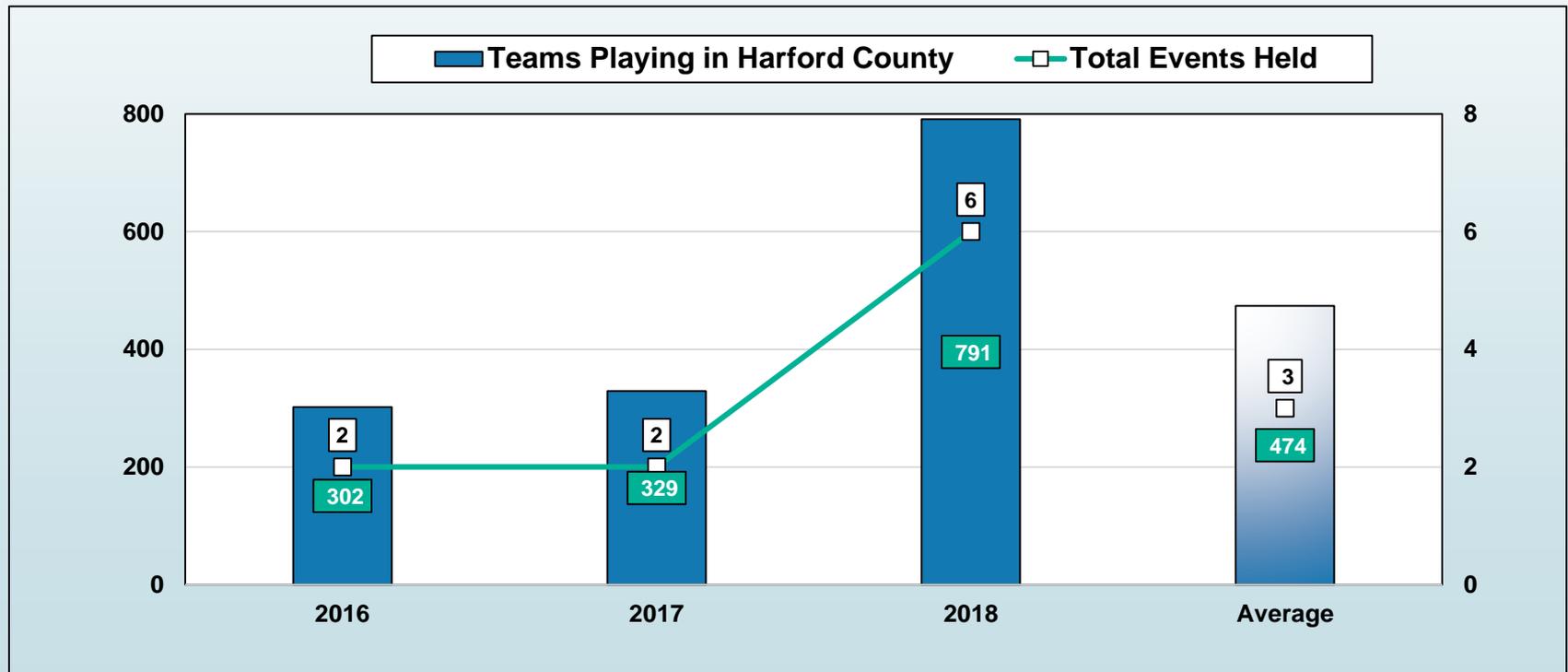
Summary of Event Attributes - Soccer Tournaments in Harford County						
Category	2016	2017	2018	Average	Percent Change	
					2016-17	2017-18
Total Events	2	2	6	3	0%	200%
Total Teams	572	483	1,096	717	-16%	127%
Total Teams in Harford County	302	329	791	474	9%	140%
Total Participants Playing in Harford County	5,400	5,900	15,600	9,000	9%	164%
Total Spectators at Tournaments in Harford County	10,900	11,800	34,100	18,900	8%	189%
Average Spectators Per Participant	2.0	2.0	2.2	2.1	0%	10%
Total Attendance (Participants & Spectators)	16,300	17,700	49,700	27,900	9%	181%
Average Event Length	2.0	2.0	1.8	1.9	0%	-10%
Total Attendee Days at Tournaments in Harford County	32,600	35,500	91,300	53,100	9%	157%

SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Soccer Events and Teams

There are relatively few soccer tournaments held in Harford County when compared to baseball and lacrosse tournaments. Additionally, the soccer tournaments tend to be more spread out, averaging 65% of the total teams playing in Harford County over the profiled three-year period. As noted previously, one tournament was cancelled due to weather in both 2017 and 2018.

Soccer Tournaments Held in Harford County (2016-2018)

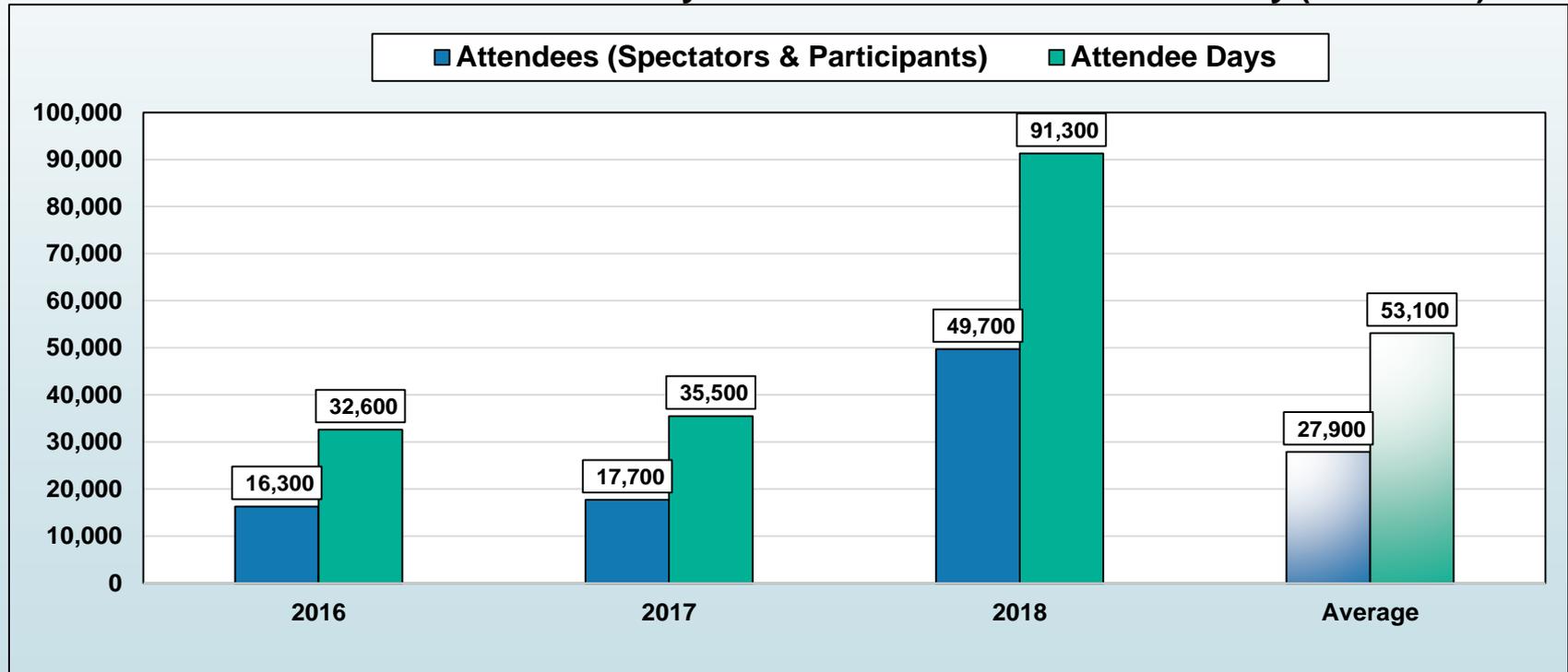


SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Soccer Attendance and Attendee Days

Soccer tournaments averaged 27,900 attendees and 53,100 attendee days each year during the profiled three-year period which was positively impacted by the additional activity in 2018.

Soccer Attendance and Attendee Days at Tournaments in Harford County (2016-2018)



SUMMARY OF OUTDOOR TOURNAMENT ACTIVITY

Estimated Hotel Room Nights

The following graph summarizes the estimated number of hotel rooms generated from tournaments held in Harford County for the last three years based on the estimated percentage of attendees staying overnight in hotels in Harford and the average number of people per hotel room provided in survey responses. The estimate of hotel room nights does not include any visitors staying at apartments/condos, with family/friends, etc. or any attendees who only visit for the day. In aggregate, there were approximately 39,300 hotel room nights generated per year from baseball, lacrosse and soccer tournament activity in Harford County during the profiled three-year period.

Estimated Hotel Room Nights in Harford County (2016-2018)

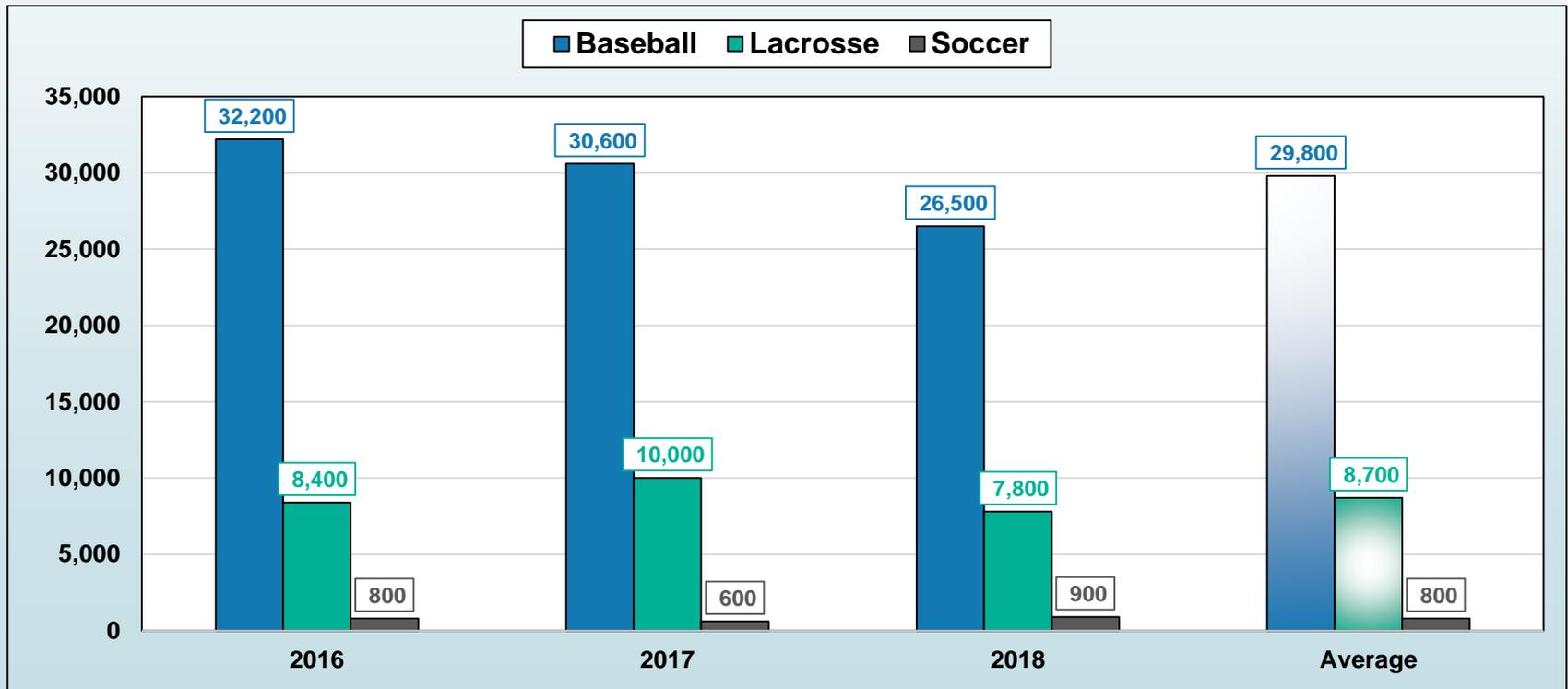


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Summary of Economic Impacts In Aggregate

The table below summarizes the estimated aggregate economic impacts generated from select outdoor sports tournaments held in Harford County over the last three years in terms of total output, total jobs and total earnings.

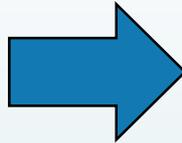
Estimated Total Economic Impacts Generated From Outdoor Sports Tournaments in Harford County				
Category	2016	2017	2018	Average
Output				
Direct Spending	\$33,070,000	\$33,444,000	\$33,101,000	\$33,205,000
Indirect/Induced Spending	\$16,146,000	\$16,330,000	\$16,209,000	\$16,227,000
Total Output	\$49,216,000	\$49,774,000	\$49,310,000	\$49,432,000
Total Jobs	660	660	660	650
Total Earnings	\$17,351,000	\$17,560,000	\$17,443,000	\$17,450,000

ECONOMIC AND FISCAL IMPACT ANALYSIS

Summary of Economic Impacts by Sport

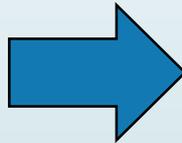
The table below summarizes the estimated economic impacts generated in Harford County by sport from 2016 through 2018.

Baseball



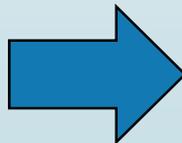
Estimated Economic Impacts Generated From Baseball Tournaments Held in Harford County				
Category	2016	2017	2018	Average
Output				
Direct Spending	\$22,819,000	\$22,977,000	\$20,192,000	\$21,996,000
Indirect/Induced Spending	\$11,096,000	\$11,186,000	\$9,833,000	\$10,704,000
Total Output	\$33,915,000	\$34,163,000	\$30,025,000	\$32,700,000
Total Jobs	450	450	400	430
Total Earnings	\$11,939,000	\$12,044,000	\$10,587,000	\$11,523,000

Lacrosse



Estimated Economic Impacts Generated From Lacrosse Tournaments Held in Harford County				
Category	2016	2017	2018	Average
Output				
Direct Spending	\$8,916,000	\$9,055,000	\$9,407,000	\$9,125,000
Indirect/Induced Spending	\$4,389,000	\$4,444,000	\$4,638,000	\$4,490,000
Total Output	\$13,305,000	\$13,499,000	\$14,045,000	\$13,615,000
Total Jobs	180	180	190	180
Total Earnings	\$4,698,000	\$4,759,000	\$4,969,000	\$4,807,000

Soccer



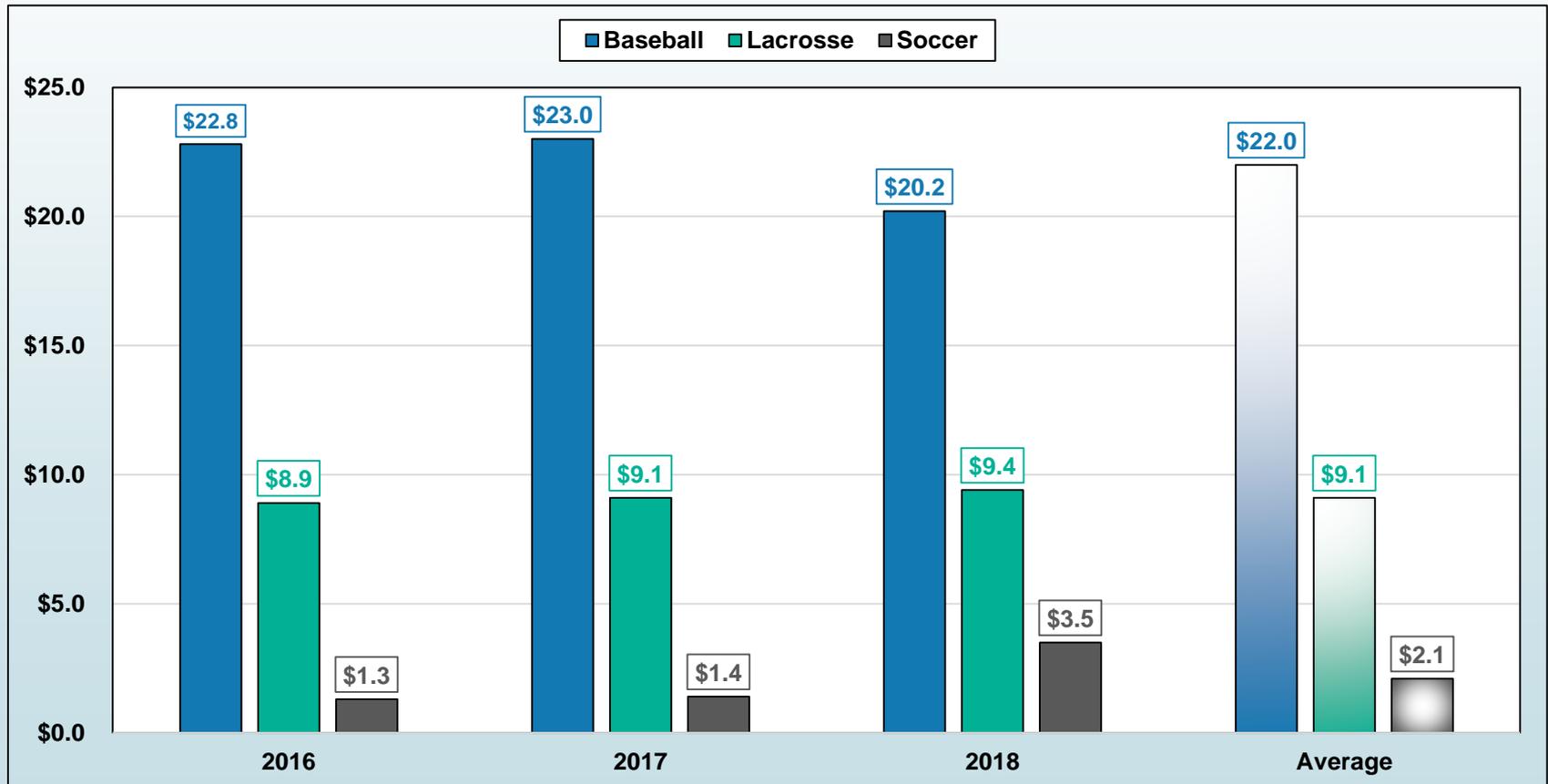
Estimated Economic Impacts Generated From Soccer Tournaments Held in Harford County				
Category	2016	2017	2018	Average
Output				
Direct Spending	\$1,335,000	\$1,412,000	\$3,502,000	\$2,084,000
Indirect/Induced Spending	\$661,000	\$700,000	\$1,738,000	\$1,033,000
Total Output	\$1,996,000	\$2,112,000	\$5,240,000	\$3,117,000
Total Jobs	30	30	70	40
Total Earnings	\$714,000	\$757,000	\$1,887,000	\$1,120,000

ECONOMIC AND FISCAL IMPACT ANALYSIS

Summary of Economic Impacts – Direct Spending

In aggregate, the sports tournaments analyzed were estimated to generate an average of \$33.2 million annually in direct spending in Harford County during the profiled three-year period.

Estimated Direct Spending Generated in Harford County (2016-2018)

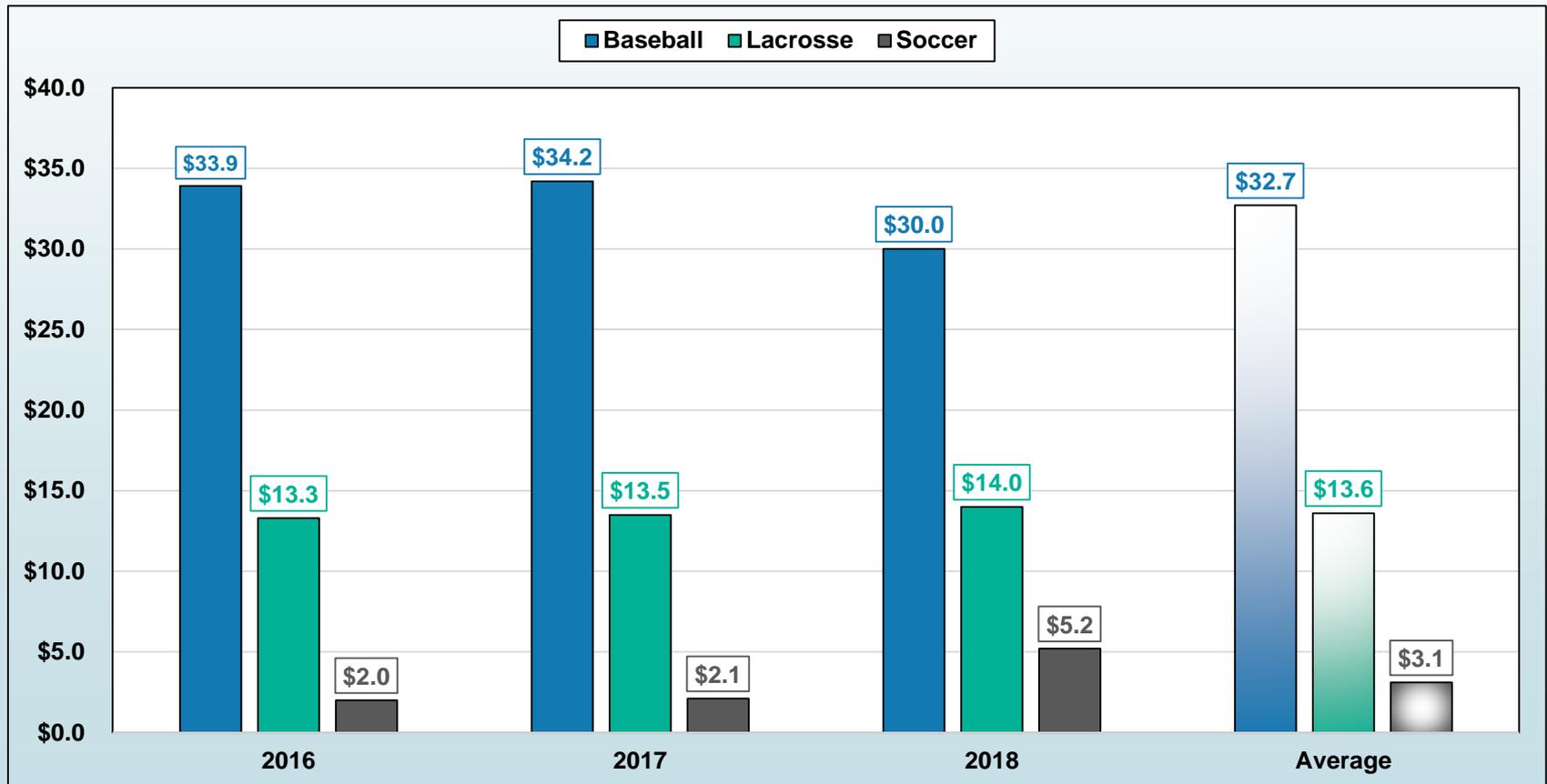


ECONOMIC AND FISCAL IMPACT ANALYSIS

Summary of Economic Impacts – Total Output

In aggregate, the sporting tournaments analyzed were estimated to generate an average of \$49.4 million annually in total output (i.e., direct, indirect and induced spending) in Harford County during the profiled three-year period.

Estimated Total Output Generated in Harford County (2016-2018)

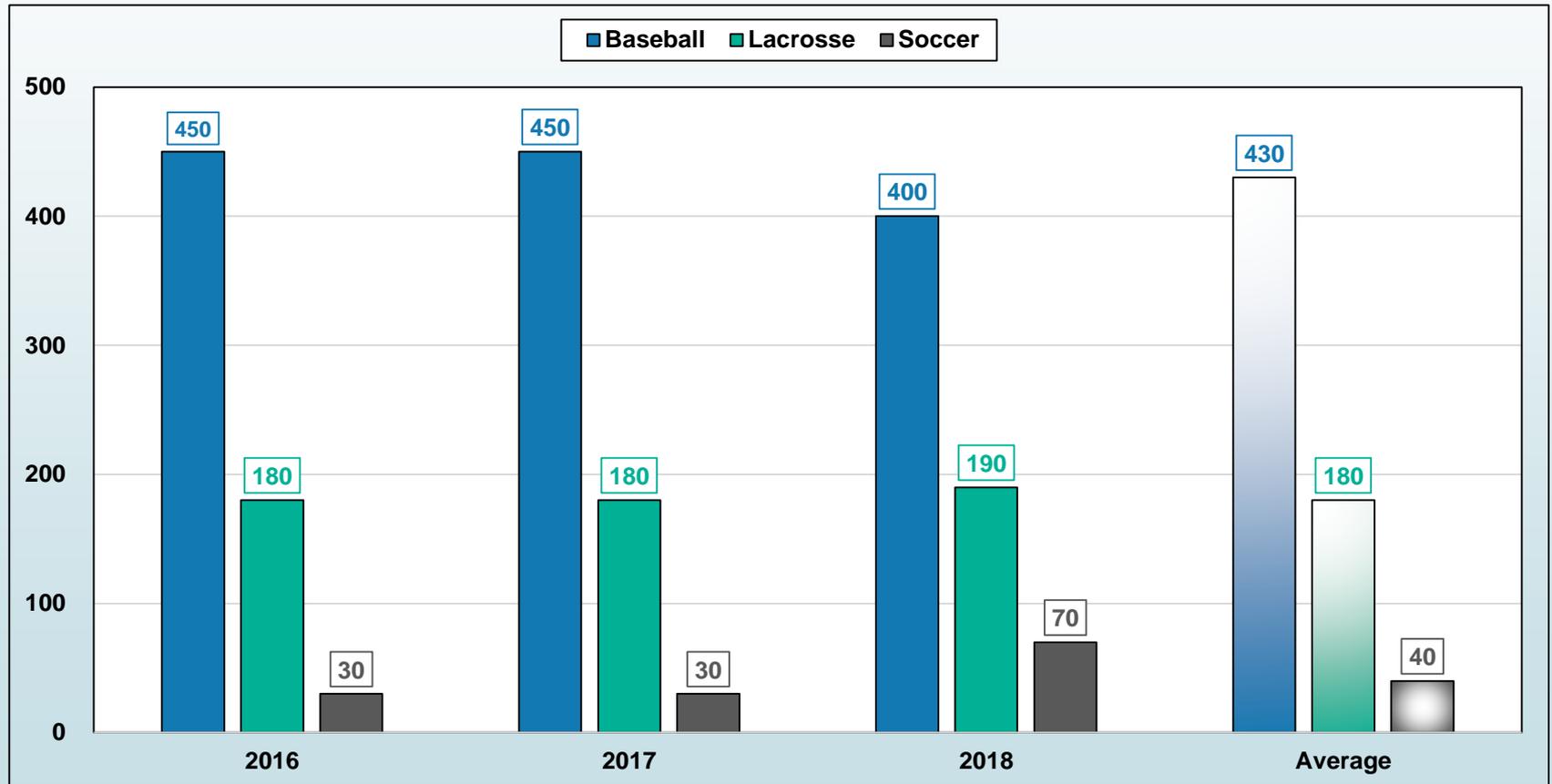


ECONOMIC AND FISCAL IMPACT ANALYSIS

Summary of Economic Impacts – Total Jobs

In aggregate, the sporting tournaments analyzed were estimated to generate an average of 650 total jobs annually in Harford County during the profiled three-year period.

Estimated Total Jobs Generated in Harford County (2016-2018)



ECONOMIC AND FISCAL IMPACT ANALYSIS

Economic Impact Analysis – Key Assumptions

The following outlines significant assumptions utilized in this economic impact analysis.

The estimated total attendee days shown earlier in the report were categorized as overnight attendees (who stayed overnight in a hotel in Harford County) and daytripper attendees (who originated in the area, stayed with family/friends, or traveled to and from Harford County for the event on the same day). Different spending amounts were assigned to overnight and daytripper attendees based on data provided by Visit Harford!, Maryland Sports, Tourism Economics, individual tournament organizers, surveys conducted for other clients and other secondary resources. These spending amounts were then allocated among various spending categories including lodging, eating and drinking places, retail, entertainment/recreation and transportation which were inputs for the IMPLAN model.

Based on information provided by individual sports organizers as well as other secondary sources, it was estimated that, on average, approximately 64% of attendees at baseball tournaments (excluding the 2016 Cal Ripken World Series), 18% of attendees at lacrosse tournaments, and 5% of attendees at soccer tournaments stayed overnight in hotels in Harford County. Most of the soccer tournaments held in Harford County included mostly teams originating from Maryland who likely commuted each day, therefore resulting in a significantly lower percentage of overnight attendees.

The number of hotel room nights was multiplied by an ADR of \$95 which represented the average for April through October when most of the profiled tournaments occur in Harford County. In addition, overnight attendees were estimated to spend an average of \$95 per person, per day. Daytripper attendees were estimated to spend an average of \$35 per person, per day.

ECONOMIC AND FISCAL IMPACT ANALYSIS

Summary of Fiscal Impacts in Aggregate

The table below summarizes the estimated fiscal impacts generated from select outdoor sports tournaments held in Harford County over the last three years at both the County and the State level. In aggregate, outdoor sports tournament activity in Harford County averaged fiscal impacts of \$0.2 million at the County level and \$2.8 million at the State level from 2016 through 2018.

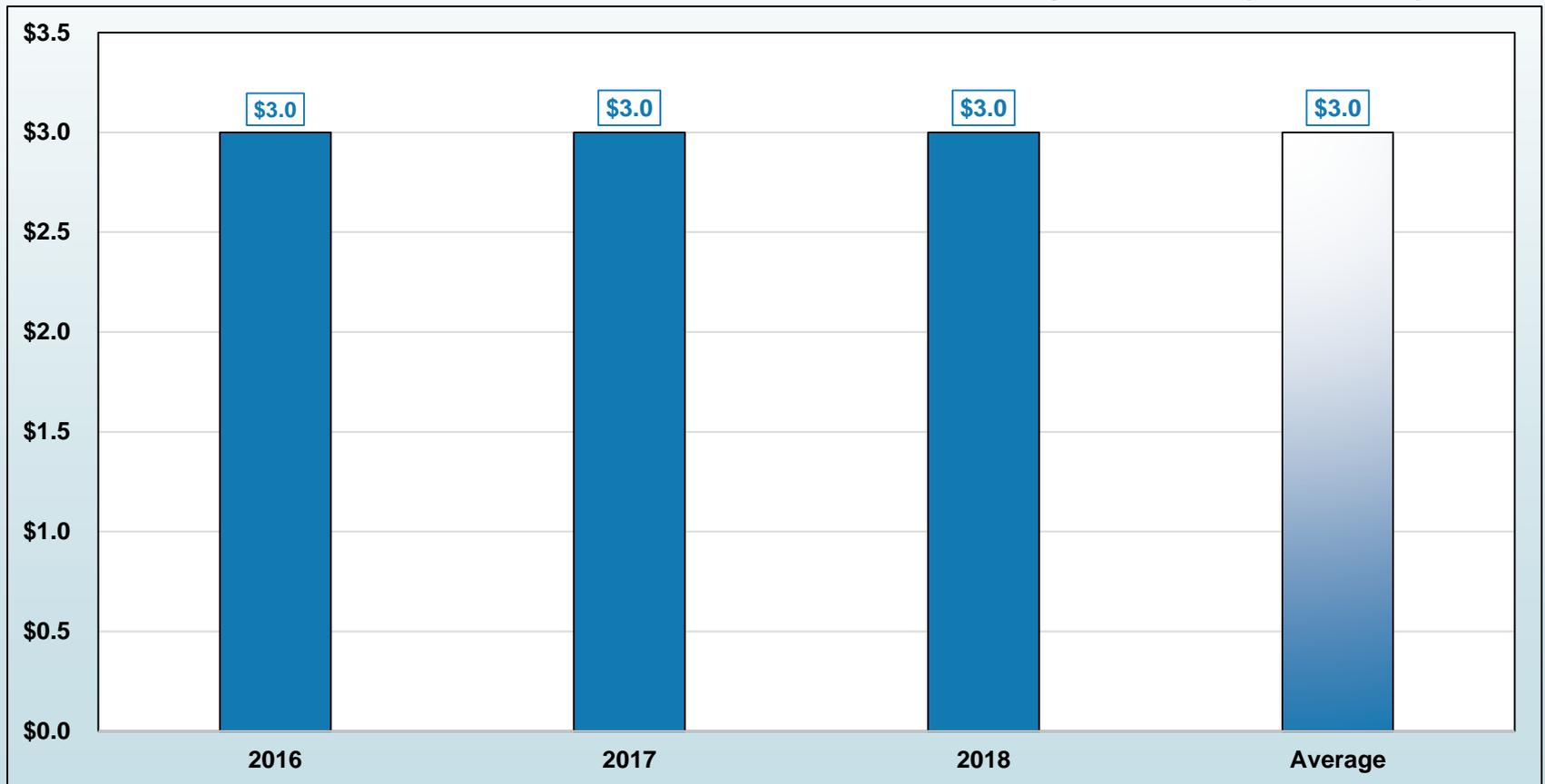
Estimated Fiscal Impacts Generated From Outdoor Sports Tournaments Held in Harford County				
Entity/Tax	2016	2017	2018	Average
Harford County				
Hotel Occupancy Tax	\$236,000	\$235,000	\$200,000	\$224,000
Total	\$236,000	\$235,000	\$200,000	\$224,000
State of Maryland				
Sales and Use Tax	\$1,952,000	\$1,972,000	\$1,940,000	\$1,955,000
Personal Income Tax	668,000	676,000	672,000	672,000
Corporate Income Tax	148,000	148,000	148,000	148,000
Total	\$2,768,000	\$2,796,000	\$2,760,000	\$2,775,000
GRAND TOTAL	\$3,004,000	\$3,031,000	\$2,960,000	\$2,999,000

ECONOMIC AND FISCAL IMPACT ANALYSIS

Summary of Fiscal Impacts in Aggregate

In aggregate, the outdoor sports tournaments analyzed were estimated to generate an average of \$3.0 million annually in total fiscal impacts in Harford County and the State of Maryland during the profiled three-year period.

Estimated Total Tax Revenues Generated in Harford County and State (2016-2018)

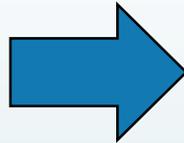


ECONOMIC AND FISCAL IMPACT ANALYSIS

Summary of Fiscal Impacts by Sport

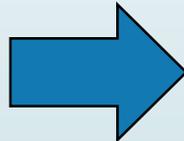
The table below summarizes the estimated tax revenues generated in Harford County by sport from 2016 through 2018.

Baseball



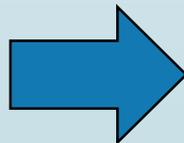
Estimated Fiscal Impacts Generated From Baseball Tournaments Held in Harford County				
Entity/Tax	2016	2017	2018	Average
Harford County				
Hotel Occupancy Tax	\$184,000	\$174,000	\$151,000	\$170,000
Total	\$184,000	\$174,000	\$151,000	\$170,000
State of Maryland				
Sales and Use Tax	\$1,353,000	\$1,359,000	\$1,193,000	\$1,302,000
Personal Income Tax	460,000	464,000	408,000	444,000
Corporate Income Tax	102,000	102,000	90,000	98,000
Total	\$1,915,000	\$1,925,000	\$1,691,000	\$1,844,000
GRAND TOTAL	\$2,099,000	\$2,099,000	\$1,842,000	\$2,014,000

Lacrosse



Estimated Fiscal Impacts Generated From Lacrosse Tournaments Held in Harford County				
Entity/Tax	2016	2017	2018	Average
Harford County				
Hotel Occupancy Tax	\$48,000	\$57,000	\$44,000	\$50,000
Total	\$48,000	\$57,000	\$44,000	\$50,000
State of Maryland				
Sales and Use Tax	\$523,000	\$532,000	\$550,000	\$535,000
Personal Income Tax	181,000	183,000	191,000	185,000
Corporate Income Tax	40,000	40,000	42,000	41,000
Total	\$744,000	\$755,000	\$783,000	\$761,000
GRAND TOTAL	\$792,000	\$812,000	\$827,000	\$811,000

Soccer



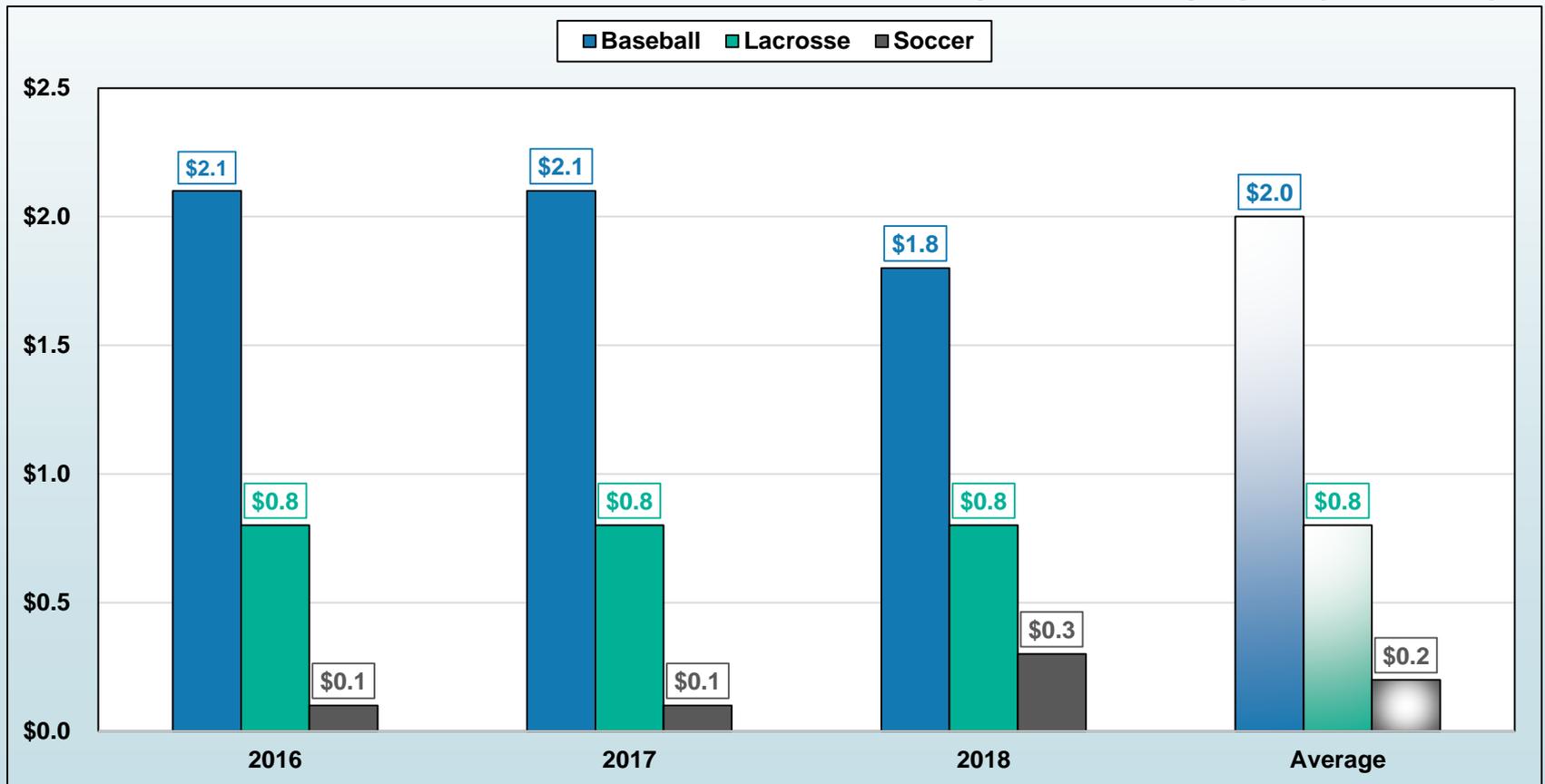
Estimated Fiscal Impacts Generated From Soccer Tournaments Held in Harford County				
Entity/Tax	2016	2017	2018	Average
Harford County				
Hotel Occupancy Tax	\$4,000	\$4,000	\$5,000	\$4,000
Total	\$4,000	\$4,000	\$5,000	\$4,000
State of Maryland				
Sales and Use Tax	\$76,000	\$81,000	\$197,000	\$118,000
Personal Income Tax	27,000	29,000	73,000	43,000
Corporate Income Tax	6,000	6,000	16,000	9,000
Total	\$109,000	\$116,000	\$286,000	\$170,000
GRAND TOTAL	\$113,000	\$120,000	\$291,000	\$174,000

ECONOMIC AND FISCAL IMPACT ANALYSIS

Summary of Fiscal Impacts by Sport

Of the three types of outdoor sporting events analyzed, baseball tournaments held in Harford County generated the highest total fiscal impacts during the profiled three-year period.

Estimated Total Tax Revenues Generated in Harford County and State by Sport (2016-2018)



ECONOMIC AND FISCAL IMPACT ANALYSIS

Estimated Annual Tax Revenues – Description

The following provides a description of the taxes estimated in this analysis.

Harford County

Hotel Occupancy Tax – Beginning in March 2015, Harford County began levying a 6% hotel occupancy tax on the rent paid for use or occupancy of a room in a hotel in the County. For purposes of this analysis, the 6% hotel occupancy tax rate was applied to 100% of the estimated direct hotel spending generated from outdoor sports tournaments held in Harford County.

State of Maryland

Sales and Use Tax – The State of Maryland collects a sales and use tax from sales and leases of tangible personal property and services throughout the State. Sales and use tax is uniform throughout the State at 6%. For purposes of this analysis, the tax rate was applied to estimated taxable direct and indirect/induced spending at the State level generated from outdoor sports tournaments held in Harford County.

Personal Income Tax – The State of Maryland imposes a personal income tax assessed against personal income earned in the State. The State income tax is a graduated rate ranging from 2.0% to 5.75% of taxable income. Non-residents are subject to a special nonresident tax rate of 1.75% in addition to the State income tax rate. This tax source is the State's largest single source of general fund revenue. For purposes of this analysis and based on information provided by the Comptroller of Maryland, an effective tax rate was calculated and applied to total earnings estimated to be generated from outdoor sports tournaments held in Harford County.

Corporate Income Tax – A corporate income tax of 8.25% of corporate federal taxable income adjusted by State modifications is also levied by the State of Maryland on corporations. For purposes of this analysis and based on information provided by the Comptroller of Maryland, an effective tax rate was calculated and applied to a portion of total output at the State level.

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Harford County Hotel/Motel Supply

Harford County Hotel/Motel Supply	
Property	Number of Rooms
Hampton Inn Edgewood Aberdeen South	134
Motel 6 Edgewood	134
Courtyard Aberdeen at Ripken Stadium	120
Holiday Inn Express Aberdeen	120
Comfort Inn & Suites Aberdeen Near APG	119
Springhill Suites Edgewood Aberdeen	119
Red Roof Inn Aberdeen	109
Home2 Suites by Hilton Baltimore Aberdeen	107
Holiday Inn Belcamp Aberdeen Area	107
Comfort Inn & Suites Edgewood Aberdeen	104
Extended Stay America Baltimore Bel Air Aberdeen	101
Ramada Edgewood Hotel & Conference Center	100
Hilton Garden Inn Aberdeen	96
Candlewood Suites Aberdeen Edgewood Bel Air	95
Hampton Inn Baltimore Aberdeen	92
Homewood Suites by Hilton Bel Air	92
La Quinta Inn & Suites Aberdeen	85
Sleep Inn & Suites Edgewood Near Aberdeen Proving	84
Country Inn & Suite Bel Air Aberdeen	81
Holiday Inn Express Edgewood Aberdeen Bel Air	80
Residence Inn Aberdeen at Ripken Stadium	78
Red Roof Inn Edgewood	70
La Quinta Inns & Suites Edgewood Aberdeen South	66
Super 8 Aberdeen	62
Travelodge Aberdeen	61
Super 8 Havre De Grace Aberdeen Area	60
Super 8 Joppa	55
Days Inn Aberdeen	49
Best Budget Inn	41
Bayside Inn	36
Budget Inn	24
Edgewood Motel	24
Economy Inn	21
Vandiver Inn	18
Stay Inn & Suites	16
Total	2,760

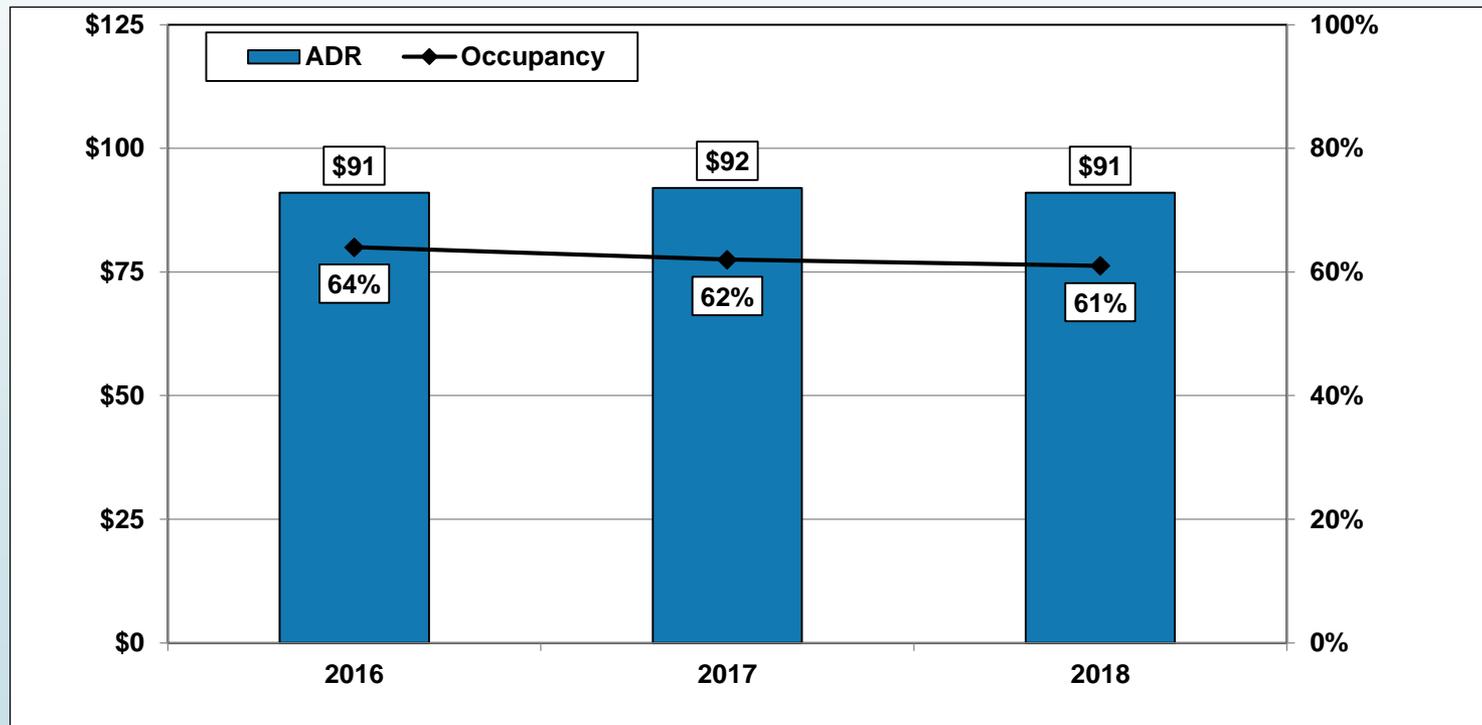
Source: Visit Harford!.

APPENDIX

Area Hotel Statistics – ADR and Occupancy

The graph below illustrates the average daily rate (ADR) and occupancy for 2016 through 2018. As noted previously, this analysis used an ADR of \$95 in the economic impact model which represented the average for April through October when most of the profiled tournaments occur in Harford County.

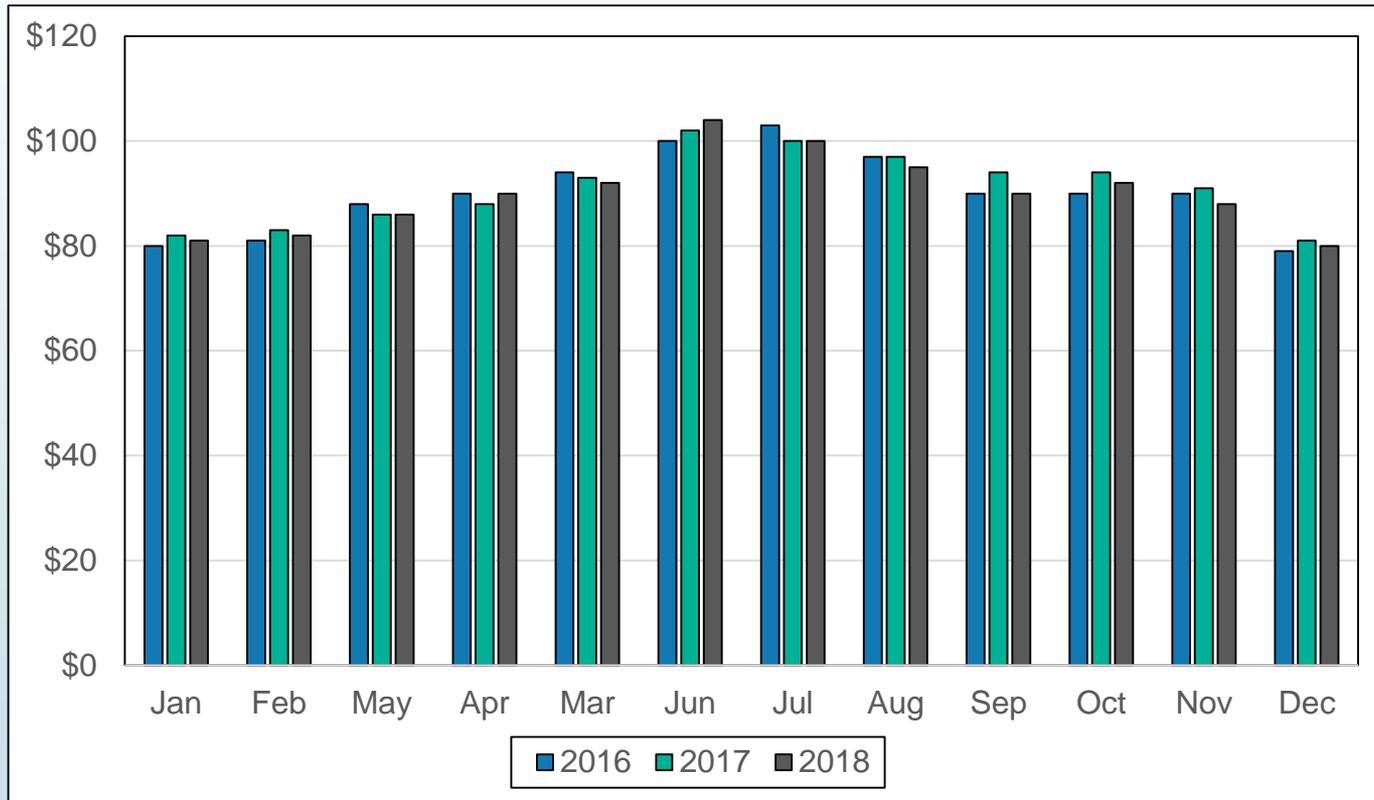
Harford County - Hotel ADR and Occupancy



Source: Visit Harford!.

Area Hotel Statistics – ADR by Month

Harford County – Average ADR by Month (2016 – 2018)

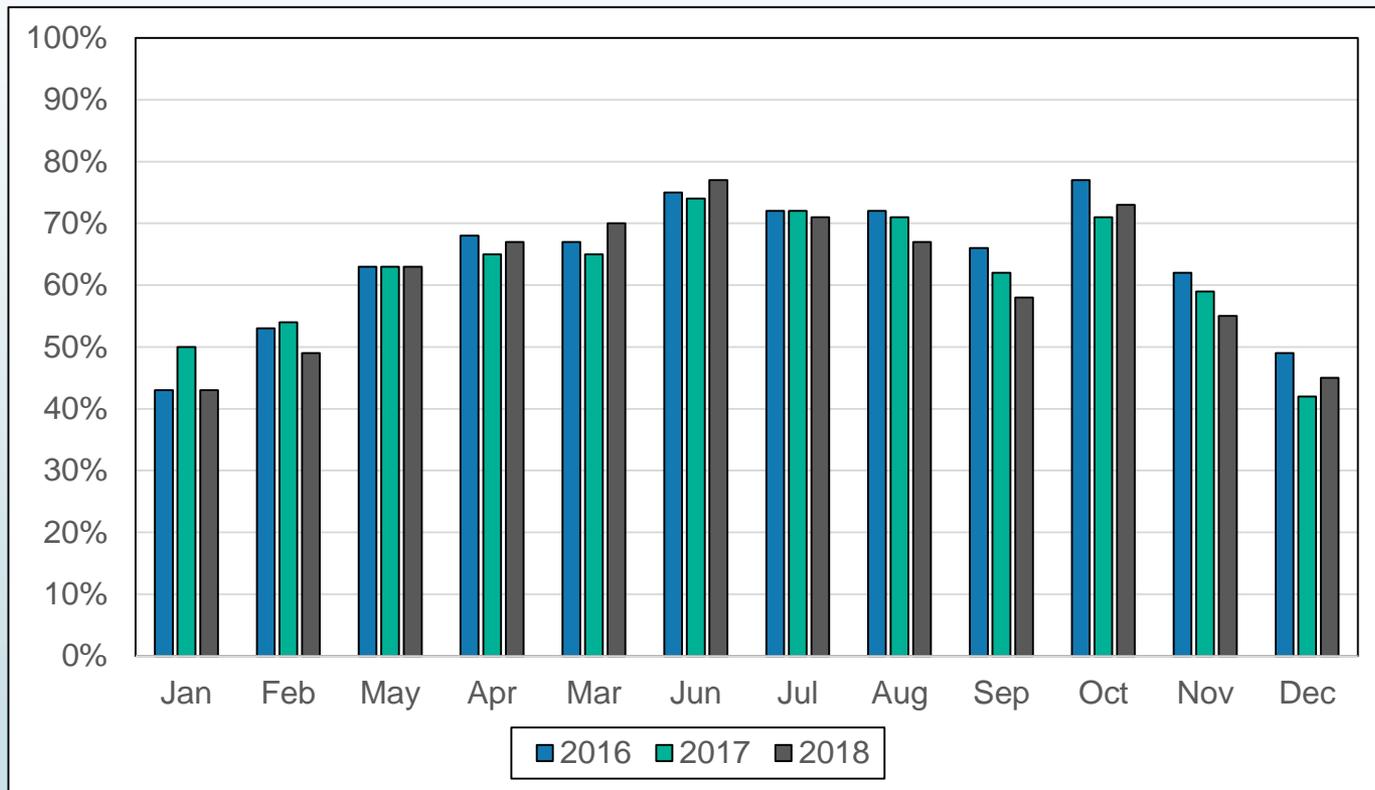


Source: Visit Harford!.

APPENDIX

Area Hotel Statistics – Occupancy by Month

Harford County – Occupancy by Month (2016 – 2018)



Source: Visit Harford!.

Limiting Conditions and Assumptions

This analysis is subject to our contractual terms, as well as the following limiting conditions and assumptions:

- This analysis has been prepared for Visit Harford! (Client) on behalf of Harford County for its internal decision-making purposes associated with the economic and fiscal impact analysis for select outdoor sports tournaments held in Harford County, Maryland and should not be used for any other purposes without the prior written consent of Crossroads Consulting Services, LLC.
- This report should only be used for its intended purpose by the entities to whom it is addressed. Reproduction or publication by other parties are strictly prohibited.
- The findings and assumptions contained in the report reflect analysis of primary and secondary sources. We have utilized sources that are deemed to be accurate but cannot guarantee their accuracy. No information provided to us by others was audited or verified and was assumed to be correct.
- This analysis does not constitute an audit, a projection of financial performance, or an opinion of value or appraisal in accordance with generally accepted audit standards. As such, we do not express an opinion or any other form of assurance. Any estimates or ranges of value were prepared to depict current and potential future market conditions.
- Although this analysis utilizes various mathematical calculations, the final estimates are subjective and may be influenced by our experience and other factors not explicitly stated in this report.
- We have no obligation, unless subsequently engaged, to update this report or revise this analysis as presented due to events or circumstances occurring after the date of this report.
- The analysis performed was limited in nature and, as such, Crossroads Consulting Services, LLC does not express an opinion or any other form of assurance on the information presented in this report. As with all estimates of this type, we cannot guarantee the results nor is any warranty intended that they can be achieved.
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