



Impacts of Building and Operating a Mixed-Use Waterfront  
Complex and Major League Soccer Stadium in  
Bridgeport, Connecticut

Prepared for:

Park City Development Group and  
Park City Stadium Company

By

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## EXECUTIVE SUMMARY

**Project Overview:** This report estimates the economic impacts of a joint Park City Development Group and Park City Stadium Corporation project, which includes a mixed-use residential/retail/green-space complex and a professional soccer stadium in Bridgeport, CT. The plan as of this writing is to construct two stadia, one after the other. The initial stadium will be modular, easily assembled and disassembled. It will host 7,500 to 10,000 fans and an MLS NEXT Pro soccer team. The developers will submit an application for a first-tier MLS team by June 2025 and also seek to add a National Women's Soccer League (NWSL) team in 2026. If the MLS application is approved, the stadium will be replaced with a larger venue with a capacity of 22,000 for first-tier MLS games by 2030. The mixed-use residential hub will include an apartment complex with 1005 apartments, a hotel/conference center with 260 rooms, and a retail/restaurant complex with at least 68,000 square feet of space. In addition, the development will include public green space and appropriate parking to support residents, visitors, and fans.

Note the number of apartments will likely increase to at least 1500 if the larger stadium is built but simulations were run with the smaller number to remain conservative.

**Construction Employment:** The analysis projects peak construction employment at 6371 jobs in 2027. The project supports over 1000 jobs annually from 2040 to 2050 during operations.

**Economic Impact:** This project significantly impacts Connecticut's real Gross State Product (GSP), with construction phase impacts peaking at \$655.5 million. Operational impacts will average \$137.3 million annually from 2040-50.

**Property Value Increases:** The analysis anticipates this development will increase local property values within a 4-mile radius of the project by approximately 2%. This change will add an estimated \$443 million to local property values. More economic activity will cause additional increases. Over the measurement horizon, this project will increase property taxes by a net present value (NPV) of \$636.9 million.<sup>1</sup> During operations from 2040 to 2050, property taxes will increase an average of \$38.6 million per year.

**Community Benefits:** The redevelopment, including a public park, riverwalk and improved pedestrian access, will transform an unused area into a vibrant mixed-use residential hub and entertainment destination. This development will enhance the local economy and quality of life in Bridgeport as a whole and enrich the nearby Bridgeport Harbor trail specifically.

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<sup>1</sup> NPV uses a discount rate of 5% on current dollars.

**Multiplier Effect:** The project has a substantial job multiplier effect averaging 1.97, revealing each job paid for directly by the project supports an additional indirect or induced job in the region.

**Revenue Generation and Disposable Personal Income (DPI):** The hotel will generate revenue of \$8.8 million annually. The mixed-use district will make a projected \$38.1 million annually. DPI for Connecticut residents will increase, peaking at \$531 million over baseline in 2028. This analysis projects a Net Present Value (NPV) of additional personal income over the project's lifetime of \$2.74 billion and DPI of \$2.24 billion.<sup>2</sup>

**State and Local Fiscal Balance:** The project has a positive fiscal balance for state and local governments, with revenues exceeding anticipated new service expenditures every year. By 2050, the analysis projects an annual fiscal surplus of \$38.3 million. The NPV of the net fiscal benefit of the project is \$1.01 billion dollars.<sup>3</sup>

**Sustained Economic Growth:** This development will generate sustained economic growth; contribute to Bridgeport's and Connecticut's economies through job creation; increase incomes; and enhanced state and local government revenues.

This study also examined the impact of constructing only the smaller stadium for the MLS NEXT Pro team with no first-tier MLS team attracted to the state. In this scenario, the proposed apartment, retail, and mixed-used districts are still constructed on the same schedule as in the planned scenario. Although smaller, the impacts of this project remain substantial. State and local government net revenues were positive throughout the 26-year measurement horizon with a NPV of \$586.5 million dollars.<sup>3</sup>

In either scenario, an integrated complex comprising a hotel, apartments, retail and green space are built. Both scenarios yield considerable and consistent positive economic impacts across key metrics, such as employment, GSP and DPI during both the construction and operation phases. Further, the economic benefits far exceed the anticipated level of public investment in either scenario.

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<sup>2</sup> NPV uses a 5% discount rate.

<sup>3</sup> NPV uses a 5% discount rate.

## 1. INTRODUCTION

Park City Development Group (PCDG) and Park City Stadium Corporation (PCSC) are planning to develop an unutilized area of Bridgeport, Connecticut into a sports/entertainment and mixed-use retail/restaurant/hotel/residential complex. Under these plans, an initial modular stadium will be constructed and operate before being replaced by a larger, permanent, stadium for bigger events. The initial modular stadium will host 10,000 fans for events like men's MLS NEXT Pro soccer to begin in 2025. A National Women's Soccer League (NWSL) team is planned to begin operations by 2026 in conjunction with other events highlighted below. In Scenario 1,<sup>4</sup> the smaller stadium will be replaced with a 22,000-capacity stadium to host Major League Soccer (MLS) games by 2030 as popularity of the sport and venue grow. The larger stadium will have appropriate training spaces and facilities to service fan needs, press, and staff. The design will allow for an extension to a total capacity of 25,000 at a future date.

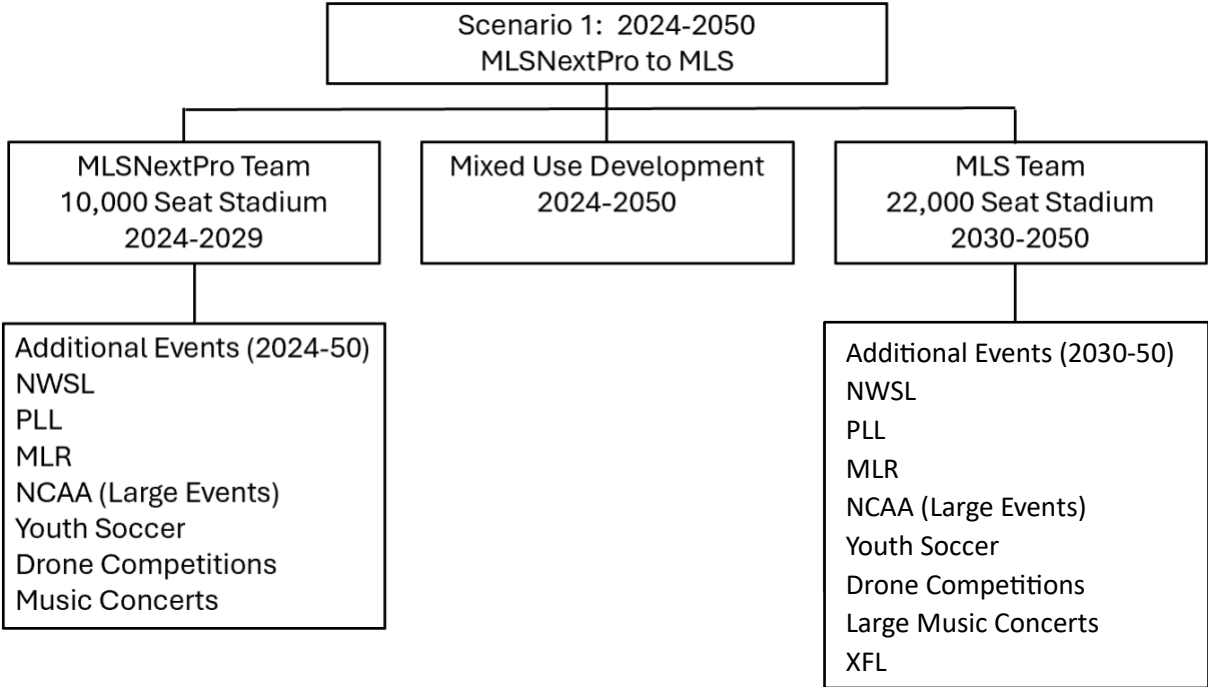
Along with the stadia, the development will include five residential complexes providing 1005 apartments, a hotel offering 260 rooms, and a retail complex of at least 68,000 gross square feet (GSF) of space. The retail spaces will house multiple retail stores and restaurants. In addition, the development will include a public park, riverwalk and parking to support residents, visitors, and fans.

PCDG and PCSC contracted with the University of Connecticut's Connecticut Center for Economic Analysis (CCEA) to perform an analysis that projects the economic impacts of both construction and operations of this new sport/entertainment and residential hub, as described above, over the next 25 years, to 2050. Operations from the residential hub include revenue from the new stores and restaurants, spending by new occupants, and hotel expenditures. Figure 1 illustrates the dynamics of this development.

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<sup>4</sup> In Scenario 2 only the modular stadium is built with no sequential stadia. This scenario is explored in Section 4.2.

**Figure 1. Bridgeport Redevelopment Overview**



**2. ASSUMPTIONS AND INPUTS**

**2.1 Complex Construction Assumptions**

In addition to the stadia described above, the complex will include mixed accommodations, a hotel, retail space, and parking. This modern complex would both enhance and be enhanced by the appeal of Bridgeport’s waterfront trail. In all scenarios, this establishment would be built to these specifications:

- Hotel will be comprised of 260 rooms, 260 parking spaces, 5,000-10,000 Gross Square Feet (GSF) of retail, an exercise/sports area, and 10,000 GSF of meeting/convention space;
- Apartment/retail space A will be comprised of 284 apartment units covering a total of 341,000 gross square feet (GSF), 284 parking spaces, and 10,000 GSF of retail with an additional 20 parking spaces to service retail needs;
- Apartment/retail space B will be comprised of 85 apartment units covering a total of 80,000 GSF, 85 parking spaces, and 10,000 GSF of retail with an additional 20 parking spaces to service retail needs;

- Apartment/retail space C will be comprised of 316 apartment units covering a total of 396,000 GSF, 316 parking spaces, and 13,000 GSF of retail with an additional 26 parking spaces to service retail needs;
- Apartment/retail space D will be comprised of 80 apartment units covering a total of 87,000 GSF, 80 parking spaces, and 10,000 GSF of retail with an additional 20 parking spaces to service retail needs;
- Apartment/retail space E will be comprised of 240 apartment units covering a total of 148,000 GSF, 240 parking spaces, and 10,000 GSF of retail with an additional 20 parking spaces to service retail needs;
- Mixed Use District; and
- Parking deck housing 623 parking spaces covering a total of 219,000 GSF.

Individual apartment sizes will vary to attract a mixed population to the housing.

**PCDG and PCSC plan to commence construction of the above development in 2024. Construction will continue through 2031 with matching occupation dates determined by construction completion.** CCEA includes fit-out costs for commercial operations and apartments, covering branding, finishings, communication systems, lighting, and furnishings. CCEA estimates this will average \$185 per square foot for commercial space and \$8,000 for apartments.<sup>5</sup> Apartment costs include appliances and furnishings such as tables, beds, sofas, and chairs. There will also be significant amenity benefits of both the community center and the connection to the 20-mile Bridgeport waterfront trail now being developed. (See section 2.5 below). That connection both enhances the quality of life for the residents and visitors to the Park City Development complex.

## 2.2 Direct Operational Impacts and Spending Assumptions

**Direct operational impacts include the rents and retail revenues generated from the apartment complexes, stores, mixed use area, and hotel.** Operating impacts phase-in as each building is completed. All construction is projected to be complete in 2031. The economic impacts include the *operations* of these facilities through to 2050, the end of the modeling horizon.

Direct operational impacts also include the revenues and expenditures generated by sports and other events held at the stadium upon completion. Visitors to the games generate revenues on their way to the stadium, at the gate, and inside the stadium. **To the extent fan spending on these items is ‘net-new’ to the state, it is counted as direct operational**

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<sup>5</sup> Correspondence with Park City Development Group, (Oct. 2023).

**expenditures. These expenditures add to economic activity in the region beyond the period of construction.**

Spending is considered 'net-new' to the state if it is spending that would not otherwise have taken place in Connecticut. For instance, if a family normally goes to other entertainment venues inside of Connecticut but decides to spend that budget on going to soccer games at the new stadium instead, this is a diversion of current spending that would have occurred in Connecticut anyway. It is not net-new. If a Connecticut family increases their spending by attending an event at the stadium or diverts spending that would otherwise have been spent outside the state, this would be net-new spending. Likewise, if a family from out-of-state comes to Connecticut to spend their entertainment dollars that would otherwise not have been spent in Connecticut, those expenditures would be net-new to Connecticut.

**Bridgeport is well located in that it is within easy access to and from New York, Massachusetts, and New Jersey.** Based on a 60-minute drive time, 35% of the population in Bridgeport's catchment area is out of state (Figure 2). As this chart shows, Bridgeport closely neighbors a populous hub that includes Westchester County, which contributes to this catchment area. Extending the boundary even further includes New York City, and southern Massachusetts, suggesting there are significant external markets from which to draw spectators to a new sport/entertainment venue.



**Figure 2: 60-Minute Drive Time from Proposed Site**



As Figure 2 shows, a 60-minute drive encompasses the major Connecticut cities of Waterbury, New Haven, Hartford, and Stamford as well as adjacent areas in New York State. The total population in this catchment area is 2,582,105 with 978,780 households.<sup>6</sup> Within a 90-minute drive is a population of 21,191,496 containing 7,803,064 households.<sup>7</sup> These figures represent the potential market for an MLS team. This report bases its estimate of net-new spending on the percentage of the population that is out-of-state but within 60 minutes of the new arena. With out-of-state visitors and some recapture of Connecticut visitors that would otherwise have gone to New York or Massachusetts, this analysis estimates that 35% of visitor spending will be net-new to Connecticut. *This 35% value is conservative relative to Park City Stadium Company’s market research. This research showed considerable interest by fans currently choosing to spend money on attending events outside of the state.*

In addition, fans of other teams are expected to attend games hosted in Bridgeport just as Bridgeport fans can be expected to support their team by travelling elsewhere. These fans’ exchanges are treated as net swaps and excluded from the above net-new estimates.

<sup>6</sup> ESRI Business Analyst, 2023.

<sup>7</sup> ESRI Business Analyst, 2023.

## 2.3 Direct Operational Impacts

When operations for the smaller stadium with a capacity of 10,000 commence in March of 2026, Bridgeport will be the first MLS NEXT Pro team in Connecticut and will have 14 home games. In addition, the stadium will be used for as many as 43 other events including NWSL games, concerts, and other sporting events (Table 1).<sup>8 9 10 11 12</sup> Also, the plans for the stadium include a youth soccer academy that will anchor at least one regional championship in Bridgeport. Conservatively, CCEA has excluded expenditures generated by events for which there is not sufficient data to make reasonable estimates for the smaller stadium. This approach suggests this impact may be a lower bound on visitor spending.

**Table 1: Annual Events Modular Stadium 2026 (\$2023)**

|  | <i>Home Games #</i> | <i>2026 Attendance</i> | <i>Average Ticket Price</i> | <i>Total Ticket Spend</i> |
|--|---------------------|------------------------|-----------------------------|---------------------------|
| NWSL   | 14                  | 7,894                  | \$14                        | \$1,547,224               |
| NCCA Soccer  | 4                   | 4,824                  | \$23                        | \$443,808                 |
| Music Concerts                                     |                     |                        |                             |                           |
| Premier Lacrosse League (PLL) Championship Weekend | 1                   | 10,000                 | \$117                       | \$1,170,000               |
| Youth Soccer Friendlies                            | 1                   | 1,600                  | -                           |                           |
| Major League Rugby (MLR)                           | 8                   | 2,110                  | \$20                        | \$337,600                 |
| MLS NEXT Pro                                       | 14                  | 4,369                  | \$15                        | \$917,490                 |
| Drone Competitions                                 | 1                   | 5,000                  | \$10                        | \$50,000                  |
| Youth Soccer Camp (Includes related entertainment) | 14                  | 1,245                  | \$15                        | \$261,498                 |
| <b>Total</b>                                       | 57                  | 32,218                 | \$19.93                     | \$4,727,620               |

<sup>8</sup> [https://en.wikipedia.org/wiki/Premier\\_Lacrosse\\_League](https://en.wikipedia.org/wiki/Premier_Lacrosse_League) (accessed July 28,2024).

<sup>9</sup> [https://en.wikipedia.org/wiki/Major\\_League\\_Rugby#See\\_also](https://en.wikipedia.org/wiki/Major_League_Rugby#See_also) (accessed July 28,2024).

<sup>10</sup> <https://www.nycfc.com/nycfcii/schedule/matches#competition=mls-next-pro&date=2023-09-24> (accessed July 28,2024).

<sup>11</sup> [https://en.wikipedia.org/wiki/National\\_Women%27s\\_Soccer\\_League](https://en.wikipedia.org/wiki/National_Women%27s_Soccer_League) (accessed July 28,2024).

<sup>12</sup> <https://www.usysnationalleague.com/news/2023/06/01/national-league-announces-dates-and-locations-for-2023-24-national-events/> (accessed July 28,2024).

## 2.4 From MLS NEXT Pro to MLS Scenario: Assumptions

Currently, the nearest competing MLS teams are in New York City, New Jersey, and Boston (see Table 2 below).<sup>13</sup> The NYC FC plays at Yankee stadium, a Major League Baseball stadium. Similarly, the New England Revolution plays at Gillette Stadium, home to the New England Patriots, a National Football League (NFL) team. When soccer games occur in these stadia, they are typically modified for the smaller soccer fanbase. These modifications may include selling only specific segments of the stadium or physically blocking sections off with tarps. Only the New York Red Bulls play in a purpose-built soccer stadium, Red Bull stadium, in New Jersey. The total capacity of Red Bull Stadium is 25,000. Table 2 below shows the ratio of average attendance to estimated capacities for these local teams. These clubs' attendance-to-capacity ratio (ATCR) ranges from 100% to 68.2%.

**Table 2: 2023 Attendance and Capacity at Competing MLS Clubs<sup>14</sup>**

| MLS Clubs              | 2023 Attendance | Stadium Capacity (modified capacity for non-soccer stadia) |
|------------------------|-----------------|--|
| New England Revolution | 22,363          | 20,000   |
| NYC FC                 | 20,681          | 30,321   |
| NY Red Bulls           | 17,300          | 25,000   |
| <i>Average MLS</i>     | <i>22,031</i>   | <i>26,717</i>  |

Another local example for demand for soccer is the popular United Soccer League (USL) team in Hartford (CT), the Hartford Athletic. The USL is a Division II soccer league. The Athletic typically sells out 90.1% of their capacity; although they are playing at a smaller facility with a capacity of 5,000.<sup>15</sup> Finally, the ATCR average for all 29 MLS purpose-built stadia in the US was 82.5% in 2023 and growing at an estimated 1.75% annually, thereafter.<sup>16</sup> While it is possible that an MLS team will be at least as popular as the Hartford USL team, this analysis uses the more conservative MLS-wide average ATCR of 82.5%. For the planned 22,000 occupancy

<sup>13</sup> <https://www.transfermarkt.us/major-league-soccer/besucherzahlen/wettbewerb/MLS1> (accessed June 16, 2023).

<sup>14</sup> <https://www.transfermarkt.us/major-league-soccer/besucherzahlen/wettbewerb/MLS1> (accessed June 16, 2023).

<sup>15</sup> CSL International (2022) Proposed Fort Worth Multi-Use Stadium Market & Financial Feasibility Study (March 2, 2022) <https://fortworthreport.org/wp-content/uploads/2022/06/Fort-Worth-Multi-Use-Stadium-Report-March-2022-2.pdf> (accessed July 5, 2023).

<sup>16</sup> <https://www.transfermarkt.us/major-league-soccer/besucherzahlen/wettbewerb/MLS1> (accessed June 16, 2023).

stadium, this ACTR would generate an occupancy of 19,121 attendees beginning with its opening in 2030.

Although the growth rate of 1.75% may be an optimistic assumption, it is possible that initial enthusiasm for a new project may lead to this or a higher attendance level. At a rate of 1.75% annual growth, MLS ticket sales would rise to stadium capacity by 2035. In part, these estimates are driven by recent increases in the popularity of soccer in the US. Younger generations engage in more soccer programs, which increases their interest in professional soccer leagues. In addition, both American and European soccer leagues have increased TV coverage. These factors justify at least the modest growth rate above.

The stadium will cater to the public with a range of ticket prices depending on proximity to the field, and seat quality. Seat quality options would include standard seats, benches, or standing room. All spectators' seats will be covered by a canopy. Planned seat types are as follows:

- Bench seats,
- Plastic flip seats,
- Padded suite seats,
- Sports Book Restaurant seats,
- Garden soft seating,
- Hotel suites,
- Premier, including owners' suites, and
- Wheelchair and companion seats.

At local competing clubs, regular ticket prices range from \$33.93 for the New England Revolution and \$41.20 for the NYC FC.<sup>17</sup> It is anticipated regular ticket prices will cost between \$35-40 for the new MLS team. This aligns with competitors' tickets. The planned price-point for the 5,000 premium seats is \$140-150. To estimate visitors' spending on tickets, this report uses the mid-point in each price range assuming the stadium would be filled based on the projections above and growing 1.75% annually, until capacity is attained for the MLS in 2035. In addition to tickets, audiences at sport events spend money on food, beverages, merchandise (swag), and parking during the game at the stadium. To capture these expenditures, CCEA used data from the MLS Fan Cost Index (Table 3).<sup>18</sup>

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<sup>17</sup> <https://teammarketing.com/fancostindex/> (accessed June 16,2023).

<sup>18</sup> <https://teammarketing.com/fancostindex/> (accessed June 16, 2023).

**Table 3: Fan Cost Index (\$2022)<sup>19</sup>**

| Club                   | Ticket Price | Beer    | Soda   | Hot Dog | Swag    | Parking |
|------------------------|--------------|---------|--------|---------|---------|---------|
| New England Revolution | \$33.93      | \$10.50 | \$5.00 | \$4.50  | \$34.99 | -       |
| NYC FC                 | \$41.20      | \$6.00  | \$3.00 | \$3.00  | \$29.99 | \$21.00 |
| New York Red Bulls     | \$37.12      | \$5.00  | \$5.00 | \$7.00  | \$32.00 | \$17.50 |

The Fan Cost Index is produced through a survey of major sports stadia throughout the US.<sup>20</sup> Table 3 lists component costs for this index for competitor MLS programs. The index assumes a family of four attends the game consuming four tickets, two beers, four sodas, four hot dogs, parking, and one scarf / swag item. Among local teams, the total cost ranges from \$264.70 for the New England Revolution to \$287.98 for the NY Red Bulls. These estimates are below the average for all MLS teams, which is \$300.72. This analysis is guided by the local stadia for in-stadium expenditures. Conservatively, CCEA assumes an individual spends \$37.50 on tickets, and \$16.50 on in-stadium purchases. Parking averages \$20. CCEA notes that the use of regional competitors in this case is appropriate because it reflects regional preferences of consumers and incorporates local cost of living.

Based on these data, tickets, parking, and in-stadium purchases for an MLS game could range from \$1.8 million in the first year of operations to \$2.0 million when regular attendance reaches capacity per game in 2035 based on a 1.75% growth rate per annum. There are projected to be 20 regular season games, two preseason or exhibition home games, and at least one US Men’s National Team CONCACAF or friendly match.<sup>21</sup> For the full season, visitor spending is \$29.8 million in 2028 rising to \$31.8 million in 2035. Of this, 35% is net new spending in the state. This yields \$10.4 million in net new spending in Connecticut that will rise over time as MLS increases in popularity.

In addition to the Men’s Soccer Events, it is anticipated that the larger, MLS stadium will be used for other events (see Table 4 below). This plan would guarantee steady use throughout the calendar year.

<sup>19</sup> MLS Fan Cost Index available only in \$2022 at time of analysis (accessed Aug 5, 2024).

<sup>20</sup> <https://teammarketing.com/fancostindex/> (accessed June 16, 2023).

<sup>21</sup> [https://en.wikipedia.org/wiki/Major\\_League\\_Soccer](https://en.wikipedia.org/wiki/Major_League_Soccer) (accessed July 28,2024).

**Table 4: Events at New Stadium Beyond MLS Schedule**

| Activity   | Number of Events |
|--|------------------|
| NSWL Home Games and Championships                  | 14               |
| NCAA Play-Offs Soccer and Lacrosse                 | 4                |
| Drone Racing Championships                         | 2                |
| Music / Arts Events                                | 4                |
| Premier Lacrosse League (PLL) Championship Weekend | 1                |
| Youth Soccer Team Events                           | 4                |
| Youth Soccer Friendlies                            | 1                |
| Major League Rugby                                 | 8                |
| XFL Football League                                | 6                |
| <b>Total</b>                                       | <b>44</b>        |

For the additional events commencing in 2028, attendance numbers came from the primary league websites where possible.<sup>22 23 24</sup> Where average ticket prices were not available on team websites, ticket aggregator sites like ticketmaster.com were used.<sup>25 26 27</sup> CCEA used the most conservative ticket price available for an average attendee in 2023, rather than a premium seat. For comparable events like Major League Rugby and XFL games, fan spend on parking and in-stadium items were set at the same level as for men’s soccer games.<sup>28</sup> Tickets for music events were estimated to sell at \$150 per ticket on average.<sup>29</sup> For other sporting events such as NCAA lacrosse and youth events, this study modeled turnstile, ticketing, and spend for

<sup>22</sup> <https://soccerstadiumdigest.com/2022-nwsl-attendance/> (accessed July 6, 2023).

<sup>23</sup> [https://en.wikipedia.org/wiki/Premier\\_Lacrosse\\_League](https://en.wikipedia.org/wiki/Premier_Lacrosse_League) (accessed July 5, 2023).

<sup>24</sup> <https://xflnewshub.com/calendar/xfl-2023-attendance-tv-ratings-list/> (accessed July 5, 2023).

<sup>25</sup> <https://www.ticketmaster.com/p/premier-lacrosse-league-tickets#:~:text=Fans%20interested%20in%20seeing%20the,lacrosse%20season%20is%20around%20%24100.73> (accessed July 5, 2023).

<sup>26</sup> <https://scrippsnews.com/stories/why-did-concert-tickets-get-so-expensive/#:~:text=The%20answer%20for%20some%20might,paying%20more%20for%20event%20tickets>. (accessed July 5, 2023).

<sup>27</sup> <https://www.ticketmaster.com/p/usa-national-rugby-tickets#:~:text=Major%20League%20Rugby%20tickets%20can,cost%20between%20%2460%20to%20%24200>. (accessed July 5, 2023).

<sup>28</sup> <https://teammarketing.com/fci/2022-mls-fan-cost-index/> (accessed July 4, 2023).

<sup>29</sup> <https://scrippsnews.com/stories/why-did-concert-tickets-get-so-expensive/#:~:text=The%20answer%20for%20some%20might,paying%20more%20for%20event%20tickets> (accessed July 5, 2023).

similar events enumerated for a proposed North Fort Worth multi-use stadium.<sup>30</sup> Table 5 summarizes these operating revenues per type of event.

**Table 5: Non-MLS Events (\$2023)**

| Event  | Attendance | Number of Events | Ticket Price | In-Stadium Spend | Estimated Spend |
|--|------------|------------------|--------------|------------------|-----------------|
| NSWL Home Games and Championships                  | 7,894      | 14               | \$14         | \$21.25          | \$3,895,689     |
| NCAA Play-Offs Soccer and Lacrosse                 | 4,824      | 4                | \$23         | \$10.00          | \$636,768       |
| Drone Racing Championships                         | 2,000      | 2                | \$30         | \$5              | \$140,000       |
| Music / Arts Events                                | 20,000     | 4                | \$150        | \$0.00           | \$12,000,000    |
| Premier Lacrosse League (PLL) Championship Weekend | 14,000     | 1                | \$117        | \$42.50          | \$2,233,000     |
| Youth Soccer Team Events                           | 1,600      | 4                | \$0          | \$2.00           | \$12,800        |
| Youth Soccer Friendlies                            | 1,715      | 1                | \$0          | -                | -               |
| Major League Rugby                                 | 2,110      | 8                | \$20         | \$21.25          | \$696,300       |
| XFL Football League                                | 14,448     | 6                | \$25         | \$21.25          | \$4,009,320     |

These events generate an additional \$23.6 million in turnstile and in-stadium spending. Of this spending, CCEA assumes 35% is net new to Connecticut based on the 60-minute drive catchment area around the stadium. These figures result in \$8.2 million in net new entertainment revenues from these events. Attendance is assumed to grow 1.75% annually commencing from initial events until event attendance reaches capacity. Based on the above, expenditures by fans will continue to rise from increased attendance over time. When the MLS team reaches capacity in 2035, the NWSL and various lower-level leagues will be in place, and concerts underway. Fan expenditure growth continues for those events with total expenditures ranging from \$57.6 in 2030 to \$62.9 million in 2050 (see Table 6 below with the above figures converted to \$2024).

<sup>30</sup> CSL International (2022) Proposed Fort Worth Multi-Use Stadium Market & Financial Feasibility Study (March 2, 2022) <https://fortworthreport.org/wp-content/uploads/2022/06/Fort-Worth-Multi-Use-Stadium-Report-March-2022-2.pdf> (accessed July 5, 2023).

**Table 6: Expected Future Fan Expenditures Selected Years Unadjusted for Net New (\$2024 million)**

| Source             | 2030          | 2035          | 2040          | 2045          | 2050          |
|--------------------|---------------|---------------|---------------|---------------|---------------|
| Entertainment      | \$38.3        | \$40.1        | \$40.4        | \$40.8        | \$41.3        |
| Food and Beverages | \$6.1         | \$6.5         | \$6.7         | \$6.8         | \$7.0         |
| Women’s clothing   | \$4.1         | \$4.4         | \$4.5         | \$4.7         | \$4.9         |
| Men’s clothing     | \$4.1         | \$4.4         | \$4.5         | \$4.7         | \$4.9         |
| Transportation     | \$4.2         | \$4.4         | \$4.6         | \$4.7         | \$4.8         |
| <b>TOTAL</b>       | <b>\$57.6</b> | <b>\$59.8</b> | <b>\$60.7</b> | <b>\$61.7</b> | <b>\$62.9</b> |

In addition to these in-stadium expenditures, there are travel expenditures outside the stadium. Although the catchment area is within 60 minutes, the average distance to drive to the game will be considerably shorter than from the catchment’s outer bounds. The nearest population centers – New Haven, Danbury, and Stamford - are about 22 miles one-way. CCEA uses an estimated 40-miles return drive with a cost of \$5 per person per trip.

These are conservative assumptions, and the actual values may be higher. With the MLS team assumed to reach capacity from 2035 onward, there may be room to increase prices. However, given the growth in soccer’s popularity, the assumed growth rate is low enough to avoid exaggerating results. Division II and lower-level teams will increase community support and feed players into MLS and NWSL through access to good practice pitches and coaching. For the sports in the stadium, the growth in demand for tickets could start earlier in the process as these events continue to grow in popularity even before they are held at the stadium. This current popularity growth could add 7% to 9% to the annual gate and other attendance-related revenues in the first year of operations. Youth friendly tournaments, although free to attend, run over a few days and are expected to swell accommodation<sup>31</sup> and food and beverage<sup>32 33</sup> sales by a million dollars annually.

## 2.5 Amenities

The REMI model includes an option to calculate an amenity value. Much as the description implies, it is a value associated with a change in the amenities or quality of life in the region. The features of the amenity value in this project are the redevelopment as well as the introduction of popular, and fast-growing sport events. These changes lead to an increase in the desire to live locally. The impact of MLS-specific and, other sports facilities on residential and

<sup>31</sup> <https://airnav.com/hotels/selecthotel?airport=KBDR> (accessed July 28,2024).

<sup>32</sup> <https://hikersbay.com/prices/usa/p/bridgeport-ct?lang=en#num-prices-restaurants> (accessed July 30, 2024).

<sup>33</sup> <https://tableagent.com/bridgeport/price/> (accessed July 30,2024).



commercial housing prices is rich and complex.<sup>34</sup> The overall impacts of new stadia and facilities on housing prices have been found to be positive.<sup>35</sup> Despite this, there are a few instances where new developments have had negative effects.<sup>36</sup> However, in the case of Bridgeport, the real estate, retail, hotel, and stadium development replaces an abandoned area, rather than expanding operations in a redeveloped, downtown area, which could have negative effects. However, in this case, the expected effects mirror the results of Chikish et al. (2018),<sup>37</sup> Keeler et al. (2021),<sup>38</sup> and Feng and Humphreys (2012).<sup>39</sup> In these cases, the authors found that real estate values increased as distance from the stadium and redeveloped facilities decreased. Incremental values were found to be positively and permanently increased by the developments up to a 4 mile radius. Using the existing literature, we assumed a 2% price increase within a 4-mile range.<sup>40</sup> The impact of this amenity value is approximated on the county level for modeling purposes. This encompasses 88,487 properties. These properties have a median value of \$250,425 with a total value of \$22.2 billion.<sup>41</sup>

This is the value of about 13% of all housing units in Fairfield County. This value also assumes the median value of renter properties will mirror that of owner-occupied properties. Overall, a 2% increase in housing prices within the 4-mile radius would equal \$443 million or 0.26% of prices of all housing units in Fairfield County. This amenity goes into effect evenly between 2027 and 2028 as construction is completed. It is a windfall to current commercial and residential owners over these two years with lasting effects thereafter. Local government property taxes expand as property values increase and their grand lists are adjusted.

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<sup>34</sup> Humphreys, B.R., and Nowak, A. (2017). Professional sports facilities, teams and property values: Evidence from NBA team departures. *Regional Science and Urban Economics*, 66: 39-51.

<http://dx.doi.org/10.1016/j.regsciurbeco.2017.06.001>

<sup>35</sup> Feng, X, and Humphreys, B.R. (2012). The impact of professional sports facilities on housing values: Evidence from census block group data. *City, Culture, and Society*, 3: 189-200. <http://dx.doi.org/10.1016/j.ccs.2012.06.017>

<sup>36</sup> Joshi, A. Horn, B.P., and Berrens, R.P. (2020). Major league soccer expansion and property values: do sports franchises generate amenities or disamenities? *Applied Economics*, 52(44): 4881-4489.

<https://doi.org/10.1080/00036846.2020.1751050>

<sup>37</sup> Chikish, Y., Humphreys, B.R., and Nowak, A. (2018). Sports Arenas, Teams and Property Values: Temporary and Permanent Shocks to Local Amenity Flows. <http://dx.doi.org/10.2139/ssrn.3254241>

<sup>38</sup> Keeler, Z.T., Stephen, H.M., Humphreys, B.R. (2021). The Amenity Value of Sports Facilities: Evidence from the Staples Center in Los Angeles. *Journal of Sports Economics*, 22(7). <https://doi.org/10.1177/15270025211018258>

<sup>39</sup> Feng, X, and Humphreys, B.R. (2012), *ibid*.

<sup>40</sup> Chikish, Y., Humphreys, B.R., and Nowak, A. (2018). Sports Arenas, Teams and Property Values: Temporary and Permanent Shocks to Local Amenity Flows. <http://dx.doi.org/10.2139/ssrn.3254241>

<sup>41</sup> ESRI data based on US American Community Survey.

## 2.6 Employment Approach to Modeling Operating Impacts

This section focuses on the impacts generated by stadium operations, team operations, and player salaries. Stadium operations involve keeping the facilities in pristine and working order. Of note is the effort needed to keep the turf in shape. Following the experiences of the latest teams to join the MLS who developed soccer-specific facilities, CCEA anticipates the main playing surface will be well below external surfaces. An example of specialized turf care is year-round heating, which will allow the grass to grow year-round with the pitch remaining above freezing for player safety. Similarly, over 100 communication intakes throughout the stadium need to be in working order to feed multiple communications channels to broadcast games around the world. Toyota Stadium in Dallas employs 100 people in such operations. A similar number of employees are expected in Bridgeport.<sup>42</sup>

For this analysis, CCEA has maintained the MLS team salary cap stated for 2027 of \$13.9 million going forward. This is a conservative figure as MLS salary cap rules have several exceptions when it comes to calculating how much the guaranteed pay of a player contributes to the salary cap. For example, ‘Designated Players’ slots are reserved for players whose salaries are considerably higher than average, yet they only account for \$651,250 towards the salary cap. In other words, these rules allow teams to count only small portions of the base guaranteed salary paid to players while still fulfilling specific requirements.<sup>43</sup> As examples, Austin FC and New England Revolution have a total player salary guaranteed base pay that varies significantly.<sup>44 45 46</sup> In addition to guaranteed pay and performance-based bonuses, players can also sign additional sponsorship deals. If new or coming from out of State, sponsorships are incremental gains to the State.

Because exhibition and league games extend over ten months and Connecticut’s high quality of life, CCEA expects players to reside primarily in Connecticut. In addition, team operations, including management, coaches, scouts, medical staff, PR personnel, translators, etc. comprise possible additional positions who would likely locate in Connecticut.<sup>47</sup> Based on

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<sup>42</sup> Based on AXEL Data, 2023.

<sup>43</sup> See: <https://www.mlssoccer.com/about/roster-rules-and-regulations> for more information and current regulations. (accessed July 27, 2024).

<sup>44</sup> Based on Austin FC (lower) and New England revolution (Higher) <https://www.capology.com/club/new-england-revolution/salaries/2024/> (accessed July 30, 2024).

<sup>45</sup> <https://www.capology.com/club/austin/salaries/2024/> (accessed July 27, 2024).

<sup>46</sup> <https://www.statista.com/statistics/552134/player-expenses-of-new-england-revolution/#:~:text=Leading%20New%20England%20Revolution%20players%202023%2C%20by%20annual%20salary&text=In%202023%2C%20Carles%20Gil%20was,2.7%20million%20dollars%20per%20year>. (accessed July 27, 2024).

<sup>47</sup> <https://www.revolutionsoccer.net/club/club-staff> (accessed July 27,2024).

MLS examples, CCEA has set team support staffing at the midway point of 85. This results in an estimated total new employment of 215 for the stadium and the team.

Food services, team merchandise shops, and ticketing are assumed to be operated by concessionaires. Employment in such services is extensive because of serving lounges, booths, and food courts. These services are modeled as food sales rather than specific employment numbers. Attraction prior to main events and retention of fans post-main events can happen through good quality food. If this is the case, projected spending on food may be higher than CCEA's estimated spending.

At some stadia today, food includes gourmet options. For example, St. Louis Park City has retained an advisory chef.<sup>48</sup> Stadia such as Park City feature a high-tech food-court area where credit cards are read upon entry with sufficient cameras in the ceiling to track you personally for any food and beverage items you collect and charge customers as they leave the concession area with no need to stop. That technology compresses queuing time and facilitates greater sales at most sporting events. It also reduces low wage employment while relying on higher wage jobs.

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<sup>48</sup> <https://www.stlcitysc.com/news/citypark-elevates-food-experience-for-city-sc-upcoming-season#:~:text=These%20new%20partners%20join%20an,Mexican%20Restaurant%2C%20Pastaria%2C%20Pie%20Guy> (accessed July 30, 2024).

### 3. REMI DIRECT INPUTS

Table 7 contains annual construction inputs into REMI for the construction phases of all structures, roads, and indoor/surface parking. These inputs are drawn directly from PCDG’s L proposal. Fit-out costs add another \$37 million to the project’s costs and are spread over 2028-2031. In terms of a depreciation rate, CCEA took an extremely cautious approach by assuming a 15% annual depreciation rate for new structures. This rate is on the higher end of depreciation rates used both in North America and the EU across all sectors.<sup>49 50</sup>

**Table 7: Stadium and Infrastructure Construction Inputs (\$2024 million)**

|  | 2024           | 2025           | 2026           | 2027           | 2028           | 2029           | 2030           | 2031          |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|
| Non-residential non-road stadium construction                | \$130.9        | \$130.9        | \$130.9        | \$43.7         | \$48.9         | \$47.0         | \$49.3         | \$0.0         |
| Multiple unit residential construction                       | \$0.0          | \$0.0          | \$0.0          | \$135.6        | \$96.9         | \$133.9        | \$86.0         | \$12.3        |
| Road and surface parking construction                        | \$20.4         | \$20.4         | \$20.4         | \$6.7          | \$0.0          | \$0.0          | \$0.0          | \$1.9         |
| <b>Total construction net of speciality inputs</b>           | <b>\$151.3</b> | <b>\$151.3</b> | <b>\$151.3</b> | <b>\$186.0</b> | <b>\$145.8</b> | <b>\$180.9</b> | <b>\$135.3</b> | <b>\$14.2</b> |
| Electrical equipment   | \$1.9          | \$1.9          | \$1.9          | \$3.9          | \$0.0          | \$0.0          | \$0.0          | \$0.0         |
| Communications equipment (Includes equipment for mass media) | \$9.4          | \$9.4          | \$9.4          | \$18.7         | \$0.0          | \$0.0          | \$0.0          | \$0.0         |
| Restaurant equipment   | \$0.0          | \$0.0          | \$0.0          | \$13.8         | \$0.0          | \$0.0          | \$0.0          | \$0.0         |
| Landscaping (Includes pitches)                               | \$1.4          | \$1.4          | \$1.4          | \$0.5          | \$0.0          | \$0.0          | \$0.0          | \$0.0         |
| Extraordinary Professional services                          | \$38.1         | \$38.1         | \$38.1         | \$38.1         | \$0.0          | \$0.0          | \$0.0          | \$0.0         |
| <b>Total</b>   | <b>\$202.1</b> | <b>202.1</b>   | <b>\$202.1</b> | <b>\$261.0</b> | <b>\$145.8</b> | <b>\$180.9</b> | <b>\$135.3</b> | <b>\$14.2</b> |

Note: GSF costs of the City Center are set at the average of GSF apartment costs assigned by PCDG.

During operations, direct employment impacts include professional male and female players, as well as other team and stadium staff. CCEA models the professional player salaries as an upward adjustment to compensation relative to average professional compensation in the area. Rather than using employment impacts for parking, food and beverage, tickets, and swag

<sup>49</sup> European Central Bank. 2006. Monthly Bulletin: Estimates of euro Area Capital Stocks. At [https://www.ecb.europa.eu/pub/pdf/other/mb200605\\_focus04.en.pdf](https://www.ecb.europa.eu/pub/pdf/other/mb200605_focus04.en.pdf) (accessed on 10/05/2023).

<sup>50</sup> U.S. Bureau of Labor Statistics. 2021. BLS Working Paper: Alternative capital asset depreciation rates for U.S. capital and multifactor productivity measures. BLS Working Paper 539. <https://www.bls.gov/osmr/research-papers/2021/pdf/ec210050.pdf> (accessed on 11/6/2023).

sales, those direct impacts are inputted as incremental sales within the REMI model. Similarly, retail and rental property incomes from the mixed-use development are specified as inputs to the model. The land purchase is considered a transfer rather than an incremental gain to the region and is not included in the inputs above. All this generates direct, indirect, and induced new employment.

Growth in direct revenues continues as stadium use increases. For most teams, CCEA assumes growth of 1.75% annually from 2024 onward. For example, this assumption is used in the case of the NWSL. However, because of the lower attendance at women’s games and less-than-half ticket prices compared to MLS, NWSL compensation per game after 2035 starts at a quarter of revenues generated by MLS games. They also play 40% fewer games than the MLS. These salaries could become higher over time depending on NWSL expansion, which would facilitate more games.

In addition to the stadium and related activities, the other structures also generate revenues (See Table 8 below for a summary of other revenues). This table contains CCEA’s estimates of operating revenues for each new edifice once fully open in 2032 after construction is complete. CCEA assumes a \$3.02 average rental rate per net sq. ft.<sup>51</sup> This rate is based on current averages per sq. ft. for 27 new Bridgeport apartments of similar sizes, built in 2022 or more recently, to those currently planned.<sup>52</sup>

**Table 8: Annual Expected Revenues at Start-up (\$2024 dollars)**

|                              | Annual Accommodation Revenues | Retail Space Rental Revenues | Parking     | Revenues     |
|------------------------------|-------------------------------|------------------------------|-------------|--------------|
| Hotel                        | \$7,866,453                   | N/A                          | \$973,942   | \$8,840,395  |
| Apartment A                  | \$12,036,561                  | \$307,885                    | \$174,878   | \$12,519,325 |
| Apartment B                  | \$2,823,827                   | \$307,885                    | \$52,340    | \$3,184,052  |
| Apartment C                  | \$13,977,942                  | \$400,250                    | \$194,583   | \$14,572,775 |
| Apartment D                  | \$3,070,912                   | \$307,885                    | \$49,262    | \$3,428,058  |
| Apartment E                  | \$5,224,079                   | \$307,885                    | \$147,785   | \$5,679,749  |
| Mixed Use District           | \$36,021,509                  | \$1,587,551                  | \$480,674   | \$38,089,734 |
| Total non-stadium            | \$81,021,282                  | \$3,219,340                  | \$2,073,464 | \$86,314,086 |
| Total Net of Stadium & Hotel | \$73,154,830                  | \$3,219,340                  | \$1,099,522 | \$77,473,690 |

The mixed-use market district will contain restaurants and bars with some retailers and professional service providers occupying one or more floors as demand emerges. This trend may also hold for the apartment retail spaces as well.

<sup>51</sup> Net sq ft converted from Gross sq ft by NSQFT=.95\*GSQFT.

<sup>52</sup> Public Information on Rentals (accessed July 27,2023).

In CCEA's modeling, real revenues ramp-up with occupancy over the first 12 months of completed construction. Revenues then grow at the Consumer Price Index (CPI) less 1% annually thereafter.

## 4.REMI OUTPUTS

Economic stimulus comes from all construction including PCDG's and PCSC's plans, client fit-out expenditures, net-new spending by visitors to Connecticut, and repatriation of entertainment funds by Connecticut consumers. Over and above direct team employment, direct employment impacts include jobs at the stadium, and employment servicing fan expenditures on food, beverages, and retail. The model also accounts for the high compensation for athletes expected to reside in Connecticut year-round.

### 4.1 Sequential Stadia – Scenario 1

#### 4.1.1 Employment – Scenario 1

Total employment impacts peak in 2027 at 6371 jobs. This trend is driven by the combined effects of the sport facilities and residential developments. Of these jobs, 95% (6112) are expected to be held by Connecticut residents. In this peak year, all but 259 of the new jobs are in the private non-farm sectors of the economy. Employment peaks after construction of the first, smaller stadium, as the hotel and the initial phase of apartment construction are completed, and as preparations are made for the larger stadium's construction. Once the construction phase of the larger stadium is completed in 2030, there is a sluggish period driven primarily by modest growth conditions of Connecticut. However, throughout operations, 2040 - 2050, the project sustains an average of 1056 additional jobs per year, breaking 1000 jobs in 2040, and peaking at 1087 in 2043 during this operations phase. **Overall, the project will generate and sustain an average of 1333 jobs per year of which all but 34 are expected to be in-State.**

Because construction employment is geographically fluid in Connecticut, contractors are likely to be located in close proximity to Bridgeport, but not necessarily within it. Despite this, the vast majority of jobs will be within the State as noted above. Any construction businesses from outside the State would need to take up residence in the State or hire locally. All new employees, or even those working longer hours will spend most of their higher earnings in the State. This expanded spending will increase the project's impact.

Chart 1 below illustrates these trends. There is very little difference between total employment and the subsets of private non-farm employment and residence-adjusted employment. This can be seen in the graph as the lines overlap. This means that most of the

jobs created are in the business and social service sectors in Connecticut. The solid blue line represents total employment. Total employment peaks above the other two types of employment in 2027 at the height of construction. The dashed grey line represents jobs in Connecticut and the dashed red line is private non-farm employment.

**Chart 1: Impacts on Employment by Type (Jobs)**

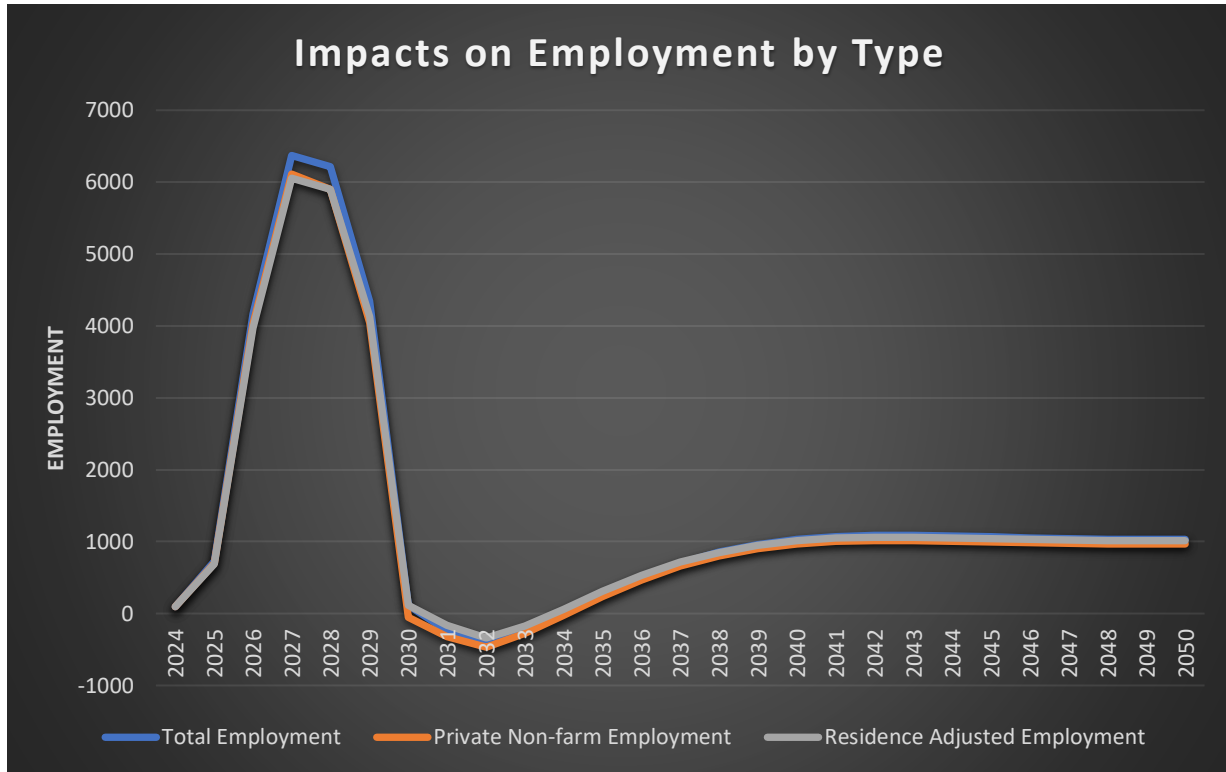
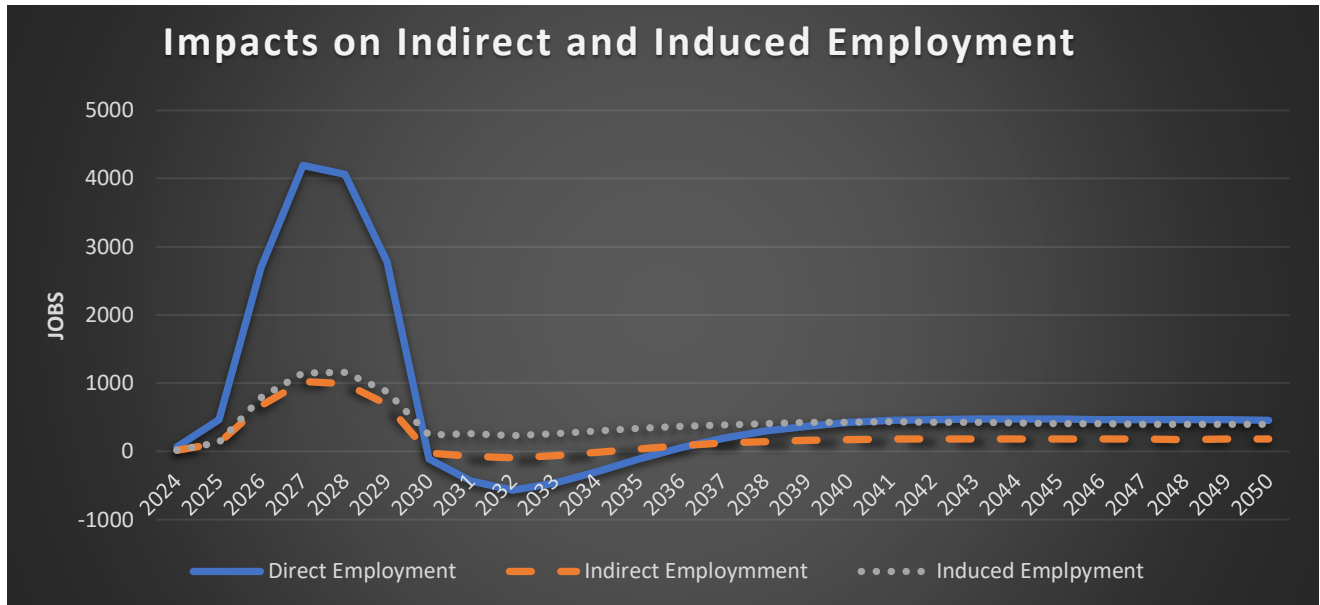


Chart 2, below, shows annual direct, indirect and induced employment. Both construction and operations directly employ individuals. Working back through the supply chain to make the inputs for construction and operations generates additional demand for more Connecticut labor. This type of employment is called indirect employment. Indirect employment is depicted in the red dashes below. The spending by these employees and others with increased disposable income further generates more demand, which will, in turn, result in induced employment (depicted in the grey dotted line).

**Chart 2: Impacts of Direct, Indirect and Induced Employment (Jobs)**



The ratio of total new demand for employment generated by the project relative to direct employment generates a multiplier, which quantifies the extent to which the project generates new economic activity. Annual employment multipliers average 1.97 throughout this project's lifetime. This multiplier suggests that for every person employed through the project, another job is created for a person who is not working on the project.

Overall, employment results in the early 2030s are reflective of the fluidity of construction workers. These jobs contrast with the ongoing economic activities in Bridgeport during operations (2040-2050). Following post-construction adjustments in the early 2030s, jobs increase by an annual average of 1056 per year from 2040-2050 during operations.

While this result is based on conservative assumptions, the dynamic structure of the REMI model makes it more accurate than other static input-output based models. Such conservative assumptions impact both the employment and Gross State Product (GSP) estimates presented here, suggesting these findings are lower bounds on economic activity.

#### 4.1.2 Income Impacts – Scenario 1

CCEA examines State income impacts as Value Shipped or Output, Gross State Product (GSP), Personal Income (PI) and Disposable Personal Income (DPI). Gross State Product is the equivalent of Gross Domestic Product, GDP, at the State rather than national level. In contrast, Value Shipped or Output measures all payments for inputs used to produce a good along the supply chain. GSP only considers net payments for inputs along the supply chain.



These supply chain stops can be considered transactions, paying for the inputs. Output counts all payments instead of just the 'net' transactions. GSP also counts all inputs along the supply chain but only considers the value added or 'net' transactions at each stop along the way. This approach mimics national GDP as only net transactions are counted in national GDP. Output involves double counting - exaggerating the industry's own importance and impacts. GSP avoids double counting by carving out previous supplier costs to attain value-added at each stop along the supply chain. GSP valued in constant dollars is called real GSP and is adjusted for inflation. Real GSP is economists' benchmark for real economic growth. The other items in this section include Personal Income (PI) and Disposable Personal Income (DPI). PI is income that accrues to individuals prior to personal income taxes being paid. DPI is PI less taxes and reflects consumer spending power.

#### 4.1.3 Gross State Product (GSP) and Output – Scenario 1

Construction activities and operations make up the majority of the GSP and Output impacts. In addition, amenities resulting from the new development and sport/entertainment activities make the area more attractive to live in. This attracts more people to the region and, with them, the demand for local goods and services expands. Also, the increased desirability of the Bridgeport region will increase the local property values. With an increase in local property values, perceived home-owner wealth will increase, resulting in increased consumption and economic activity. Chart 3 illustrates the impact of Output and GSP increases attributable to the project. GSP is represented by the blue line and Output by the red line.

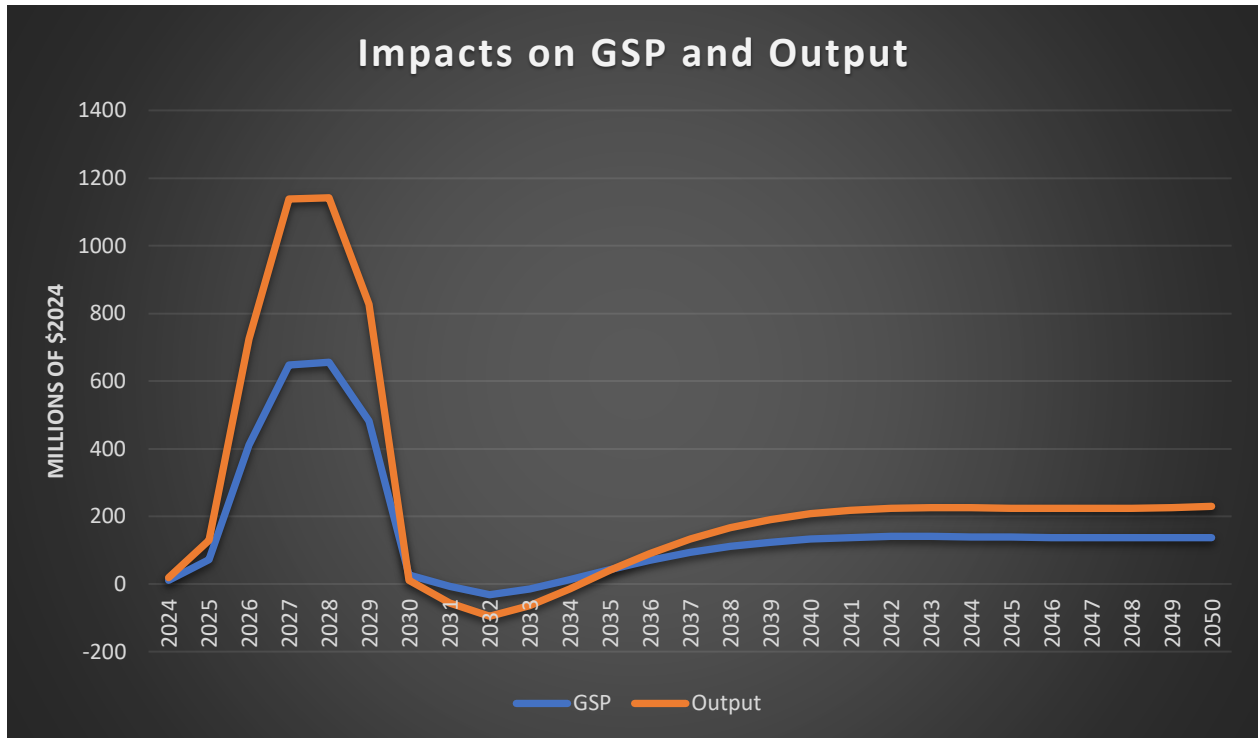
During the main construction phase, 2024 - 2030, real GSP will be higher by an annual average of \$329.5 million per year in constant \$2024. Over the operations phase, 2040 – 2050, the incremental increase in annual average real GSP will be \$137.3 million per year. The NPV of real GSP is \$3.39 billion.<sup>53</sup> Annual average Output during these same time frames is \$569.7 million and \$222.4 million respectively in \$2024. The NPV of output is \$5.51 billion.<sup>54</sup> These figures represent significant incremental increases in economic activity in the Bridgeport region. **Taking the sum of incremental increases over time shows the project will generate \$4.22 billion in GSP and \$8.77 billion in Output in current dollars.**

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<sup>53</sup> NPV uses a 2% discount rate.

<sup>54</sup> NPV uses a 2% discount rate.

**Chart 3: Impacts on GSP and Output (\$2024 million)**



#### 4.1.4 Personal Income, Disposable Personal Income, and Taxes – Scenario 1

Personal income (PI) is comprised of all sources of an individual’s income before taxes are removed. In most cases, PI is the sum of wages or salary. Through their PI, individuals pay their personal income taxes. What is left over is Disposable Personal Income (DPI). DPI can be thought of as an individual’s spending power. Total PI is the sum of both DPI and taxes.

Chart 4 shows the impacts on PI, DPI, and taxes expressed in millions of current dollars. Current dollars are not adjusted for inflation but are representative of what an individual receives or pays in a given year. In Chart 4, the blue area represents DPI or spending power. The orange area constitutes the value of federal personal income tax paid. The grey area is personal income taxes paid to Connecticut. The sum of DPI and all personal income taxes paid is total personal income. The NPV of PI is \$2.74 billion and the NPV of DPI is \$2.24 billion.<sup>55</sup>

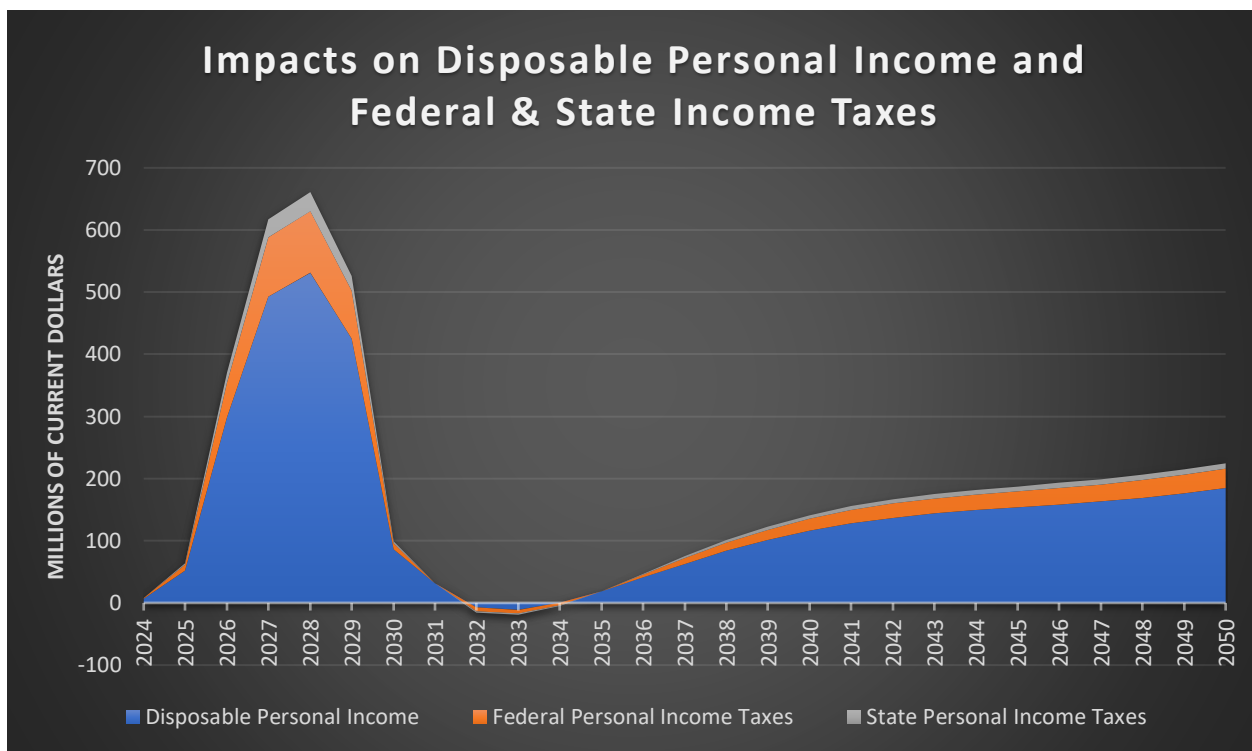
**The sum of what the project is expected to generate is an additional \$4.75 billion in Personal Income (PI) and \$3.89 billion in Disposable Personal Income (DPI) in current dollars. The project will generate a total of \$855 million in federal and State income taxes. Of this**

<sup>55</sup> NPV uses a 5% discount rate.

**amount, \$201 million will be State income taxes.** These figures represent the sum of the incremental changes in each metric on a yearly basis, not adjusted for inflation.

DPI peaks at \$531 million in 2028. Total personal income taxes paid also peak in 2028 at \$130 million. Personal income taxes generated directly to Connecticut peak at \$30.6 million in 2028, and average \$7.8 million per year during operations from 2040-2050. These figures are all in current dollars, i.e. they are not adjusted for inflation.

**Chart 4: Impacts of Disposable Personal Income (DPI), Federal Personal Income Taxes, and State Personal Income Taxes (\$Current million)**



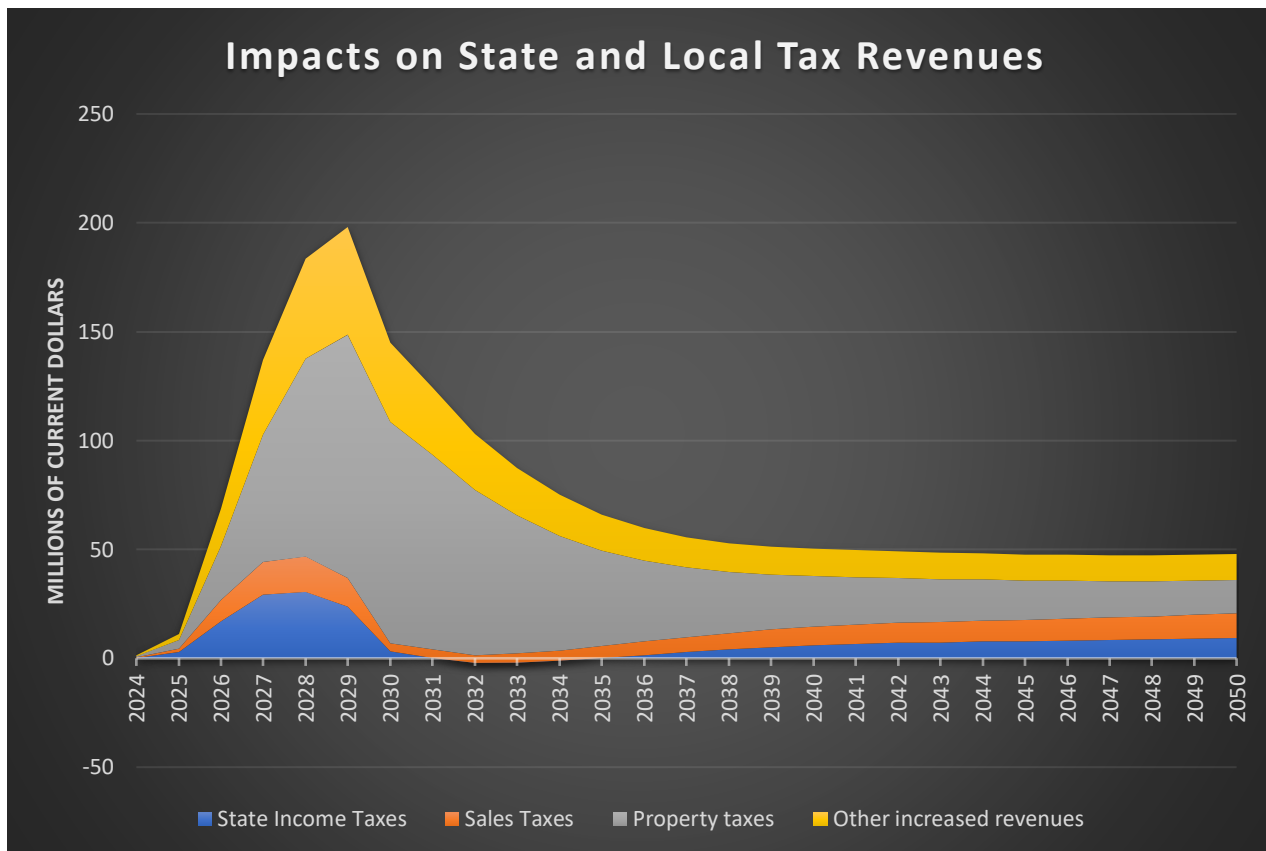
Income taxes are only one of the channels through which the fiscal benefits flow to the state and local governments. Other channels include sales taxes, property taxes, and other sources, such as fees and licences. As a supplement the model, sales and property taxes are calculated separately based on model outputs and local information. Sales taxes are approximated by an ad valorem tax of 3.9% on the purchase of commodities or personal consumption. Property taxes are assessed at the 2022-3 average tax rate, 43.45 mills.

Chart 5 below shows the project’s impact on state and local revenues by source. Shown in grey, increased property taxes are the largest component of increased revenues during the

early part of the project. CCEA takes a conservative approach to valuing property taxes in this analysis. CCEA has limited gains in the property tax base by depreciating new capital stock at 15% annually. **Incremental property tax gains occur mainly in Bridgeport because most of the property value increases occur in Bridgeport and property taxes are collected at the town level in Connecticut.**

State and local government revenues would increase by a maximum of \$198.1 million in 2029. For the period 2040-2050, state and local government revenues would show an incremental increase of \$48.3 million in current dollars, on average annually. The sum of these revenues would be \$1.95 billion and the NPV would be \$1.16 billion from 2024-2050.<sup>56</sup>

**Chart 5: State and local Government Revenues by Source (\$Current million)**

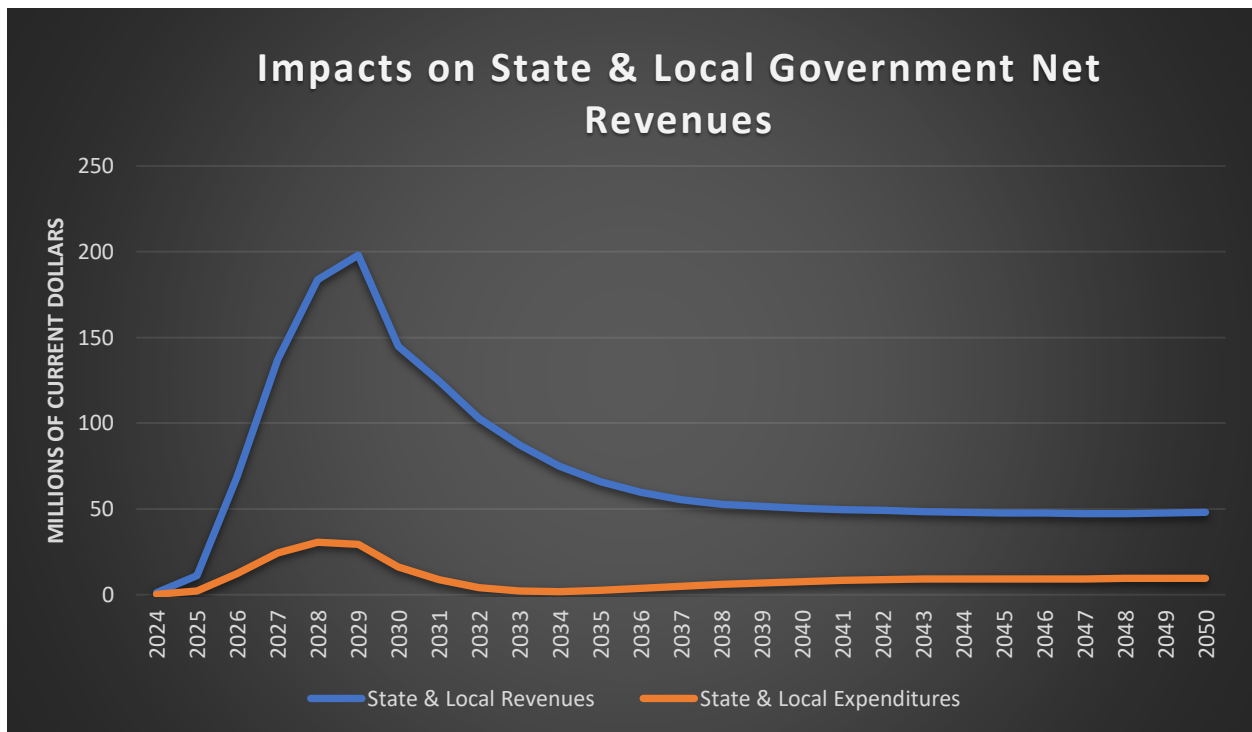


<sup>56</sup> NPV uses 5% discount rate.

#### 4.1.5 State and Local Government Expenditures and Net Revenues – Scenario 1

Given the broad scale of this project, it will increase government expenditures as well as revenues. These increased expenditures will include outlays for roads, schools, social services, etc. as more people move to the area to take advantage of increased employment opportunities and improved quality of life. Both revenues and expenditures increase early during the peak in construction. Government expenditures peak in 2028 at \$30.6 million in current dollars. This increase in expenditures is more than offset by incremental state and local government revenues of \$183.7 million in the same year. Both public revenues and expenditures stabilize as operations are rolled out in full, with revenues exceeding expenditures every year. The sum of state and local revenues is \$1.95 billion and the sum of state and local expenditures for the same time period is \$255.3 million. Similarly, the NPV of state and local government revenues is \$1.16 billion and the NPV of expenditures is \$147.1 million in current dollars.<sup>57</sup>

**Chart 6: Impacts on State and Local Government Revenues and Expenditures (\$Current million)**



<sup>57</sup> NPV uses 5% discount rate

Chart 6 shows annual state and local government revenues and expenditures. The blue line indicates state and local government revenues, and the red line indicates expenditures. The difference between these two is net revenues or the fiscal balance. The fiscal balance can be thought of the balance of government ledgers. In this case, government revenues exceed expenditures throughout the modeling time horizon. From 2024-2050, the difference between the sums of revenues and expenditures is \$1.70 billion in current dollars. As discussed, this figure represents an excess of revenues compared to expenditures. The NPV of net state and local government revenues 2024 - 2050 is \$1.01 billion.<sup>58</sup>

In the operations phase from 2040-2050, state and local government revenues average \$48.3 million and expenditures average \$9.0 million per year. These numbers show net state and local revenues would average \$39.2 million per year in current dollars during operations.<sup>59</sup>

Finally, in 2050, state and local coffers have a surplus of \$38.3 million in current dollars. A surplus occurs even after covering increased expenditures of \$9.7 million in that year. **In short, this project produces surplus revenues for state and local governments. When time is taken into account by calculating the NPV, accumulations of state and local government expenses of \$147 million are more than offset by accumulated revenues of \$1.16 billion.<sup>60</sup> This leaves net revenue at \$1.01 billion in NPV terms.<sup>61</sup>**

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<sup>58</sup> NPV uses 5% discount rate.

<sup>59</sup> Differences because of rounding.

<sup>60</sup> NPV uses a 5% discount rate.

<sup>61</sup> NPV uses a 5% discount rate.

## 4.2. Single Stadium – Scenario 2

CCEA examined an additional scenario (Scenario 2) in which the second, larger stadium is never built. Sport/entertainment offerings are based on what the smaller stadium would accommodate through to 2050. (See Table 9 below). The two teams attracted to the larger stadium do not come to Connecticut. The smaller stadium continues to offer MLS NEXT Pro team games but no MLS team games. The XFL also requires a larger stadium and does not play in the smaller stadium. Scenario 1 makes up the bulk of this report. Scenario 1 does include the smaller, modular stadium but it is replaced by the larger stadium by 2030. Both scenarios include the rest of the complex, apartments, retail, and the hotel, on the same schedule.

**Table 9: Scenario 2 Events**

|  | <i>Home Games<br/>#</i> | <i>2026<br/>Attendance</i> | <i>Average<br/>Ticket Price</i> | <i>Total Ticket Spend</i> |
|--|-------------------------|----------------------------|---------------------------------|---------------------------|
| NWSL   | 14                      | 7,894                      | \$14                            | \$1,547,224               |
| NCCA Soccer  | 4                       | 4,824                      | \$23                            | \$443,808                 |
| Music Concerts <sup>62</sup>                       | -                       | -                          | -                               | -                         |
| Premier Lacrosse League (PLL) Championship Weekend | 1                       | 10,000                     | \$117                           | \$1,170,000               |
| Youth Soccer Friendlies                            | 1                       | 1,600                      | -                               | -                         |
| Major League Rugby (MLR)                           | 8                       | 2,110                      | \$20                            | \$337,600                 |
| MLS NEXT Pro                                       | 14                      | 4,369                      | \$15                            | \$917,490                 |
| Drone Competitions                                 | 1                       | 5,000                      | \$10                            | \$50,000                  |
| Youth Soccer Camp (Includes related entertainment) | 14                      | 1,245                      | \$15                            | \$261,498                 |
| <b>Total</b>                                       | 57                      | 37,042                     | -                               | \$4,727,620               |

Relative to the larger stadium and MLS team, the in-stadium and turnstile sales are reduced but still substantial. The estimated sales for the smaller stadium with parking and in-stadium spend are \$23.6 million with \$8.3 million net-new to the State. The events and leagues were all assumed to grow at the same rates used for the larger stadium. However, these events are limited in their potential growth because of the size of the smaller stadium, with a capacity of 10,000. Turnstile and in-stadium spending was validated by reviewing a sample of other teams in the same leagues to ensure consistency with their performances. Crowd-dependent

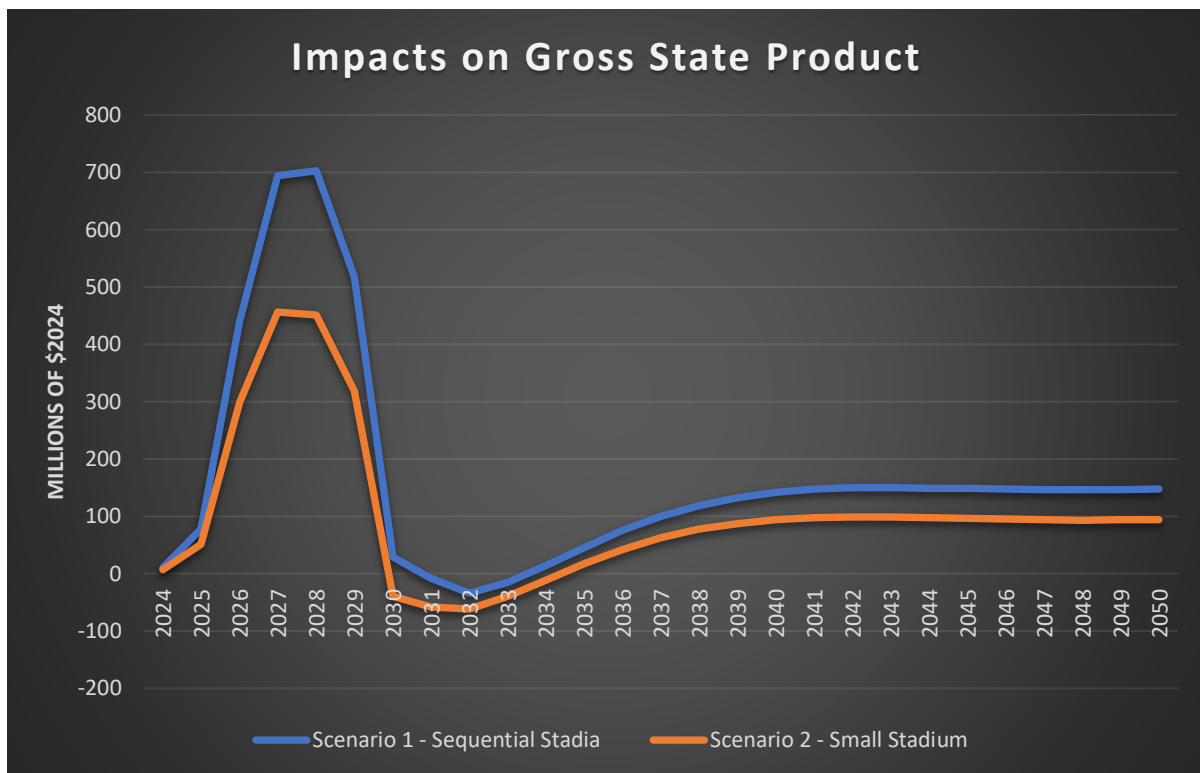
<sup>62</sup> Because the extent to which the small stadium will be considered a suitable venue for renown performers, the impact of concerts is conservatively set to zero.

swag, food, beverage, and travel expenditures were all reduced by approximately half, based on the reduction in attendance compared to Scenario 1.

#### 4.2.1 GSP, Employment, and Income – Scenario 2

Without the upgrade to the MLS and the related larger stadium, Scenario 2 has lower impacts across all metrics but still has a positive impact. For real GSP, the smaller stadium reaches a peak of \$456.1 million in \$2024 in 2027. In Scenario 2, the NPV of real GSP reaches \$2.17 billion, with a total linear summation of \$2.71 billion in constant \$2024.<sup>63</sup> During the operations period, 2040-2050, the annual average real GSP is \$95.7 million. This average GSP during the operations phase compares with \$137.3 million for Scenario 1. Chart 7 below shows Scenario 1 in blue and Scenario 2 in red. Scenario 2 is below Scenario 1 throughout the time horizon of the project because of less construction and fewer lower sport/entertainment events and expenditures.

**Chart 7. Scenario 2: Impacts on Gross State Product (GSP) (\$2024 millions)**



Scenario 2 employment averages 694 jobs annually, which is 48% less than in Scenario 1. Both scenarios peak during construction in 2027. Scenario 1 employment peaks at 6371 and

<sup>63</sup> NPV uses a 2% discount rate.



Scenario 2 employment peaks at 4222. Because of the limited sport/entertainment offerings, the smaller stadium scenario has a lower average positive contribution during the years of full operation (2040-2050) as well. During this operations phase, the annual average number of additional jobs is 554 per year compared to the estimated 1056 per year in Scenario 1 in the same period. See Chart 8 below.

**Chart 8: Scenario 2: Impacts on Employment**

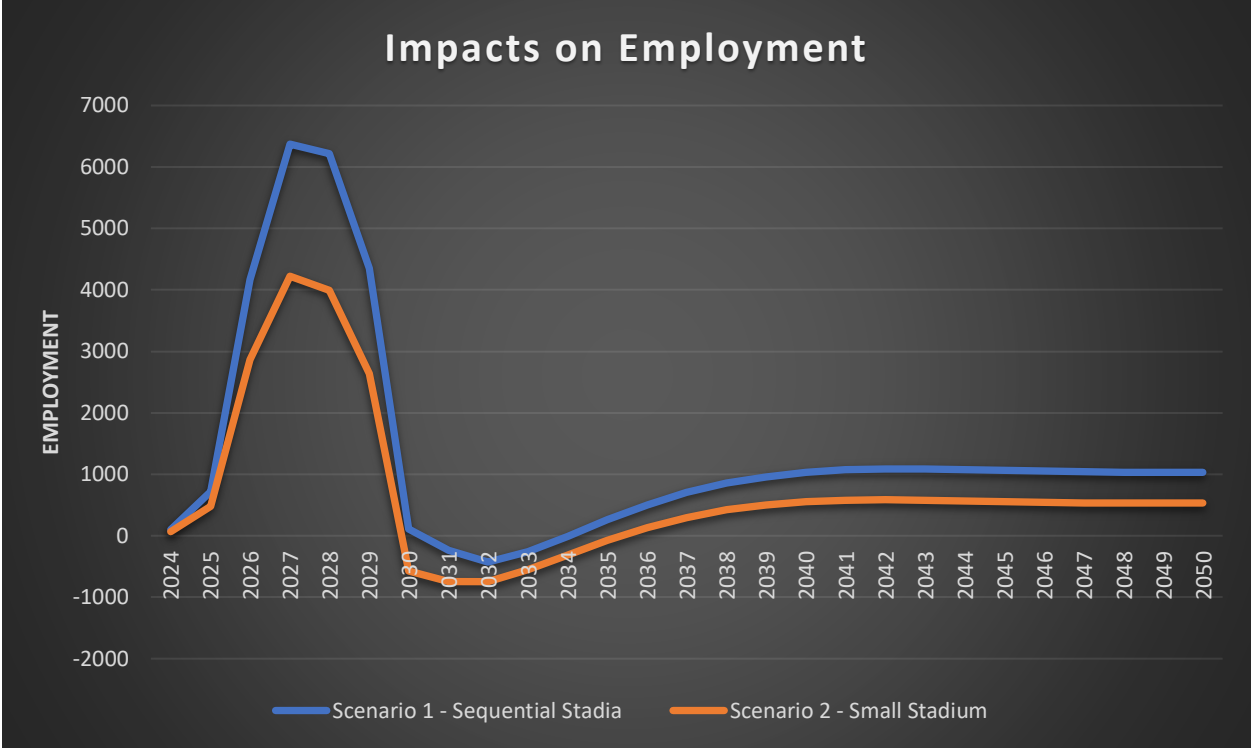
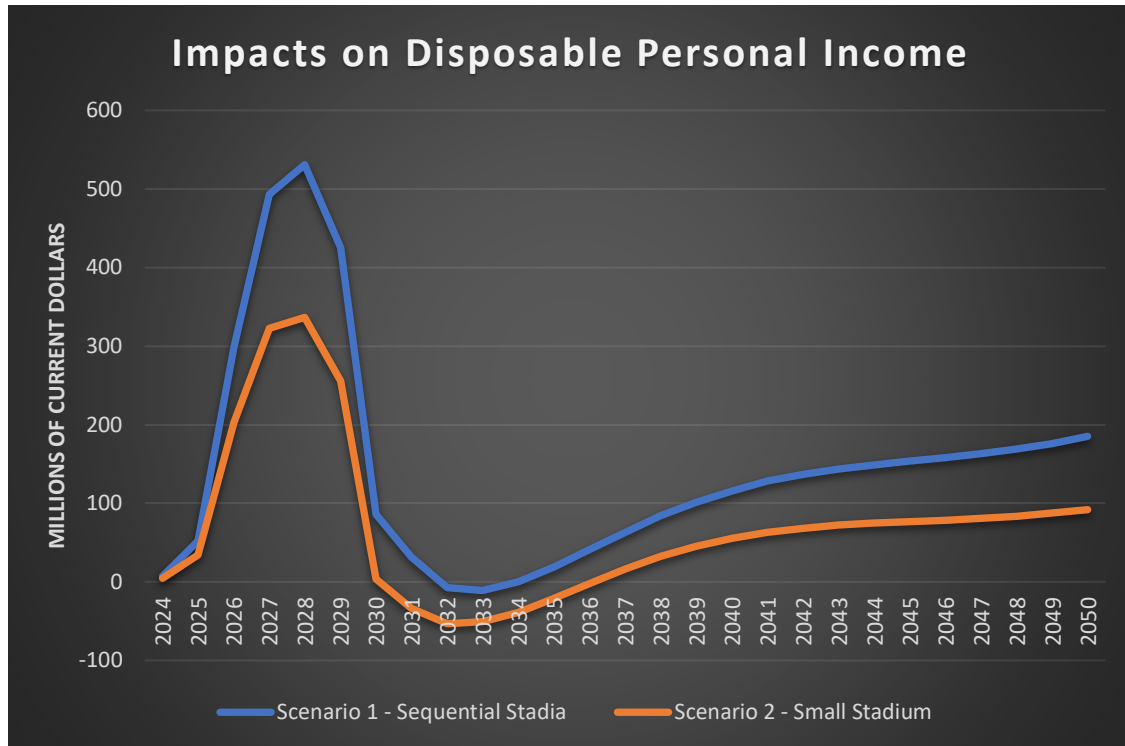


Chart 9 below shows Scenario 2’s Disposable Personal Income (DPI) dynamics. Similar to GSP and jobs, DPI is lower when only one stadium with more limited offerings is constructed compared to two stadia with broader sport/entertainment offerings. Both scenarios peak in 2028 with Scenario 1 peaking at \$531 million DPI and Scenario 2 peaking at \$336.6 million DPI, both in current dollars. In Scenario 2, DPI drops in NPV terms by 49% to \$1.14 billion from \$2.24 billion.<sup>64</sup>

<sup>64</sup> NPV uses 5% discount rate.

**Chart 9. Impacts on Disposable Personal Income (DPI) (\$Current millions)**



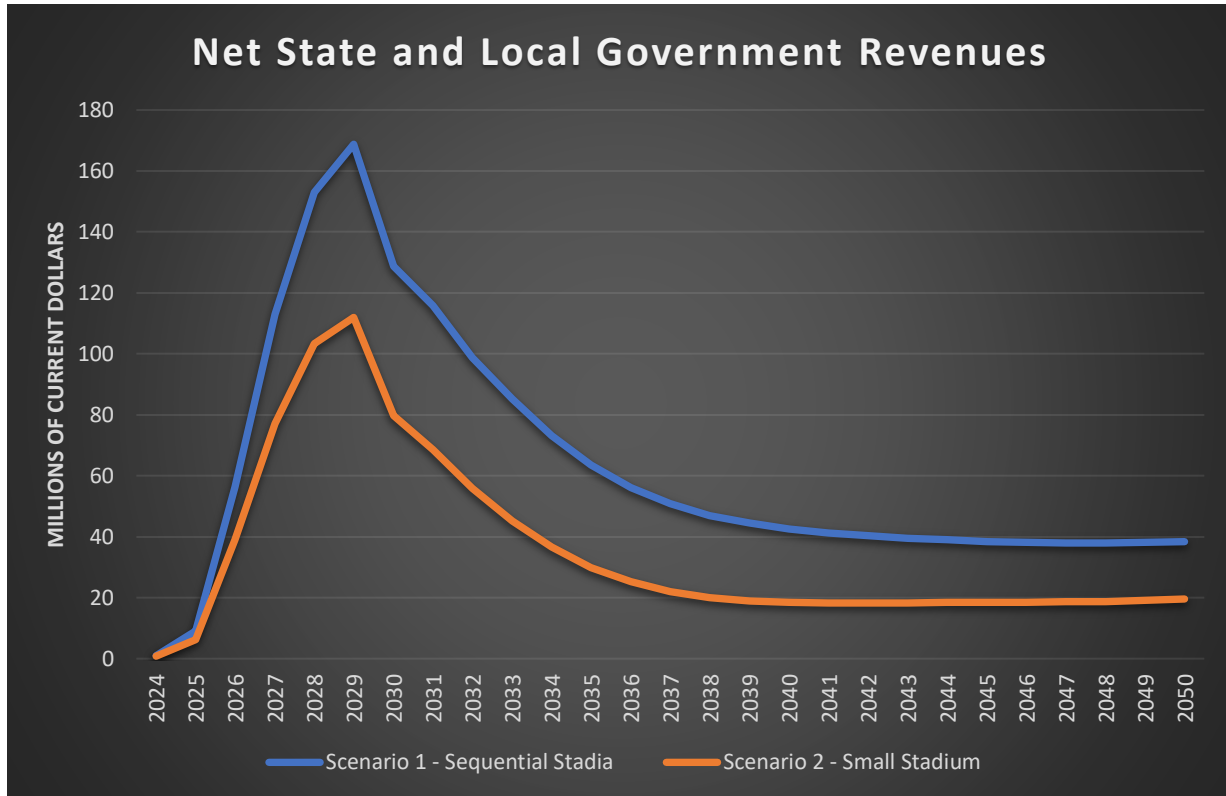
#### 4.2.2 Fiscal Impacts – Scenario 2

**Even with more limited operations in Scenario 2, annual government revenues are substantially higher than additional government expenditures in every year of the project’s life.** State and local government net revenues are the difference between the income governments receive through taxes and other sources and increased government expenditures. A key source of local government revenues is property taxes. Property values increase as economic activity rises and quality of life improves in a region. CCEA takes a conservative approach to valuing property taxes in this analysis. CCEA has limited gains on the property tax base by depreciating new capital stock at 15% annually in both scenarios. Government expenditures include primarily additional infrastructure to meet the needs of the larger economy resulting from development. These new outlays include those on new and improved roads, schools, and social services.

At peak, the net gains for Scenario 2 accruing to state and local governments are \$112.0 million current dollars in 2029. Once the smaller stadium is in the operations phase, the average annual net revenues are \$18.6 million from 2040-2050. For Scenario 2, the NPV of

state and local government net revenues is \$586.5 million across the full time horizon.<sup>65</sup> This figure is just over half of the NPV of state and local government net revenues for Scenario 1 (\$1.01 billion).<sup>66</sup> Shown in Chart 10 below, both scenarios have positive net revenues. This chart illustrates that incremental state and local governments experience revenue growth which exceeds growth in government expenditures.

**Chart 10: State and Local Government Net Revenues (\$Current millions)**



<sup>65</sup> NPV uses a 5% discount rate.

<sup>66</sup> NPV uses a 5% discount rate.

## 5. CONCLUSIONS

This analysis focused on two scenarios, both of which would include an integrated complex comprising of a hotel, apartments, retail and green space. Both yield considerable and consistent positive economic impacts across key metrics, such as jobs, GSP, DPI and net tax revenues. Further, economic benefits extend well beyond construction, as ongoing operations from 2040-2050 yield positive impacts in both cases. The NPV of real GSP is \$3.39 billion and the NPV of real Output is \$5.51 billion.<sup>67</sup> State revenues and economic impact created by either scenario are far greater than the projected level of state investment.

Based on this analysis, the primary construction phase, 2024-2030, generates more than 3,000 jobs per year, with a peak in excess of 6,200 jobs in 2027 and 2028. During this time period, the project is staffing-up for the modular stadium while construction of the larger stadium and ongoing residential and commercial properties occurs. Confirming that we are intending to say that you will proceed with minor league stadium construction and then enlarge it, rather than waiting for MLS award process to play out. Once construction is finished, the project goes into the operations phase. Once the operations phase occurs at the new stadium, and at the residential and commercial hubs, there is an annual average of 1,056 more jobs from 2040 - 2050.

During the construction phase, real GSP and Output will grow by \$329.5 million and \$569.7 million on average per year. From 2040-2050, the operation phase of activity, real GSP is \$137.3 million per year and real Output is \$222.4 million on average annually. Both sets of numbers are measured in constant \$2024 dollars. That is to say, the figures are real dollars and adjusted for inflation. Both are overall measures of economic activity. Output sums up all the economic activity throughout the supply chain. GSP nets out inputs at each point in the supply chain measuring only Value-Added. GSP is analogous to the national Gross Domestic Product (GDP) but on the State level. The NPV of real GSP is \$3.39 billion and the NPV of real Output is \$5.51 billion.<sup>68</sup>

In current dollars, Connecticut residents' incomes improve with the sum of Personal Income (PI) equal to \$4.75 billion. Current dollars are not adjusted for inflation. The NPV of consumer spending power or Disposable Personal Income (DPI) is \$2.24 billion from 2024-

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<sup>67</sup> NPV uses a 2% discount rate.

<sup>68</sup> NPV uses a 2% discount rate.

2050.<sup>69</sup> Over the same time period, the NPV of PI is \$2.74 billion.<sup>70</sup> During the operations phase of activity, DPI is \$152.6 million on average annually from 2040-2050.

From this project, this analysis anticipates there will be increased government revenues and increased government expenditures. Increases in personal income leads to increases in personal income taxes for both the federal and state governments. The sum of personal income taxes over the entire project is \$855 million in current dollars. Of this, \$201 million will accrue directly to State coffers. While State personal income taxes peak in 2028 at \$30.6 million, they average \$7.8 million annually during the operations phase, 2040-2050.

Another source of local government revenues is property taxes. Section 2.5 describes the amenity value. Because this project represents a significant investment in Bridgeport, this study assumes that property values will increase at least 2% in a 4-mile radius of the stadia based on similar projects. Internal model dynamics also demonstrate higher property values as the city's economic activity increases. The NPV of property taxes is \$636.9 million from 2024-2050.<sup>71</sup> Annual average increases in property taxes are \$38.6 million in current dollars. In Connecticut, these revenues accrue to the town of Bridgeport itself.

Additional sources of state and local income include the Connecticut sales tax and other sources such as licenses and fees. Total NPV of all state and local revenues is \$1.12 billion.<sup>72</sup> Increased economic activity in the region increases the need for more local infrastructure, social services, schools, etc. These factors increase local government expenditures. The NPV of state and local government expenditures will increase \$147.1 million over the same time period.<sup>73</sup> The net state and local revenues are positive throughout the project. In the final year of the modeling time horizon, 2050, revenues will be \$48.0 million, and expenditures will be \$9.7 million. These numbers imply a fiscal surplus of \$38.3 million going forward.

**Overall, the project under this scenario positively impacts Connecticut's economy. It generates a sizeable and persistent contribution to the job market, the State's GSP, and state and local net revenues throughout the life of the project. It is important to note that these results were reached under relatively conservative assumptions in terms of discount rates, net-new spending, and local demand for sport/entertainment activities.**

**In addition, the project will contribute to the local economy of Bridgeport, a town with a poverty rate more than twice that of Connecticut. This project will have a positive impact**

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<sup>69</sup> NPV uses a 5% discount rate.

<sup>70</sup> NPV uses a 5% discount rate.

<sup>71</sup> NPV uses a 5% discount rate.

<sup>72</sup> NPV uses a 5% discount rate.

<sup>73</sup> NPV uses a 5% discount rate.

**on the real estate and quality of life of Bridgeport. Partly, these benefits are captured through the amenity value and the increased value of the housing stock (see section 2.5). These impacts should not be underestimated, especially when comparing this project to other similar developments across the U.S., where stadia were (re)developed within urban spaces. In other words, by developing and effectively connecting an unused, waterfront area of Bridgeport, this project also bolsters Bridgeport’s profile. This change is consistent with literature that has found similar impacts in other economically challenged towns in the U.S.<sup>74</sup>**

We also examined the impact of constructing only the smaller stadium for the MLS NEXT Pro team with no first-tier MLS team attracted to the state. In this scenario, the proposed apartment, retail, and mixed-used districts are still constructed on the same schedule as in Scenario 1. Although smaller, the impacts of this project are still positive. State and local government net revenues were positive throughout the 26-year measurement horizon with a NPV of \$586.5.<sup>75</sup> The NPV of Disposable Personal Income (DPI) was \$1.14 billion and DPI averaged \$75.6 million per year during the operations phase of the project in current dollars.<sup>76</sup> Similarly, GSP had a NPV of \$2.17 billion in constant \$2024 over the course of the measurement horizon. During the operations phase, real GSP averaged \$95.7 million per year. New jobs averaged 694 annually.

In both scenarios, the development includes a mix of a hotel, apartments, retail, and green space. While the economic impact of the “small stadium only” scenario is less than the large stadium scenario, both options generate significant benefits in terms of job creation, GSP growth, and net tax revenues. Additionally, the economic advantages extend well beyond the construction phase, with ongoing operations from 2040 to 2050 continuing to have a positive effect. Importantly, state revenues and economic impact generated under either scenario far exceed requested state investment.

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<sup>74</sup> Liesch, M., and Graziano, M. (2021). The socio-economic impacts of the Great Lakes Restoration Initiative, *Geographical Review*, 113(2): 268-284. <https://doi.org/10.1080/00167428.2021.1995865>

<sup>75</sup> NPV uses a 5% discount rate.

<sup>76</sup> NPV uses a 5% discount rate.

## 6. APPENDIX

### 6.1 The REMI Model

The Regional Economic Models, Inc. (REMI) model is a dynamic input-output model. It is constructed to replicate how regional economies actually adjust over time unlike static input-output models. Modeling economic activity in REMI allows policymakers to test different policies or projects and see their impact on the economy. REMI provides insight into the consequences of different options by allowing users to model inputs associated with a specific project. The model's output shows the incremental change resulting from the project. The incremental change is the difference between the baseline where no changes occur and the expected changes from the proposed project.

This REMI model has 70 economic sectors. Geography is customizable and can be broken-out to the county level. The time horizon over which the impact of policies or projects can be measured is set by the user. Currently, impacts can be measured out as far as 2050. This option allows for understanding of the long-term, dynamic impacts.

The basic model relies on a general equilibrium framework. This approach considers all markets for goods, labor, and services and their interdependence simultaneously. This framework shows how changes in one part of the economy affect the rest of the economy. In this approach, an increase in demand for widgets would raise widgets' price and call forth an increase in the supply of widgets. Then, markets for widget inputs would experience an expansion in demand in order to build more widgets. Through these interdependencies, an increase in demand for one – or more – commodities creates feedback loops that ripple through the supply chain.

In addition, there are socioeconomic variables, such as the amenity value, which measure the impact of non-commodity based changes. The amenity value measures the general quality of life which may be improved by a project. Improving the quality of life attracts more people and more economic activity to the region. The model shows the dynamic interactions resulting from these effects as well.

The REMI model is an important tool for measuring and forecasting the impact of projects and policies on regional economies. The scope of REMI allows for a comprehensive representation of these projects. In addition, the modeling of interdependencies of economic sectors incorporates supply chain and socioeconomic effects in the dynamic results. The REMI model is a useful and important tool for decision-making.

## 6.2 Interpreting Metrics

This section describes the conventions used to report REMI outcomes. The REMI model produces outcomes in incremental units. Incremental outcomes are the difference between the economic activity in the absence of the project or at baseline compared to the project's economic activity. Analysis then turns these units into meaningful indicators. Financial adjustments include using constant vs. current dollars. Summation metrics include the annual average, peak values, Net Present Value (NPV), and the (linear) sum of outcomes. These latter two metrics provide information on the 'total value' of the outcome.

The primary difference between 'constant' dollars and 'current' dollars is that constant dollars are adjusted for inflation and current dollars are not. Using 'constant' or 'real' dollars, the value of a dollar in 2024 is equal to the value of a dollar in 2050. The benefit of using constant dollars is it allows values to be compared across time. 'Current' dollars are unadjusted for inflation. As a result, the amount reported in a given year will match the anticipated amount for that year. This approach is advantageous when the actual values matter. For instance, using current dollars, the amount of government revenues in a given year is what the model predicts the government will receive in that year. This figure may be valuable to policymakers to compare to other anticipated expenditures or revenues outside the project.

The annual average adds up every incremental impact and divides by the number of years being considered. This metric is the amount the variable will increase in given year, on average. The time frame chosen may be the entire period of the project, or some subset of the time frame. It may be useful to dissect the time frame into periods reflecting specific activities. For instance, this analysis looks at the construction period and the operations period. These averages reflect what can be expected when these different activities are occurring. Because construction is short lived, it is important to know what the ongoing effects during the operation period will be. Similarly, peak values may be calculated for the entire project or for different time frames. Peak values are the highest annual value in a time period. These values show the maximum economic activity that can be expected.

The NPV estimates how much an investment's impact, which happens over time, is worth in today's terms. To calculate the NPV, the stream of incremental financial outcomes is discounted using an interest or discount rate. For constant dollar terms, this analysis uses a 2% discount rate. This value reflects federal guidance for projects with a 20-30 year time horizon. For nominal or 'current' dollar outcomes, this analysis uses a 5% discount rate. It is increased to incorporate the role of inflation. This rate is slightly above the federal guidance of 4.2% but reflects a standard rate used among researchers. The NPV is independent of the time horizon chosen.

The sum of values adds up each annual incremental impact. This approach is the total amount the project contributes to the economy over the project's time horizon. While



intuitively pleasing, this measure is dependent on the time horizon chosen. The longer the time horizon, the greater this sum will be. It does have some utility within an analysis to compare related variables, such as personal income, disposable personal income, and personal income taxes.