

# Alliant Energy Center Redevelopment Committee

## Potential Facility Recommendations

April 5, 2024

The following is a summary of the key issues and opportunities for facility improvements to the Alliant Energy Center identified in the updated market study (the [Potential Market Opportunities report](#)) and others as summarized on the attached Potential Facilities Improvements matrix. The next step in the process is for the Redevelopment Committee to make recommendations at its April 15<sup>th</sup> meeting to the County Board and County Executive regarding the major capital improvement projects the Committee wishes to pursue on the Campus.

Below are several potential recommendations for the Committee's consideration for each facility. The color coding matches that shown on the matrix. The cost estimates and projected impacts are taken from the Potential Market Opportunities report. Construction costs are in 2027 dollars, and operating revenues, visitation, and room nights are annual averages over 10 years once the facilities are constructed. These options were prepared based on the attached results from the Committee survey.

These will be discussed at the meeting, and motions will be sought for final recommendations that reflect the thoughts of a majority of Committee members. Please review these options and come to the meeting prepared to discuss your thoughts and ready to make/support some of these motions or those of your own. Chair Erickson will then present the recommendations to a County Board Committee of the Whole meeting to be held in May or June so that work on the priorities can proceed as quickly as possible.

### County Led Projects

1. **Expo Hall Expansion and Related Site Improvements.** The proposed \$175M expansion of the Expo Hall incorporates several related site improvements including: revamped parking south of the Pavilions, new surface parking south of Willow Island, additional storage, ring road, stormwater management, new grand entrance at Rusk Road, new sewer force main, new hotel connector, and demolition of the Huber Center (see page 109 of the Potential Market Opportunities report). To move forward with the project, the County will need commit to allocating funds for the bulk of the construction cost with final designs to be prepared in the interim. The addition would allow for the expansion of existing events, attracting new and more diverse events, and improve energy efficiency. It also would address needs identified by the community including the creation of additional jobs, improving stormwater management and green spaces, increased pedestrian and vehicular access, and more efficient on-site traffic circulation. The expansion would generate \$2.7 million in annual net operating revenue, draw an additional 168,700 annual visitors, and create an additional 17,000 overnight stays.

#### Potential Recommendations:

- a. Recommendation that the County Board and County Executive **commit to allocating a substantial portion of the \$175 million in capital funds** within the next three to five years needed for the construction of the Expo Hall expansion and related site improvements. Further recommend the County Board direct the Redevelopment Committee and Center Director to develop and return to the Board and Executive with a strategy to identify and pursue additional funding sources to assist with the project.
- b. Recommendation that the County Board and County Executive direct the Redevelopment Committee and Center Director pursue an Expo Hall expansion and related site improvements project with a **maximum construction budget of \$\_\_\_\_\_** in capital funds to be allocated within the next \_\_\_\_\_ years. Further recommend the County Board direct the Redevelopment Committee and Center Director to develop and return to the Board and Executive with a revised schematic design consistent with the budget and a strategy to identify and pursue additional funding sources to assist with the project.
- c. Recommendation that the County Board and County Executive direct the Redevelopment Commitment and Center Director **not pursue an Expo Hall expansion and related site improvements project**,
  - i. at this time, or
  - ii. until (date), or
  - iii. until (event) occurs.

2. **Central Plaza.** To develop the proposed \$5 million, multiuse Central Plaza (including the demolition of the obsolete Arena Building and Bob Johnson Training Facility), the County will need to commit to allocating funds for the bulk of the construction cost with final designs to be prepared in the interim. The Plaza would create an immediate, positive visual impact upon entry to the Campus, provide additional green space, event space, and performance area, and serve as a welcoming gathering area for area neighbors and the larger community. Estimates for additional operating revenue and increased visitation have not yet been made.

Potential Recommendations:

- a. Recommendation that in the 2025 or 2026 capital budget, the County Board and County Executive **allocate a substantial portion of the \$5 million in funds** needed to develop the proposed multi-use Central Plaza (including the demolition of the Arena Building and Bob Johnson Training Facility). Further recommend the County Board direct the Redevelopment Committee and Center Director to develop and return to the Board and Executive with a strategy to identify and pursue additional funding sources to assist with the project.
- b. Recommendation that the County Board and County Executive direct the Redevelopment Commitment and Center Director pursue a multi-use Central Plaza project with a **maximum construction budget of \$\_\_\_\_\_** in capital funds to be allocated within the next \_\_\_\_\_ years. Further recommend the County Board direct the Redevelopment Committee and Center Director to develop and return to the Board and Executive with a revised schematic design consistent with the budget and a strategy to identify and pursue additional funding sources to assist with the project.
- c. Recommendation that the County Board and County Executive direct the Redevelopment Committee and Center Director **not pursue a multi-use Central Plaza project**,
  - i. at this time, or
  - ii. until (date), or
  - iii. until (event) occurs.

**Partnership Projects Already Under Discussion**

3. **Indoor Youth Sports Facility.** A study completed last year for the Madison Area Sports Commission documented the potential for an Indoor Youth Sports Facility that would serve local needs as well as hosting regional tournaments. Several local individuals and entities have expressed an interest in possibly being part of the development and operation of such a facility and believe an Alliant Energy Center location would be ideal to serve South Side youth who lack access to facilities of this type. One alternative identified in the Potential Market Opportunities report was adapting the Coliseum into a two-level sports facility (similar to the former Kemper Arena in Kansas City) at a cost of \$61.4 million. Typically, such facilities operate a loss (as would this one at -\$53,000 per year) and rely on public/private partnerships and contributions to sustain them. The facility would draw an additional 57,700 annual visitors and create an additional 9,100 overnight stays. If a new, freestanding facility is constructed it would need to include a parking structure to serve its own needs. However, if it is constructed on an existing parking lot, the lost spaces will need to be replaced elsewhere on-site in either an expanded surface lot or new parking structure to serve existing Campus needs.

Potential Recommendations:

- a. Recommendation that the County Board direct the Redevelopment Committee and Center Director to **identify and engage with individuals and organizations** to determine initial feasibility and interest in the development of an Indoor Youth Sports Facility to be located on the Alliant Energy Center Campus. Further, recommend the County Board direct the Redevelopment Committee and Center Director return to the County Board with a recommended approach for selecting and negotiating with a partner and the general level of expected County involvement in the facility's construction and operations.
- b. Recommendation that in the 2025 capital budget, the County Board and County Executive **allocate \$\_\_\_\_\_ in capital funds** needed to further evaluate the feasibility and cost of adapting the Coliseum to an Indoor Youth Sports Facility.

- c. Recommendation that the County Board and County Executive direct the Redevelopment Committee and Center Director **not pursue** adapting the Coliseum to an Indoor Youth Sports Facility and, instead, pursue a new freestanding building on the Alliant Energy Center Campus.
  - d. Recommendation that the County's **financial participation** in the construction and operating costs of an Indoor Youth Sports Facility on the Alliant Energy Center Campus **be kept to a minimum except for making the land available at low or no cost.**
  - e. Recommendation that the County Board and County Executive direct the Redevelopment Committee and Center Director **not pursue an Indoor Youth Sports Facility,**
    - i. at this time, or
    - ii. until (date), or
    - iii. until (event) occurs.
4. **Land East/South of Rim Rock Road.** The Alliant Energy Center owns an eight-acre, vacant parcel on Rim Rock Road across from the main entry to the Campus. Much of the property is covered by wetlands, but there may be two to three acres of developable land. A developer has recently engaged with County staff about purchasing the property for a potential hotel. The value of the land is still being determined, and it could be sold or leased to generate revenue for other Center projects.

**Potential Recommendations:**

- a. Recommendation that the County Board direct County staff to **continue negotiations for the sale or lease** of County-owned land east/south of Rimrock Road **only for the development of uses complementary to the Center and surrounding Destination District.** Further recommend the County Board direct that the final terms of any such sale or lease be taken to the Redevelopment Committee for a recommendation prior to bringing them to the County Board for final approval.
  - b. Recommendation that the County Board direct County staff to **continue negotiations for the sale or lease** of County-owned land east/south of Rimrock Road to **obtain the highest price regardless of use and relationship to the Alliant Energy Center and surrounding Destination District.** Further recommend the County Board direct that the final terms of any such sale or lease be taken to the Redevelopment Committee for a recommendation prior to bringing them to the County Board for final approval.
  - c. Recommendation that the County Board direct County staff to **cease all negotiations for the sale or lease of County-owned land east/south of Rimrock Road,**
    - i. at this time, or
    - ii. until (date), or
    - iii. until (event) occurs.
5. **Indoor Pro Soccer Practice Facility.** An organization seeking to bring a women's professional soccer team to Madison has approached Alliant Energy Center staff about the potential to build an Indoor Practice Facility on the Campus. The facility also could serve area youth and the community as well as serving as a multi-use venue for events like livestock shows. Estimates for construction costs, additional operating revenue, and increased visitation have not been yet been made. If a new, freestanding facility is constructed on an existing parking lot, the lost spaces will need to be replaced elsewhere on-site in either an expanded surface lot or new parking structure to serve existing Campus needs

**Potential Recommendations:**

- a. Recommendation that the County Board direct Center staff to **continue discussions** concerning the potential development of an Indoor Pro Soccer Practice Facility and that the final terms of any agreement for the construction of such a facility be taken to the Redevelopment Committee for a recommendation prior to bringing them to the County Board for final approval.

- b. Recommendation that the County Board direct Center staff to **continue discussions** concerning the potential development of an Indoor Pro Soccer Practice Facility provided that the **facility also must be available to the community as well as serving as a multi-use facility**. Further, recommend that the final terms of any agreement for the construction of such a facility be taken to the Redevelopment Committee for a recommendation prior to bringing them to the County Board for final approval.
- c. Recommendation that the County Board direct Center staff to **cease all discussions for the construction of an Indoor Pro Soccer Practice Facility**,
  - i. at this time, or
  - ii. until (date), or
  - iii. until (event) occurs

## Partnership Projects with Discussion to be Initiated

- 6. **Multi-Use Entertainment Arena.** The Potential Market Opportunities report found the Coliseum is obsolete and that many national shows will not book it due to sub-standard facilities that do not meet contemporary needs. The report indicated that there are private organizations that have partnered with other local and state governments in the development of new, Multi-Use Entertainment Arenas, and the Madison market is particularly strong and underserved for larger events. A new \$347.3 million Arena would address community needs by hosting a greater diversity of events, improving energy efficiency, and creating new jobs. The arena would generate \$1.6 million in annual net operating revenue, draw an additional 334,600 annual visitors, and create an additional 5,900 overnight stays. The new venue would include a parking structure to serve its own needs. However, if it is constructed on an existing parking lot, the lost spaces will need to be replaced elsewhere on-site in either an expanded surface lot or new parking structure to serve existing Campus needs.

### Potential Recommendations:

- a. Recommendation that the County Board direct the Redevelopment Committee and Center Director to **identify and engage with individuals and organizations** to determine initial feasibility and interest in the development of a Multi-Use Entertainment Arena to replace the Coliseum. Further, recommend the Redevelopment Committee and Center Director return to the County Board with a recommended approach for selecting and negotiating with a partner and the general level of expected County involvement in the facility's construction and operations.
- b. Recommendation that the County Board direct the Redevelopment Committee and Center Director to **determine initial feasibility of the County alone developing and operating** a Multi-Use Entertainment Arena to replace the Coliseum. Further, recommend the Redevelopment Committee and Center Director return to the County Board with a preliminary financial analysis for the construction and operation of such a facility.
- c. Recommendation that in the 2025 capital budget, the County Board and County Executive **allocate \$\_\_\_\_\_ in capital funds to determine the initial feasibility of renovating the Coliseum** to meet contemporary needs for national shows, and direct the Redevelopment Committee and Center Director return to the County Board with the feasibility findings and a preliminary financial analysis for constructing and operating such renovations.
- d. Recommendation that the County Board and County Executive direct the Redevelopment Committee and Center Director **not pursue a Multi-Use Entertainment Arena to replace the Coliseum**,
  - i. at this time, or
  - ii. until (date), or
  - iii. until (event) occurs

7. **Private Commercial Development.** Adding \$320 million in complementary Private Commercial Development as laid out in the Potential Market Opportunities report (such as additional hotels, restaurants, and retail) will create more of a walkable destination on the Campus and address the needs of visitors and the community alike. The lease with the owners of the Clarion Hotel has provisions that govern the addition of new hotels that would need to be addressed. Land for such development could be sold or leased, generating revenue for other Center projects. Such development would generate \$9.7 million in annual net operating revenue to the businesses, draw an additional 619,800 annual visitors, and create an additional 30,700 overnight stays. The businesses would include parking structures to serve their own needs. However, if they are constructed on existing parking lots, the lost spaces will need to be replaced elsewhere on-site in either an expanded surface lot or new parking structure to serve existing Campus needs.

**Potential Recommendations:**

- a. Recommendation that the County Board direct the Redevelopment Committee and Center Director to **identify and engage with individuals and organizations** to determine initial feasibility and interest in the development of Private Commercial Development on the Alliant Energy Center Campus. Further, recommend the Redevelopment Committee and Center Director return to the County Board with a recommended approach for selecting and negotiating with a partner and the general level of expected County involvement in the development.
  - b. Recommendation that the County Board and County Executive direct the Redevelopment Committee and Center Director **not pursue Private Commercial Development,**
    - i. at this time, or
    - ii. until (date), or
    - iii. until (event) occurs
8. **Parking Structure.** If additional facilities are constructed on existing surface parking areas (such as an Indoor Youth Sports Facility, commercial development, Show Ring, etc.), a replacement Parking Structure likely will be required to serve existing event needs. The new venues will be expected to address most of their own parking needs as part of their projects, but the County would need to construct a structure to replace the lost spaces as very little land is available to expand surface parking on the Campus. The potential size of the Parking Structure, construction cost estimates, timing of construction, and final locations have yet to be determined.

**Potential Recommendations:**

- a. Recommendation that in the 2025 capital budget, the County Board and County Executive **allocate \$ \_\_\_\_\_ in capital funds** to further evaluate the need for, potential location, timing, and cost of constructing a Parking Structure on the Campus.
- b. Recommendation that the County Board and County Executive direct the Redevelopment Committee **not pursue the study or construction of a Parking Structure,**
  - i. at this time, or
  - ii. until (date), or
  - iii. until (event) occurs

9. **Outdoor Amphitheater.** The Potential Market Opportunities report showed a need for a \$1.5 million Outdoor Amphitheater that could be developed in partnership with private promoters. The facility could be located on Willow Island or elsewhere on Campus and serve a variety of community functions such as graduations and youth performances in addition to hosting regional and national acts. An Amphitheater would generate \$280,000 in annual net operating revenue, draw an additional 90,000 annual visitors, and create an additional 2,000 overnight stays.

**Potential Recommendations:**

- a. Recommendation that the County Board direct the Redevelopment Committee and Center Director to **identify and engage with individuals and organizations** to determine initial feasibility and interest in the development of an Outdoor Amphitheater on the Alliant Energy Center Campus. Further, recommend the Redevelopment Committee and Center Director return to the County Board with a recommended approach for selecting and negotiating with a partner and the general level of expected County involvement in the development of such a facility.
- b. Recommendation that the County Board direct the Redevelopment Committee and Center Director to **determine initial feasibility of the County alone constructing and operating** an Outdoor Amphitheater on the Alliant Energy Center Campus. Further, recommend the Redevelopment Committee and Center Director return to the County Board with the feasibility findings and a preliminary financial analysis for constructing and operating such a facility.
- c. Recommendation that the County Board and County Executive direct the Redevelopment Committee and Center Director **not pursue the development of an Outdoor Amphitheater,**
  - i. at this time, or
  - ii. until (date), or
  - iii. until (event) occurs

10. **Multi-Use Show Ring.** The Potential Market Opportunities report showed a need for a \$17.2 million, Multi-Use Show Ring. It would be used primarily for livestock in conjunction with the New Holland Pavilions, but could serve as a venue for other functions as well. It would generate \$1 million in annual net operating revenue (thereby reducing the operating losses of the Pavilions), draw an additional 28,500 annual visitors, and create an additional 4,000 overnight stays. If it were constructed on an existing parking lot, the lost spaces will need to be replaced elsewhere on-site in either an expanded surface lot or new parking structure to serve existing Campus needs.

**Potential Recommendations:**

- a. Recommendation that the County Board direct the Redevelopment Committee and Center Director **to identify and engage with individuals and organizations** to determine initial feasibility and interest in the development of a Multi-Use Show Ring on the Alliant Energy Center Campus. Further, recommend the Redevelopment Committee and Center Director return to the County Board with a recommended approach for selecting and negotiating with a partner and the general level of expected County involvement in the development of such a facility.
- b. Recommendation that the County Board direct the Redevelopment Committee and Center Director to **determine initial feasibility of the County alone developing** a Multi-use Show Ring on the Alliant Energy Center Campus. Further, recommend the Redevelopment Committee and Center Director return to the County Board with the feasibility findings and a preliminary financial analysis for constructing and operating such a facility.
- c. Recommendation that the County Board and County Executive direct the Redevelopment Committee and Center Director **not pursue the development of a Multi-Use Show Ring,**
  - i. at this time, or
  - ii. until (date), or
  - iii. until (event) occurs