



NATIONAL VELODROME

SPORTS, ENTERTAINMENT AND CONFERENCE CENTER

New Growth Opportunity Indoor Velodromes



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MISSION

To create a network of Indoor Velodromes and Event Centers that provide communities with a sustainable multi-purpose venue anchored by year round cycling programming, World Cycling League *TeamTrak* competition and cycling development programs



BACKGROUND



Interest in Velodromes

Driven by the recent increases in bicycling for transportation, recreation and competition, many communities around the United States have sought information on velodromes—specially designed facilities where cycling enthusiasts can learn, train, compete or just exercise.

Where are the current velodromes?

There are approximately 900 velodromes throughout the world including 80 indoor velodromes in 37 countries. Of the 27 velodromes in the United States, until recently only one of them is indoors and the rest are seasonal with activities varying from casual recreational use to fully structured programs including developmental classes through international racing.

The Move Indoors

The most serious interest in new velodromes is for year round usage and is coming from communities where cold or inclement weather and increasing traffic restricts outdoor cycling. The world governing body for Olympic track cycling now requires all top international competitions to be held on indoor velodromes which has stimulated new facility construction around the world.

How do they work?

Americans are not at all familiar with velodromes. Everything from key design elements to realistic usage and adaptability for a variety of cycling and non-cycling events are issues that must be faced along with the most critical element of all: financial viability. Up to this point, the most widespread justification for building indoor velodromes has been “to meet Olympic standards,” a benchmark that has rarely contributed to financial success.

Need for Structure

The biggest challenges facing organizations and communities considering whether to build an indoor velodrome are 1) the availability of accurate construction information and costs, 2) viable anchor programming and operating plan, 3) community support and 4) capital financing and economic sustainability. If there are a dozen indoor velodromes being planned or contemplated in the U.S. today, it is pretty likely that there are a dozen organizations trying to piece together a dozen different plans.

A NEW MODEL



Anchor Programming

The World Cycling League has been formed by a group of experienced business executives and cycling experts who understand that any successful velodrome has to be anchored by a robust usage plan of cycling and non-cycling events. We created a new league format of indoor track cycling that will attract new fans and users to help justify and drive the development of modest-sized, multi-purpose arenas. Our media driven program of exciting head to head racing called **TeamTrak®** was successfully tested with a livestreamed pilot event in 2016 at the only indoor velodrome in the U.S., AEG's VELO Sports Center in Carson, CA.

The Solution

Our pilot event resulted in extensive research into the design, costs, financing and operation of the ideal velodrome to host TeamTrak programming, a variety of cycling activities and a many non-cycling special events. Facing a capital cost that could range from around \$4 million for a basic bubble with little spectator opportunity to upwards of \$50 million for a typical world class indoor velodrome, we have developed an ideal new indoor velodrome model that can be adapted to appropriate communities.

The Opportunity

Through its current development of indoor velodromes in New Haven, CT and the National Velodrome Events Center in SE Pennsylvania, the WCL can offer cost efficient guidance and support to any organization or community that is contemplating or planning a viable indoor velodrome. In addition to over 5 years of research into the ideal size, design efficiency, financing structure, market research and operating plan, WCL's advisory service includes the potential to develop anchor programming that will provide a quality user experience for every event held at the facility.



VELODROME ADVISORY SERVICES



The WCL recognizes that every new velodrome project is different and that the composition of the planning group will include individuals with a variety of business, real estate, finance and cycling experience. Two major factors that may spell new financing opportunity include a) current need to repurpose shopping malls and big box retailers and b) new Opportunity Zone designations that spur real estate development in approved locations. Below is an overview of the services we are able to offer velodrome developers.

Business Plan Preparation

Work closely with the local velodrome organization to help develop a comprehensive business plan to include the following key elements:

1. Overall mission and long term objectives of the facility
2. Resumes of organization principals, key associates and selected vendors
3. Sport overview, historical perspective and interface with USA Cycling
4. Identify users and visitors (fans, participants, local, national, scholastic)
5. Endorsements (cycling governing bodies, local cycling, collegiate and civic groups)
6. Social and economic benefit to the region
7. Success and risk factors
8. Operating Plan including:
 - a. Year round cycling including annual WCL tournaments and USAC/UCI events
 - b. Optional integration of BMX, outdoor circuits depending upon site
 - c. Multi-use options and opportunities
 - d. Key staff and contractors
 - e. Required suppliers and vendors
9. Marketing Plan including:
 - a. Publicity and advertising
 - b. Sponsorship and media partnerships
 - c. Social media and website development and integration
 - d. Video production and content distribution
10. Financial analysis
 - a. Suggested business structure
 - b. Project cost and capital stack
 - c. Five year operating pro forma
 - d. Financing options
11. Design and Construction Support
 - a. Access to WCL architectural plans and renderings
 - b. Connection to WCL approved vendors and advisors
 - c. Site analysis: Build from scratch or renovate big box retail space.

Presentation Materials

Work closely with the local velodrome organization to develop effective presentation materials to support the business plan:

1. Two minute custom video to pitch the project
2. Access to WCL proprietary photos and presentations as needed

Consulting fee TBD based upon final scope of work

LEAGUE OWNERSHIP



WCL's Advisory Services are provided at no cost to a velodrome development organization that invests at least \$150,000 in World Cycling League, LLC. In addition to WCL's Advisory Services, League investment includes:

1. "A" preferred ownership shares in World Cycling League, LLC. (Complete investment details available)
2. Headquarters and territory protection for a TeamTrak conference license including a TeamTrak home team and an annual season of up to 14 WCL 3 session tournaments between October and March.
3. Preferred access to WCL custom programming and relationships with WCL specialty vendors
4. Website and social media integration
5. Customized TeamTrak merchandise and right to use WCL and TeamTrak Team logos on all materials

WCL Consulting Team

David Chauner, CEO: 40 years creating and managing cycling properties; Produced hundreds of major U.S. road and track events; Secured over \$50 million in corporate sponsorships; Negotiated dozens of network and cable media deals; Two time Olympic cyclist and Hall of Fame member.

John Nelson, COO: 30+ years as serial entrepreneur and c-level executive; Senior management team in eight successful start-ups; Industry expertise in finance, software, bicycles, food service; Graduate of Brown University and MIT Sloan School of Management

Rick Mayer, Director: 30+ years as business executive, entrepreneur and investor; Ran off shore scrap steel, shipping and oil refining businesses; Advisor/investor in media, entertainment and sports companies; Founder/partner in non-profit to develop CT National Velodrome complex; Graduate of Yale University and lifelong cyclist

John West, Obsession Media: 30+ years in sports media, sponsorship and advertising sales; Specialist in content development for niche sports properties; Original management team of 2, 24 hour sports channels; Revenue growth expertise: \$0 to \$180M prior to acquisition; Current focus on new media monetization: OTT, PPV, VOD

Stephen Whisnant, Whisnant Strategies, LLC 30+ years in nonprofit management and higher education including senior roles at Harvard University, founder and executive director of World T.E.A.M. Sports assisting with sports events and activities around the globe. Served as a managing director for the US Olympic Committee, serves on several national nonprofit boards including the Velodrome Development Foundation to assist in developing philanthropic investment opportunities.

QMAC Capital, Chris McHugh and John McElwee, Principals: Developers of tax mitigation, financing strategies and incentive programs that increase the overall attractiveness of IRR for investors and NOI for project developers. Principals' experience includes senior portfolio management, securities analysis, renewable energy development and private fund development for multi-billion dollar growth funds including Turner Investments, Kawa Capital Partners and Kildare Capital.

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