

Exploring Economic Impacts of Sports Team Relocation

Regional Economic Models, Inc.

Agenda



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*what does **REMI** say?sm*

About Us



We are the nation's leader in dynamic local, state and national policy modeling.

From the start, REMI has sought to improve public policy through economic modeling software that informs policies impacting our day-to-day lives.

We were founded in 1980 on a transformative idea: government decision-makers should test the economic effects of their policies before they're implemented.

At REMI, we're inspired by a single goal: *improving public policies.*



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About Us



At REMI, we're inspired by a single goal: *improving public policies.*

Our models are built for any state, county, or combination of counties in the United States.

Our Representative Clients

Our model users and consulting clients use REMI software solutions to perform rigorous economic analysis that critically influences policy.



NORTH CAROLINA
Department of Commerce



Los Angeles County Metropolitan
Transportation Authority (Metro)



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Topic Overview



Expansion and relocation of professional sports franchises has been a topic of interest for decades. Professional sports leagues have expanded over the past centuries and franchises often change cities and locations.

Recently, there has been a push to expand the four major leagues in the United States (MLB, NBA, NFL, and NHL).

With rising interest in sports, leagues across all sports have been trying to expand geographically across the country.

Expansion of leagues and relocation of franchises can bring up major economic implications for the region affected, both positive and negative.

Properly modeling and accounting for the economic effects of relocation and expansion can help regional governments plan for the future.

In this webinar, we will take a look at the potential relocation of the Chicago Bears to Indiana and how the relocation can have effects on both Illinois and Indiana.

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Recent Updates in the Sports World



Over the past couple of days, the Chicago Bears have taken steps to relocate from their current stadium in Chicago, to a new facility in the State of Indiana. The board of directors recently voted to advance these plans.

The details behind the site and development itself are still in talks, but ownership seems motivated towards the relocation effort.

This isn't a new phenomenon in sports, as aging infrastructure often prompts relocation to areas with more land and the ability to build a world-class stadium.

Relocation and expansions of franchises often take years of planning and legal processes to move forward, so planning beforehand allows for regions to prepare and take advantage of the new team arriving.

Other examples of recent relocations and expansions include:

- Seattle Kraken expansion to the NHL
- Las Vegas Raiders relocation from Oakland, CA
- Las Vegas Golden Knights expansion to the NHL
- Over 10 new expansion teams added to MLS over the last decade

Aspects to Consider with Relocation and Expansion



| Tourism | Stadium Revenues | Team Employment & Salaries |
|---|---|---|
| <ul style="list-style-type: none">• Professional sports teams bring in fans from other teams and tourists alike to a city• Tourists can help stimulate an economy by bringing outside money into a new region• Tourism can help boost local businesses, hotels, and transportation groups | <ul style="list-style-type: none">• To attend a game, patrons are required to purchase a ticket and have the option to buy food at the game• Ticket and concession sales bring a decent amount of entertainment spending into the area | <ul style="list-style-type: none">• Franchises themselves employ hundreds of workers to support stadium, front office, and player operations• Players of the teams often receive high salaries, which can have implications on the economy and the fiscal budget of the area |

Two Lenses of Analysis



Economic Development in Indiana

- Relocation to Indiana can provide a unique economic development opportunity for the state
- Along with the stadium, development around can occur, with venues across all leagues hosting entertainment districts nearby the stadium
- Investment in the area can facilitate construction employment, stadium employment, and new tourism to the area

Loss of Business in Illinois

- The loss of a franchise in the state of Illinois can lead to a reduction in business
- Businesses that rely on tourism and stadium attendance can face challenges after relocation
- The state can also face tax revenue loss, especially with income and sales tax

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PROSERIS

PROSERIS is a browser-based tool that shows how policies, investments, and projects affect jobs, income, and growth.

Built on 40+ years of trusted REMI modeling, it combines clear visuals, AI-driven analysis, and easy report generation. All at the click of a button. PROSERIS makes complex economic insights simple, visual, and ready to share.

How does PROSERIS work?

1 Data Input



2 AI Assist



3 Predictive Modeling



4 Clear Results

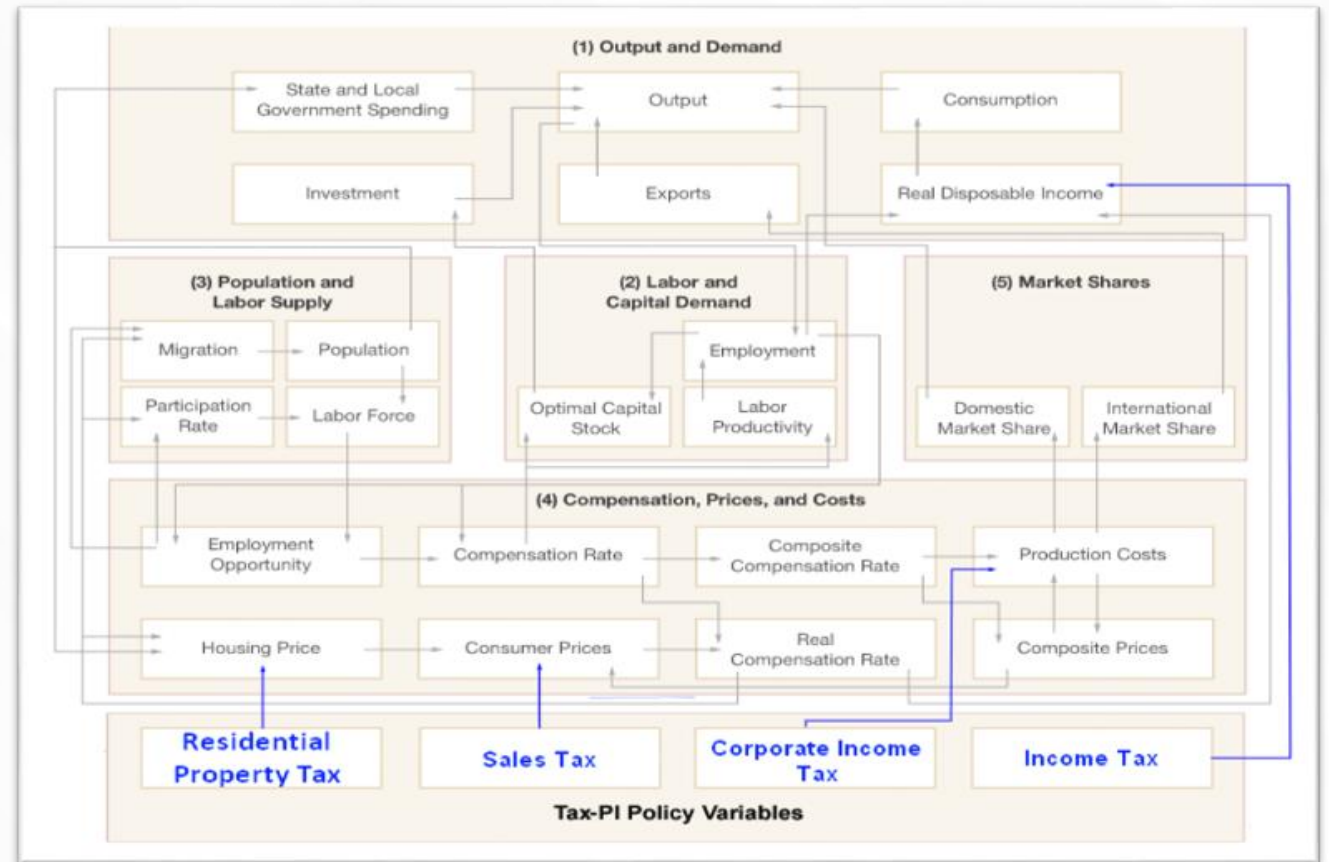


Model Description: Tax-PI



REMI Tax-PI is the only commercially available dynamic macroeconomic and fiscal impact analysis tool.

Tax-PI allows users to understand the deep linkages and relationship between a budget and its economic foundation



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Inputs to the Model



Industry Sales

Construction: This covers the cost of the stadium construction. With such a large price tag to modern NFL stadiums, a large number of jobs are required to build the stadium. Workers from the region and surrounding areas are expected to join in the effort to construct the new stadium.

Spectator Sports: This covers the revenue that the stadium brings to the area. Ticket sales and concession purchases bring economic output to the state.

Tourism Spending

This covers the spending tourists bring to the state. Hotels, restaurants, rideshare services, retail, and more receive revenue from out of town tourists who help stimulate the regional economy.

Compensation

This covers the compensation of the athletes and staff associated with the team. Payroll for professional sports teams are often quite high, so accounting for this is important.

Assumptions



Industry Sales

Construction: Since a final cost is not confirmed, we assumed a **\$3 billion cost** on a **four-year timeline**. We are also assuming that **construction starts in 2027** and **stadium operations starts in 2031**.

Spectator Sports: To account for projected ticket and concession revenue, we assume an **average ticket price of \$150** and **average concession spend of \$50**. We also assumed **10 home games a year** with an **attendance of 97% of capacity**.

Tourism Spending

To estimate tourism spending, we assumed that **15% of attendance are visitors**. Tourists follow **GSA rates** for hotel and meal spending, with an **average stay of two days**.

Compensation

We used a payroll of **\$300 million** to account for the compensation of athletes. Since the salary cap is constantly growing, we assumed a **5% growth rate** to account for this.

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Construction Phase Impacts - Indiana



Multipliers

2.10x

Employment
total / direct jobs

2.72x

Output
total / direct output

Impact Summary

| Category | 2027 | 2028 | 2029 | 2030 |
|---------------------|----------|----------|----------|----------|
| Total Employment | 7,302.28 | 7,494.78 | 7,514.22 | 7,351.68 |
| Direct Employment | 3,974.95 | 3,946.52 | 3,917.85 | 3,891.02 |
| Indirect Employment | 501.25 | 505.14 | 506.89 | 504.09 |
| Induced Employment | 2,826.08 | 3,043.12 | 3,089.48 | 2,956.58 |
| Total Output | 1,377.05 | 1,419.61 | 1,428.22 | 1,401.67 |
| Direct Output | 730.45 | 730.45 | 730.45 | 730.45 |
| Indirect Output | 141.69 | 142.50 | 143.21 | 143.39 |
| Induced Output | 504.91 | 546.66 | 554.55 | 527.83 |
| GDP | 751.37 | 776.68 | 784.26 | 772.23 |
| Personal Income | 580.59 | 651.62 | 705.14 | 737.95 |

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Operations Phase Impacts - Indiana



Multipliers

2.10x

Employment
total / direct jobs

2.66x

Output
total / direct output

Impact Summary

[↓ CSV](#) [↓ Ex](#)

| Category | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 |
|---------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Total Employment | 4,717.38 | 4,929.91 | 4,946.52 | 4,803.49 | 4,592.45 | 4,373.09 | 4,165.23 | 3,985.96 | 3,841.52 | 3,728.09 |
| Direct Employment | 2,109.73 | 2,072.74 | 2,035.29 | 1,999.43 | 1,964.70 | 1,933.00 | 1,899.36 | 1,866.12 | 1,834.10 | 1,802.45 |
| Indirect Employment | 227.95 | 224.81 | 223.29 | 218.36 | 215.40 | 212.88 | 210.92 | 209.01 | 206.99 | 205.14 |
| Induced Employment | 2,379.70 | 2,632.37 | 2,687.94 | 2,585.70 | 2,412.35 | 2,227.21 | 2,054.95 | 1,910.83 | 1,800.44 | 1,720.50 |
| Total Output | 661.88 | 716.41 | 731.63 | 714.37 | 682.78 | 648.12 | 616.95 | 591.78 | 573.67 | 562.27 |
| Direct Output | 186.87 | 187.08 | 187.31 | 187.56 | 187.83 | 188.07 | 188.35 | 188.63 | 188.91 | 189.20 |
| Indirect Output | 30.41 | 30.36 | 30.53 | 30.25 | 30.23 | 30.23 | 30.36 | 30.49 | 30.61 | 30.75 |
| Induced Output | 444.61 | 498.98 | 513.78 | 496.55 | 464.72 | 429.81 | 398.24 | 372.66 | 354.15 | 342.32 |
| GDP | 404.00 | 435.24 | 444.87 | 436.98 | 420.42 | 401.92 | 384.70 | 370.76 | 360.63 | 354.00 |
| Personal Income | 600.80 | 663.98 | 709.42 | 736.22 | 752.56 | 764.26 | 774.44 | 785.43 | 798.48 | 813.83 |

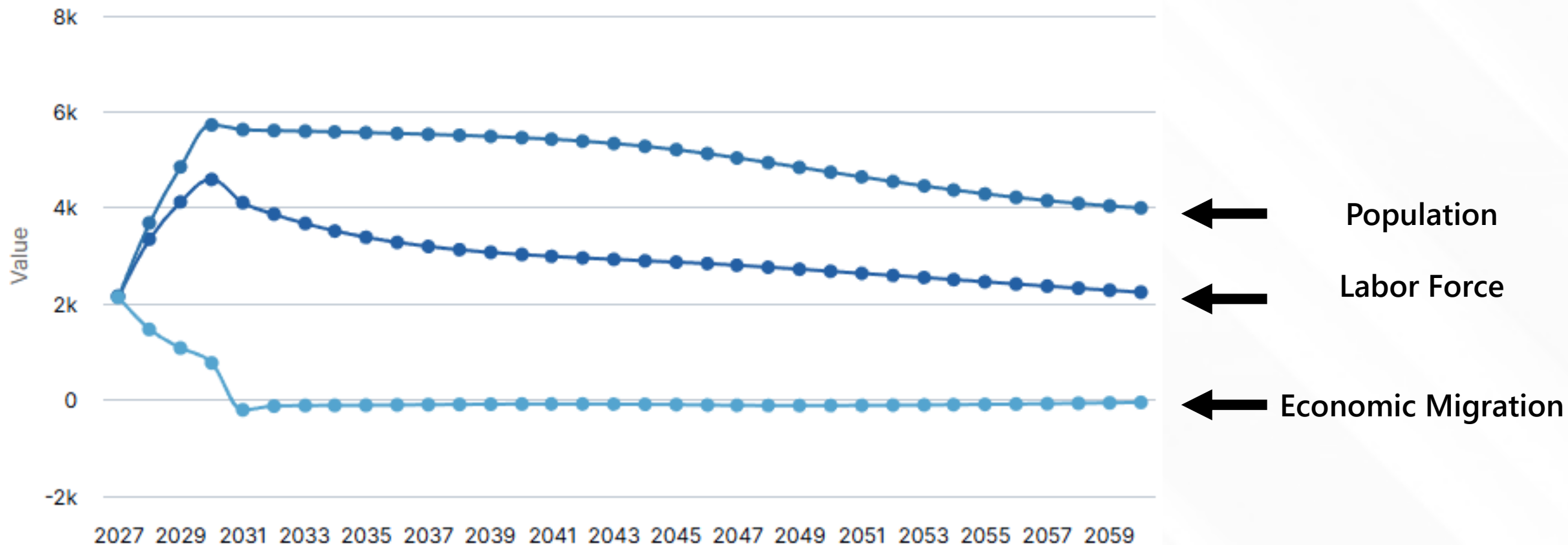
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Demographic Changes - Indiana



Population, Labor force, Migrants

Changes in population, labor force, and migrants



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Economic Summary - Illinois



| Category | Units | 2031 | 2035 | 2040 | 2050 | 2060 | Average |
|------------------------|----------------------------------|---------|---------|---------|---------|---------|---------|
| Total Employment | Thousands (Jobs) | -4.92 | -5.01 | -4.29 | -4.03 | -3.89 | -4.28 |
| Population | Thousands | -1.51 | -4.67 | -5.34 | -5.03 | -4.55 | -4.73 |
| Gross Domestic Product | Billions of Fixed (2025) Dollars | -\$0.52 | -\$0.59 | -\$0.53 | -\$0.60 | -\$0.69 | -\$0.59 |
| Output | Billions of Fixed (2025) Dollars | -\$0.86 | -\$0.96 | -\$0.87 | -\$1.01 | -\$1.22 | -\$0.99 |
| Personal Income | Billions of Current Dollars | -\$0.65 | -\$0.92 | -\$1.06 | -\$1.55 | -\$2.32 | -\$1.39 |

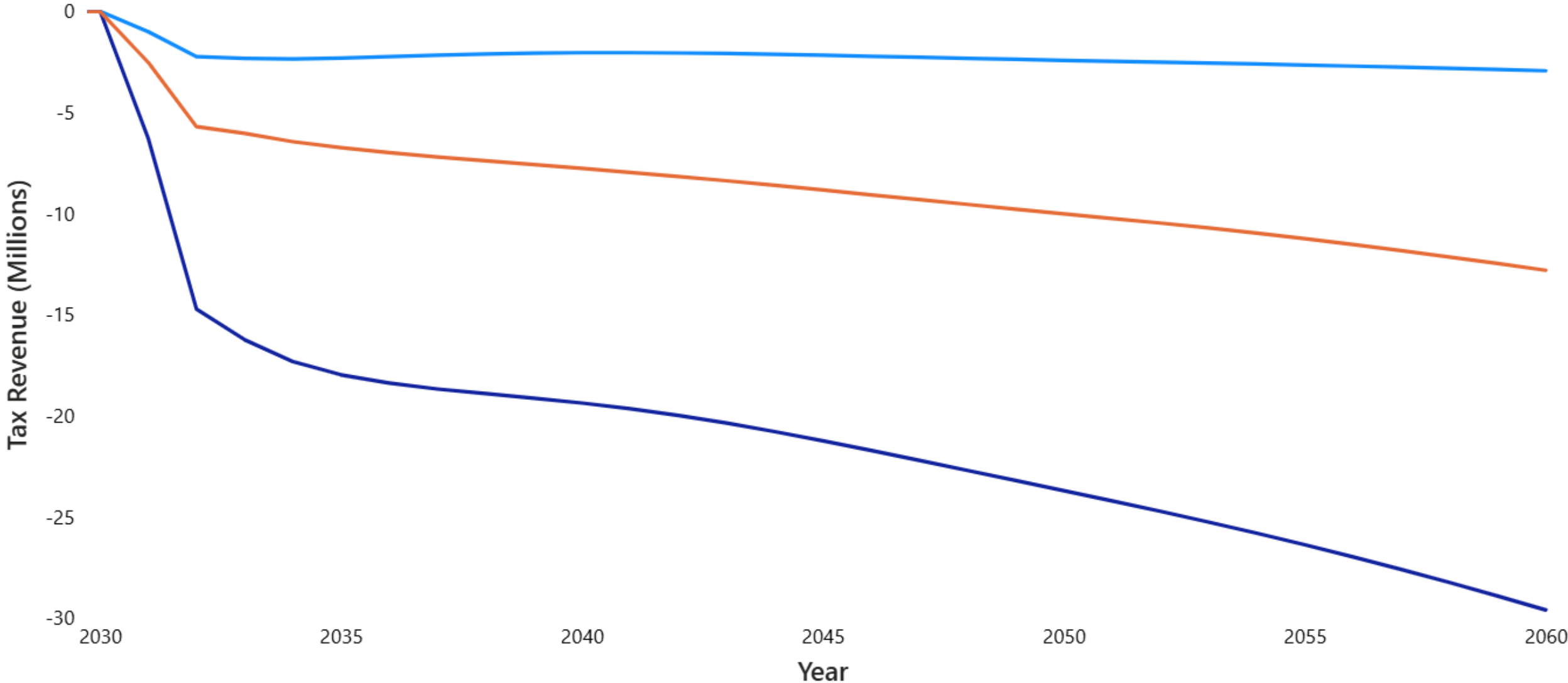
| Revenue Source | Units | FY2031 | FY2035 | FY2040 | FY2050 | FY2060 | Average |
|----------------|--|---------|----------|----------|----------|----------|----------|
| Individual | Millions of Fixed Local (2025) Dollars | -\$6.29 | -\$17.97 | -\$19.37 | -\$23.70 | -\$29.60 | -\$21.67 |
| Corporate | | -\$1.01 | -\$2.31 | -\$2.05 | -\$2.42 | -\$2.94 | -\$2.33 |
| Sales | | -\$2.52 | -\$6.75 | -\$7.77 | -\$10.01 | -\$12.81 | -\$8.95 |

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Tax Revenue Loss - Illinois



Revenue ● Corporate ● Individual ● Sales



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Conclusions and Notable Results



Stadium Construction

- The construction phase brings a large boom to the economy
- Around **7,000 jobs** are added to the economy during the construction phase

Stadium Operations

- Operations play a significant role in the long-term outlook
- Around **4-5 thousand jobs** are supported with around **half a billion in GDP** revolving around the team

Population Response

- Population responds to the relocation of the franchise
- Population shifts are most prevalent during the construction phase, but remain constant over time

Tax Revenue

- A significant chunk of tax revenue is lost when a franchise relocates
- Revenue loss increases over time, with later years expecting around **\$40 million** in later years

Future Outlook on this Analysis



Mixed Use Development

Modern stadiums typically have dynamic retail spaces around the stadium, allowing fans and visitors to enjoy pre-game festivities.

How might mixed-use development around the stadium add to the impacts?

Athlete Compensation

Some professional athletes make high salaries and have different spending patterns than the average consumer.

How might a more detailed analysis account for this unique spending pattern?

Public Financing

Recently, new stadiums are often partially funded by the public in terms of bonds, loans, etc.

With more data available and a concrete plan in place, how will public financing affect the analysis?

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Thank you for attending!

For more information, please contact
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