

Organization Information

Name	McKinney ISD Department of Athletics
Federal Tax ID Number	75-6002032
Incorporation Date	2/1/1848
Mailing Address	4201 S. Hardin Rd
City	MCKINNEY
State	TX
Zip Code	75070
Phone Number	469-302-4184
Fax Number	469-302-4183
Email Address	spratt@mckinneyisd.net
Website	https://departments.mckinneyisd.net/athletics/
Organization Type	Governmental entity
Professional Affiliations and Organizations to Which Your Organization Belongs	Texas High School Athletic Directors Assoc., Texas High School Coaches Assoc., University Interscholastic League, National Interscholastic Athletic Administrators Assoc.

Representative & Contact Information

Representative Completing Application:

Name	Angie Bado
Title	Event Coordinator
Mailing Address	7002 Old York Rd
City	McKinney
State	Texas
Zip Code	75070
Phone Number	9726588560

Fax Number *Field not completed.*

Email Address abado@townsquarebuzz.com

(Section Break)

Contact for Communications Between MCDC and Organization:

Name Angie Bado

Title Event Coordinator

Mailing Address 7002 OLD YORK RD

City MCKINNEY

State TX

Zip Code 75070

Phone Number 9726588560

Fax Number *Field not completed.*

Email Address abado@townsquarebuzz.com

Project Information

Funding - Total Amount Requested 15,000

Are matching funds available? No

Will funding be requested from any other City of McKinney entity (e.g. McKinney Convention and Visitors Bureau, Arts Commission, City of McKinney Community Support Grant)? Yes

Describe funding requested from other City of McKinney entities. The City of McKinney is utilizing funds from the Hotel Occupancy Tax to provide \$30,000 seed money for the NCAA Championship Game.

Promotional / Community 6/1/2019 - 12/22/2019
Event Start and
Completion Dates

Board of Directors Lynn Sperry Curtis Rippee Kenneth Ussery Maria McKenzie
Kathy Livezy Amy Dankel Stephanie Odell

Leadership Staff Shawn Pratt,AD; Jennifer Frazier, Asst. AD; Angie Bado, Lisa
Hermes, President McKinney Chamber

Board of Directors *Field not completed.*
Attachment

Leadership Staff *Field not completed.*
Attachment

Narrative

Using the outline below, provide a written narrative no longer than seven pages in length:

1: Applying Organization

- Describe the mission, strategic goals and objectives, scope of services, day-to-day operations and number of paid staff and volunteers.
- Disclose and summarize any significant, planned organizational changes and describe their potential impact on the Promotion / Community Event for which funds are requested.

2: Promotion / Community Event

- Outline details of the Promotion / Community Event for which funds are requested. Include information regarding scope, goals, objectives and target audience.
 - Describe how this initiative will **showcase McKinney and promote the city for the purpose of business development and/or tourism.**
 - Describe how the proposed Promotional / Community Event fulfills the strategic goals and objectives for your organization.
 - Provide information regarding planned activities in support of the event, time frame / schedule, estimated attendance and admission / registration fees, if planned. **Please note: if admission / registration fees are charged, they must be limited to \$35 or less; event must be open to the public.**
 - Include the venue / location for the proposed event.
 - Provide a timeline for the production of the event.
 - Detail goals for growth / explanation in future years.
 - Attract resident and visitor participation and contribute to business development, tourism and growth of McKinney sales tax revenue.
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- *Highlight and promote McKinney as a unique destination for residents and visitors alike.*
- *Demonstrate informed budgeting / financial planning – addressing revenue generation, costs and use of net revenue.*

Has a request for funding for this Promotional / Community Event been submitted to MCDC in the past? No

3: Financial

- *Provide an overview of the organization’s financial status including the impact of this grant request on organization mission and goals*
- *Please attach your budget for the current year and audited financial statements for the preceding two years. If audited financials are not available, please indicate why.*

Budget [FINAL COPY of NCAA D2 Championship Budget \(1\).pdf](#)

Financial Statements *Field not completed.*

Overview of Promotional / Community Event Financial Goal

Gross Revenue 25,000

Projected Expenses 25,250

Net Revenue 0

Budget [MarketingBudgetNCAA2019.docx](#)

What percentage of Project / Promotional / Community Event funding will be provided by the applicant? 40% of promotional budget

Are matching funds available? Yes

Cash *Field not completed.*

Source *Field not completed.*

Percent of Total	<i>Field not completed.</i>
In-kind	<i>Field not completed.</i>
Source	<i>Field not completed.</i>
Percent of Total	<i>Field not completed.</i>
Other Funding Sources	NCAA will provide approximately approximately \$8,000-\$10,000 for marketing purposes.

4: Marketing and Outreach

- *Describe advertising, marketing plans and outreach strategies for this event – and how they are designed to help you achieve current and future goals.*
- *Provide a detailed outline of planned marketing, advertising and outreach activities and the amount budgeted for each.*

5: Metrics to Evaluate Success

- *Outline the metrics that will be used to evaluate success of the proposed Promotional / Community Event. If funding is awarded, a final report will be required summarizing success in achieving objectives outlined for the event.*

Attach Narrative [MCDC Grant Narrative D2 2019.docx](#)

Acknowledgements

If funding is approved by the MCDC board of directors, applicant will assure:

- *The Promotional / Community Event for which financial assistance is sought will be administered by or under the supervision of the applying organization;*
 - *All funds awarded will be used exclusively for advertising, marketing and promotion of the Promotional / Community event described in this application.*
 - *MCDC will be recognized in all marketing, advertising, outreach and public relations as a funder of the Promotional / Community Event. A logo will be provided by MCDC for inclusion on all advertising, marketing and promotional materials. Specifics for audio messaging will be agreed upon by applicant and MCDC and included in an executed performance agreement.*
 - *The organization's officials who have signed the application are authorized by the organization to submit the application.*
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- Applicant will comply with the MCDC Grant Guidelines in executing the Promotional / Community Event for which funds were received.
- A final report detailing the success of the Promotional / Community Event, as measured against identified metrics, will be provided to MCDC no later than 30 days following the completion of the Promotional / Community Event.
- Grant funding is provided on a reimbursement basis subsequent to submission of a reimbursement request, with copies of invoices and paid receipts for qualified expenses. Up to 20% of the grant awarded may be withheld until the **final report on the Promotional/Community Event is provided to MCDC.**

(Section Break)

Applicant Electronic Signature	Selecting this option indicates your agreement with the above statement.
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Chief Executive Officer	Shawn Pratt
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Date	5/31/2019
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Representative Completing Application	Angie Bado
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Date	5/31/2019
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Notes

- *Incomplete applications or those received after the deadline will not be considered.*
 - *A final report must be provided to MCDC within 30 days of the event / completion of the Promotional / Community Event.*
 - *Final payment of funding awarded will be made upon receipt of final report.*
 - *Please use the [Final Report](#) to report your results. A [PDF version](#) is also available.*
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NCAA Division II Football Championship Promotional Grant Narrative

I. **Applying Organization:** McKinney Independent School District Department of Athletics

McKinney ISD Department of Athletics Department is a department within the McKinney Independent School District. Director of Athletics, Shawn Pratt, who supervises a staff of seven full-time administrators, 57 coaches and hundreds of booster club volunteers, heads the department. There are no planned organizational changes that would impact the NCAA Division II Football Championship event.

The mission of McKinney ISD Department of Athletics is to provide an opportunity to supplement the educational process of students who exhibit an interest in athletics and want a forum to challenge their physical and emotional capabilities.

The goals of the Department of Athletics are to promote the following:

Education: teaching and practicing physical skills that encourage social interaction and physical and mental well being through interscholastic athletics and physical education.

Competition: promoting teamwork, leadership, sportsmanship, and the achievement of personal goals and pursuit of excellence through competitive opportunities at the high school, club, and intramural levels.

Health: promoting stress management and the pursuit of a balanced and healthy lifestyle through the availability of facilities for personal fitness, athletics and recreation.

II. Promotional

a. Event Overview:

In December of 2018, the City of McKinney took center stage as the McKinney ISD Department of Athletics, in conjunction with the Lone Star Conference, hosted the National Collegiate Athletic Association (NCAA) Division II Football National Championship at the McKinney Independent School District's new, state-of-the-art athletics stadium.

Despite a short lead time of only five weeks, and a marketing budget of a mere \$8000, McKinney ISD Department of Athletics, in partnership with an events committee, McKinney ISD, the City of McKinney, the McKinney Convention & Visitors Bureau, the McKinney Chamber of Commerce and community volunteers, planned and executed two days of events and the championship game at McKinney ISD's outstanding new football stadium. The championship game attracted a combination of approximately 6000 fans, players, coaches and volunteers to McKinney to the event. In total, approximately 60 local, dedicated volunteers helped to accomplish a successful series of events and the championship game.

In March of 2019, the NCAA announced that they have awarded the McKinney Department of Athletics, in conjunction with McKinney ISD and the City of McKinney, the Division II Football Championship game for three years - Dec. 21, 2019, Dec. 19, 2020, and Dec. 18, 2021.

“The Lone Star Conference and the city of McKinney performed in an outstanding fashion in hosting the 2018 championship despite having a short window of time for preparation,” said NCAA Division II Football Committee chair Reid Amos. “Combine that local effort with such an outstanding facility and it was an easy decision for the committee to make regarding future championships.”

High-profile events, such as this championship game, provide the city an opportunity to showcase McKinney’s vibrant and charming community, as well as spur its hospitality businesses, and drive tourism bolstering local sales tax dollars.

An economic impact study, (see attached study) commissioned by McKinney ISD Athletics, shows that the state and local economy stands to reap over **\$1.1 million in economic gain** as a result of hosting this championship game. This study assumes that both teams competing in the championship game will be from outside Texas, and will attract fans to spend at least one night in area hotels. However, if one competing team becomes a Texas university, the numbers in game attendance and one overnight stay would be estimated to increase by at least 10%.

The data used in the economic impact study is the result of the numbers of documented attendees at the 2018 championship game between Ferris State (Michigan) and Valdosta State (Georgia).

The dollars invested in the NCAA championship game are not only an investment in today’s economy, but also sets the stage for similar future events that will drive tourism, stimulate job growth and enhance economic development.

Additionally, the NCAA Championship game was shown on ESPN 2 and showcased McKinney and its stadium on national television. According to the city marketing department, “The city could not have afforded to pay for the amount of publicity received while the game was being televised.”

b. Timeline of events and marketing timeline for each

This year’s championship game will take place at McKinney ISD Stadium on Saturday, December 21 at 3:00. Supporting events such as Fan Fest and Tacos, Tequila and Cerveza, will be held Thursday, December 19 through game day on the 21st. See details in table below.

EVENT	LOCATION	ADMISSION	MARKETING TIMELINE	PROJECTED ATTENDANCE	MARKETING	BUDGET
Fan Fest Friday, Dec. 20 6 – 8 p.m.	TBD Held at Tupps 2018	Free	8/1 – 12/22	800 - 1000	Digital Marketing targeting: *Championship team cities and surrounding areas *McKinney, TX	\$2000
Shopping tour & lunch Friday, Dec. 20, 10 a.m. – 2 p.m.	Downtown McKinney	Cost of lunch	8/1 -12/22	50 - 200	Digital marketing shared with participating colleges' alumni offices and administration Email distribution Ads visiting city CVBs	\$1000
Family Tailgate Saturday, Dec. 21 1 – 3 p.m.	MISD Stadium Parking Lot Kids games,	Free	8/1-12/21	1500	Posters Information sent out via McKinney ISD Digital Marketing	\$1000
Tacos, Tequila & Cerveza Game day Dec. 21	McKinney Eateries offer taco special. Fans vote on favorite taco.	Cost of individual purchases	7/1-12/22	2000 participants	Digital Marketing targeting final 4 Championship cities and surrounding areas McKinney and Collin County Posters	\$4000
DII Championship Football Game Dec. 21, 3:00 p.m.	McKinney ISD Stadium	General \$20 Reserved \$25	7/1 – 12/22	Goal: 8000	Radio: The Ticket DMN, Courier Community Impact Social Media Digital Ads Gamification	\$5000 \$3000 \$4000 \$250
Website enhancement www.D2McKinney.com			July 2019	Encourage visitors to register ahead and provide opportunity for planning	Add “Plan Your Trip” capability	\$5000

c. Supporting MCDC/Event Goals

- The NCAA Championship Game will showcase the City of McKinney as a destination for tourists, highlighting the city's entertainment
- Promote McKinney's quality of life through community engagement by hosting a family tailgate and other family friendly events, including the game.
- Promote business in McKinney through story telling via digital media promoting events
- Promote McKinney as a tourist destination through marketing the game and surrounding events and by featuring McKinney's unique downtown, Adriatica, TPC, The Dye Course at Stonebridge Ranch and other highlights such as dining, shopping and the charm that McKinney has to offer through digital marketing.
- Establish McKinney as a viable event destination providing the opportunity for attracting future big events that foster economic growth.

MARKETING GOALS	TIMELINE (for Marketing)	MEASURABLE METRICS	TRACKING
Attract more visitors to McKinney	Sept. 2019 – December 2019	Increase in visitors to McKinney by 30%	Records from hotels, CVB, Main Street McKinney MCVB
Increase championship game attendance	December 19 – 22, 2019	50% Increase in hotel rooms booked during game week Increase game attendance 25%	Hotel receipts, Athletic Dept. Records Digital Marketing contest
Promote hospitality industry Fan Fest Shopping Tour Family Tailgate Plan Your Trip App	June 1 – Dec. 22, 2019	Increase in sales in hospitality business over 2018 for same time frame. Track business through Chamber and business community for game week	Main Street McKinney McKinney Chamber
Promote Community Engagement	Aug. 1 – Dec. 21	Track number of event participants who are local	Track: Merchant input Website info gathering McKinney ISD social media engagement
Attract visitors to McKinney	July 1 – Dec. 22	Increase in number of visitors during the week of the game	MCVB Compare with baseline statistics

III. Financial Information:

- The budget for the NCAA game and surrounding events is attached.
- Proposed marketing budget below:

NCAA Championship Game 2019 Marketing Budget

Projected Income	2019 Budget
MCDC Grant	\$15,000
NCAA Marketing	\$ 8,000
NCAA Website Development	\$ 2,000
TOTAL	\$25,000

Projected Marketing Expenses	2019 Budget
Digital Marketing (Targeted digital ads, social media, contests)	\$14,000
Gamification contest	\$ 250
Website enhancement	\$ 6,000
Radio ads (The Ticket)	\$ 5,000
TOTAL	\$25, 250

IV. Marketing & Outreach

- Design ad graphics & place digital ads for each game week event. Ongoing 7/1 – 12/22



- Posters placed in retailers around McKinney (November, 2019)
- Launch economic impact PR blitz via social media, websites, news outlets, speak at local clubs (June 19, 2019)
- Social Media posts/boosts (ongoing beginning 7/1)
- Active Facebook, Instagram and Twitter pages (ongoing)
- Video production and distribution through various channels including website, social media channels, Chamber, MISD, MCVB (Aug – Sept)
- Story submitted to local news outlets (June, Sept.)
- Share marketing with Lone Star Conference and NCAA (Sept. – Dec.)
- Visit with local organizations to present information about the game and events
- Enlist the support/service of high school booster clubs

A grant for promotional funding from MCDC would make it possible to

- Increase the digital ad spend, reaching a greater target audience, providing more information about McKinney, the game and surrounding events to a larger, but more defined audience.
- Utilize sports radio to engage an audience of sports enthusiasts
- Enhance website to promote “Plan Your Trip” options, encouraging prospective visitors to plan their entire trip through the D2McKinney.com website. This addition would allow the event team and MCVB to more effectively track the number of visitors, where they stay, dine and seek entertainment. Providing this data may be helpful to the City of McKinney and MEDC as they pursue business opportunities to enhance economic development.
- Utilize contests to increase traffic to the D2McKinney website

V. Metrics to Evaluate Success (details listed above in table with marketing goals)

- Attendance at football game: Increase attendance by 1000 fans
- Visitors: Attract 30% more visitors to McKinney than same time frame last year
- Spur economic benefit in the City of McKinney business community through sales tax dollars – increase in hospitality and entertainment receipts
- Track non-McKinney attendance through game ticket sales

NCAA Championship Game & Events 2019 Marketing Budget

Projected Income	2019 Budget
MCDC Grant	\$15,000
NCAA Marketing	\$ 8,000
NCAA Website Development	\$ 2,000
TOTAL	\$25,000

Projected Marketing Expenses	2019 Budget
Digital Marketing (Targeted digital ads, social media, contests)	\$14,000
Gamification contest	\$ 250
Website enhancement	\$ 6,000
Radio ads (The Ticket)	\$ 5,000
TOTAL	\$25, 250

**NCAA DIVISION 2
NATIONAL CHAMPIONSHIP FOOTBALL GAME
Budget Originals/Actuals**

REIMBURSABLE ITEMS INCLUDED IN MISD'S BID	2018 BID	2018 Actual
PROMOTION	2018-2019	2018-2019
Advertising (FB/RadioMicrosite)	\$ 8,500.00	\$ 7,208.94
Postage	\$ -	\$ -
Printing	\$ -	\$ -
TOTAL PROMOTION	\$ 8,500.00	\$ 7,208.94
TICKETS	2018-2019	2018-2019
Postage	\$ 100.00	\$ -
Printing	\$ 500.00	\$ -
Ticket IPADS	\$ 2,842.00	\$ 2,842.00
Ticket ITOUCHES	\$ 2,041.00	\$ 2,041.00
TOTAL TICKETS	\$ 5,483.00	\$ 4,883.00
FACILITY / BRANDING	2018-2019	2018-2019
Supplies	\$ -	\$ -
Facility Rental Charge	\$ -	\$ -
Décor	\$ 100.00	\$ 271.30
Inside Locker Rooms	\$ 2,160.00	\$ 2,160.00
Top Portion of Locker Room	\$ 1,500.00	\$ 1,500.00
Exit and Entry locker room walls near doors	\$ 3,300.00	\$ 3,300.00
Banner wrap over M front of Stadium	\$ 3,040.00	\$ 3,040.00
TOTAL FACILITY/BRANDING	\$ 10,100.00	\$ 10,271.30
PERSONNEL	2018-2019	2018-2019
Stadium Manager (J Hodges)	\$ 175.00	\$ 175.00
Gate Admin (Causey)	\$ 150.00	\$ 150.00
Will Call / Press (Ladd / M Young)	\$ 70.00	\$ 140.00
Pass Gate (Barnes/Volzer/Holloman)	\$ 80.00	\$ 240.00
Ticket Sellers 8 x \$90	\$ 720.00	\$ 720.00
Ticket Takers 6 X \$80	\$ 480.00	\$ 480.00
25/40 Second Clock (Stephenson)	\$ 125.00	\$ 125.00
Game Clock Operator	\$ 75.00	\$ 125.00
Scoreboard	\$ 75.00	\$ 75.00
Green Vest SRA	\$ 75.00	\$ 75.00
Communicator	\$ 75.00	\$ 75.00
Spotter (M Bilyeu)	\$ 75.00	\$ 75.00
Audio Mixer (Bilyeu)	\$ 125.00	\$ 125.00
PA Announcer (Bruck)	\$ 150.00	\$ 150.00
Officials Host (Villareal)	\$ 125.00	\$ 125.00
Home Team Host. (Gatewood)	\$ 125.00	\$ 125.00
Vistinging Team Host (Johnson)	\$ 125.00	\$ 125.00
Fine Arts Host (Price/Barnes)	\$ 125.00	\$ 250.00
North Elevator (Neal)	\$ 80.00	\$ 80.00
South Elevator (Volunteer)	\$ 80.00	\$ -
Press Box Host 2 (P Martin/S Frazier)	\$ 250.00	\$ 250.00
VIP Host 1 (C Dowell)	\$ 125.00	\$ 125.00
Video Board Producer X2 (Runge/Schumaker)	\$ 300.00	\$ 300.00
Technical Director	\$ 100.00	\$ 100.00
Replay	\$ 100.00	\$ 100.00
Graphics	\$ 100.00	\$ 100.00
Game Director	\$ 100.00	\$ 100.00
Asst to Tech Director	\$ 100.00	\$ 100.00
Camera Op	\$ 100.00	\$ 100.00
Cameral Op	\$ 100.00	\$ 100.00
Statistician (McPherson)	\$ 200.00	\$ 200.00
Clerical (Lester/Justice)	\$ 150.00	\$ 275.00
Custodian	\$ 7,500.00	\$ 5,286.28
Grounds Crew	\$ 3,000.00	\$ 832.33
Maintenance Facility Labor	\$ 5,000.00	\$ 506.22
EMT / Fire	\$ 800.00	\$ 10,745.06
Hellas Turf Cleaning	\$ 7,500.00	\$ 7,500.00
Police (Fan Fest/Escorts/Game)	\$ 4,300.00	\$ 8,685.00
D&L Security	\$ 4,800.00	\$ 4,799.99
Football Committee Lodging 8x\$124x4 nights	\$ 3,968.00	\$ 3,475.36
LSC Officials 6x\$124 hotel / suburbans	\$ 744.00	\$ 906.80
TOTAL PERSONNEL	\$ 42,447.00	\$ 48,022.04

EXPENSES OUTSIDE OF MISD'S BID	2018-2019	NOTES
Pizza for Hotel	\$ 710.00	HOSPITALITY
Initial NCAA site vist lunch	\$ 421.20	HOSPITALITY
Initial NCAA site vist lunch	\$ 111.13	HOSPITALITY
Pizza for Workers on Fri	\$ 100.00	HOSPITALITY
Trophy Plate for Main Event	\$ 21.50	HOSPITALITY
Aramark for Cheer Breakfast	\$ 570.00	HOSPITALITY
Print Lab Banners semi final game	\$ 195.75	HOSPITALITY
Print Lab Banners for game	\$ 195.75	HOSPITALITY
Fan Fest Lighting (DM Event)	\$ 850.00	FAN FEST
Signage Fan Fest	\$ 463.48	FAN FEST
Fan Fest Insurance	\$ 187.00	FAN FEST
Cowboy Hats for Players	\$ 2,465.50	PLAYERS
Amazon Gift Cards	\$ 5,800.00	PLAYERS
Locker Tags	\$ 624.00	PLAYERS
Locker Diamond Plates	\$ 3,130.00	
Mini FB's for Elementary's	\$ 2,519.00	COMMUNITY
Painting of Field	\$ 18,370.13	GAME
Painting of Seat Sections	\$ 3,800.00	GAME
Parking Stickers	\$ 480.00	GAME
Microphone Wind Buster	\$ 39.90	GAME
Plywood for NCAA stage	\$ 18.47	GAME
ESPN Generators	\$ 12,877.50	GAME
Tailgate & Tupps Porta Johns	\$ 1,350.00	GAME / FAN FEST
Airfair for Valdosta Trip	\$ 2,917.79	GAME
Hotel for Valdosta Trip	\$ 695.50	GAME
Rental Car	\$ 115.05	GAME
Gas	\$ 61.45	GAME
Dinner	\$ 167.00	GAME
Merchandise Cost	\$ 2,482.22	GAME
Programs Cost to IM College	\$ 2,633.23	GAME
Volunteer T Shirts	\$ 930.00	GAME
Aramark for Valdosta St Pres Suite	\$ 971.25	GAME
Aramark for ESPN Lunch	\$ 518.00	GAME
Main Event GoBo Lighting	\$ 437.50	
Firework Permits	\$ 800.00	GAME
Tent Permits	\$ 100.00	GAME
Add'l tickets purchased	\$ 904.96	GAME
Payroll taxes for employee workers	\$ 237.48	GAME
TOTAL EXPENSES	\$ 69,271.74	

REVENUE GIFTS	2018-2019	
City of McKinney	\$ 30,000.00	
Parking	\$ 11,006.50	
Ronnie Flowers	\$ 10,000.00	PLAYERS GIFTS
Encore Wire	\$ 3,000.00	
Bob & Brandon Tomes	\$ 1,000.00	
Independent Bank	\$ 1,000.00	
First United Bank	\$ 500.00	
CUTX (mini fb's)	\$ 2,519.00	
Programs	\$ 3,230.00	CLEARED \$596.77
Merchandise	\$ 7,362.00	CLEARED \$4879.78
Body Shop for Tshirts	\$ 930.00	
Valdosta State for Pres Suite	\$ 1,500.00	PAY FOR FOOD
ESPN for their Lunch	\$ 518.00	
Valdosta St for extra Main Event	\$ 727.80	PAY FOR 12 EXTRA KIDS
Ticket Revenue	-	
Revenue from Cheer Breakfast	\$ 45.00	
TOTAL REVENUE	\$ 73,338.30	

EXPENSES OUTSIDE OF MISD'S BID		
TOTAL REVENUE	\$ 73,338.30	
TOTAL EXPENSES	\$ 69,271.74	
TOTAL OUTSIDE OF BID	\$ 4,066.56	

NCAA DIVISION 2
NATIONAL CHAMPIONSHIP FOOTBALL GAME
Budget Originals/Actuals

ENTERTAINMENT	2018-2019	2018-2019
Media (Newks / Sheraton snacks)	\$ 1,000.00	\$ 907.44
Pregame, Halftime, and Postgame (VIP)	\$ 1,000.00	\$ 1,667.25
Meetings	\$ 600.00	\$ -
Banquets (Main Event) Balloons & Ribbon	\$ 14,356.00	\$ 14,655.56
Participant Refreshments (Snacks)	\$ 1,000.00	\$ 841.33
TOTAL ENTERTAINMENT	\$ 17,956.00	\$ 18,071.58
EQUIPMENT	2018-2019	2018-2019
Telephone Installation	\$ 200.00	\$ -
Temporary Restrooms	\$ -	\$ -
Copy / Fax Machines	\$ -	\$ -
TOTAL EQUIPMENT	\$ 200.00	\$ -
OFFICIATING EXPENSES	2018-2019	2018-2019
Officials Lodging	\$ 3,348.00	\$ 2,876.16
Officials Travel		
Officials Fees		
Officials Per Diem		
TOTAL OFFICIATING EXPENSES	\$ 3,348.00	\$ 2,876.16
FINAL BID	\$ 88,144.00	
ACTUAL EXPENSES		\$ 91,333.02
TICKET REVENUE		\$ 75,065.90
DUE FROM NCAA		\$ 13,643.00
HONORARIUM DUE TO MISD AND LSC		\$ 1,500.00
TOTAL		\$ 90,208.90

REIMBURSABLE ITEMS INCLUDED IN MISD'S BID		
TOTAL BID REIMBURSEMENT	\$	90,208.90
ACTUAL BID EXPENSES	\$	91,333.02
TOTAL BID	\$	(1,124.12)

TOTAL FINANCIALS IN AND OUTSIDE OF NCAA BID		
OUTSIDE OF BID	\$	4,066.56
INSIDE OF BID		(\$1,124.12)
TOTAL REVENUE	\$	2,942.44

CONCESSION REVENUE		
	2018-2019	
McKinney High	\$ 3,147.19	
McKinney North	\$ 3,147.19	
McKinney Boyd	\$ 3,147.19	
TOTAL CONCESSION REVENUE	\$	9,441.57

**Economic Impact Study of the
2019 NCAA Division II Football Championship**

December 21, 2019 in McKinney, Texas

Submitted for consideration under the Events Trust Fund by:

Don Hoyte, Ph.D.
TexasTrustFunds.com
10704 Scotland Well Drive
Austin, Texas 78750

On behalf of

City of McKinney

May 10, 2019

Event Background

Field renovations at the home of Sporting Kansas City scheduled immediately after the close of the 2018 MLS season pushed the NCAA into a last-minute change of plans for the 2018 Division II Football Championship game. Originally the NCAA had awarded the Championship game to Kansas City to be played at Children’s Mercy Park in December, but the renovations would not allow the game to be held there on December 15, 2018.¹

Following solicitation of several new bids, the NCAA awarded the Division II Football Championship game to the city of McKinney, Texas. The recommendation to hold the game at McKinney Independent School District Stadium and Community Event Center was approved by the NCAA Division II Championships Committee on Thursday October 4, 2018.²

McKinney was one of several bids that the NCAA received to host the 2018 championship game. The selection time frame came a scant five weeks before the NCAA Division II football playoffs were scheduled to begin on Saturday, Nov. 17, 2018.³ The new location for the 2018 Division II national championship game opened earlier in 2018 and offered a 12,000-seat facility built specifically for football.

The Lone Star Conference in conjunction with McKinney ISD hosted the 2018 championship game between Valdosta State and Ferris State which saw a total of 4,200 attendees at the game. Following a tremendous experience in December 2018, the NCAA Division II Football Committee at their February 2019 meeting chose McKinney Independent School District Stadium in McKinney, Texas, as the host site of the 2019-21 Division II football national championship games.

“The Lone Star Conference and the city of McKinney performed in an outstanding fashion in hosting the 2018 championship despite having a short window of time for preparation,” said NCAA Division II Football Committee chair Reid Amos. “Combine that local effort with such an outstanding facility and it was an easy decision for the committee to make regarding future championships. The efforts of Commissioner Jay Poerner of the Lone Star Conference, Shawn Pratt and Jennifer Frazier of McKinney ISD and their tremendous staff were lauded by everyone who attended or was associated with the 2018 championship. We are looking forward to seeing what the results will be with a full year to prepare each of the next three years in hosting our NCAA Championship event.” Under the award, McKinney ISD Stadium and Community Event Center, will host the Division II Football Championship games on Dec. 21, 2019, Dec. 19, 2020, and Dec. 18, 2021.⁴

¹ <https://www.kansascity.com/sports/college/article217802560.html> posted September 4, 2018.

² The last-minute timing of this selection process precluded McKinney from considering an application for Event Trust Fund support of the event in 2018.

³ <https://www.ncaa.com/news/football/article/2018-10-04/2018-dii-football-championship-headed-texas>

⁴ <https://www.ncaa.com/news/football/article/2018-10-04/2018-dii-football-championship-headed-texas>

The Division II Football Championship has been held annually since 1973 and of the forty-six championship games, Texas teams have participated four times: Texas A&M-Commerce (2017), Texas A&M-Kingsville (1994) and Texas State (1981, 1982). Despite the very short promotion time afforded the 2018 Championship’s location in McKinney, the most recent Championship won by Valdosta State 49-47 over Ferris State saw a total attendance of 4,200 of which 3,553 tickets were sold with the remaining attendees credentialed including teams, coaches, NCAA personnel, officials, media and affiliated school participants (band, cheer, administrators, etc.).⁵

Given the additional lead time for hosting the 2019 Championship it is expected attendance at the game could be increased substantially above that seen in 2018, but the estimated pattern of attendance at the 2019 NCAA Division II Championship football game based on the 2018 attendance as presented in Table 1. This estimate is predicated on two out-of-state teams competing in the next championship as has occurred in 42 of 46 previous title games.

Table 1
Estimated Player, Coach, Fan and Other Attendance
2019 NCAA Division II Football Championship
 December 21, 2019 in McKinney, Texas

<u>Date</u>	<u>Schedule</u>	<u>Athletes & Coaches</u>	<u>NCAA Staff, Officials & Media</u>	<u>Other Credentialed Attendance*</u>	<u>Ticketed Attendance**</u>	<u>Out-of-State Fans</u>
18-Dec	Wed.- Arrive	162	31	50	324	324
19-Dec	Thu. - Practice	162	46	60	374	337
20-Dec	Fri. -Practice	162	48	200	2,487	1,990
21-Dec	Sat. - Championship	162	43	442	3,553	2,665
22-Dec	Sun. -return	81	10	100	711	675

*includes band, cheer squads, administrators, trainers and assistants

** Saturday Ticketed attendance, other days families, friends and fans

⁵ Total game attendance and ticket sales provided by DeeDee Guerra, Executive Director, VisitMcKinney. April 4, 2019.

Total Economic Gain

The economic gain from events such as the NCAA Division II Football Championship is significant for the state and for the local economy. When calculated correctly, this “gain” is not merely the dollars that Texans might have otherwise spent in the state, but it represents a true addition to the local and state economy by bringing in expenditures from outside the state.

For the NCAA Division II Football Championship and related activities, this gain to Texas is pegged at more than \$1.1 million (Table 2)⁶:

Table 2
**Expenditure and Impact Summary for the
2019 NCAA Division II Football Championship**
December 21, 2019 in McKinney, Texas

Total Room nights	2,006
Hotel Expenditure	\$213,345
Food and Beverage	\$347,506
Entertainment & Shopping	\$445,503
Other Taxable Expenditures	\$123,999
Total Economic Impact	\$1,130,353

In total, Texas should realize a gain in filling more than 2,000 hotel room-nights and see a hotel expenditure gain of more than \$200,000 to the state of Texas.

⁶ Note these gains include only expenditures by fans visiting from outside Texas. Those fans from Texas traveling to and staying in McKinney for the event are not included in these totals. Nor are there any indirect or induced economic impacts included in the total. Such indirect and induced effects will occur from hosting the event, but for the purposes of the Event Trust Fund calculations, such impacts are ignored.

Event Trust Fund Tax Gain

In 2009 the Texas legislature established the Events Trust Fund to assist in attracting to Texas or retaining in Texas events that could well be held or moved outside the state. The provisions of this law allow the Comptroller to deposit into a trust fund established for a qualifying event the amount of state hotel, sales and use, motor vehicle rental and alcohol taxes that can be attributed to the incremental gain in economic activity to the state from hosting the event. To qualify for reimbursement from the Trust Fund, the local sponsoring municipality or county must contribute matching tax revenues received from hosting the event at the rate of \$1 local tax dollar for every \$6.25 in state tax contributions.

Table 3 sets out the assumptions and calculations used to estimate the incremental tax gain to the state and to the City of McKinney from hosting the 2019 Division II NCAA Football Championship and related activities for the taxes allowed to be deposited into the fund under Section 5C of Article 5190.14 Vernon's Texas Civil Statutes.

In total, the 2019 Division II NCAA Football Championship and related activities are estimated to generate \$71,365 in state tax revenues which could be deposited into a Trust Fund for supporting this event. The total local tax gain is estimated to reach \$20,528. Based on the estimated gain to Texas, the City of McKinney would need to deposit up to \$11,418 into the trust fund to fully match state contributions.

At this point the costs of presenting the 2019 NCAA Division II Football Championship and related activities are still being assessed but it is believed those costs will greatly exceed the Event Trust Fund gain estimated in Table 3. Because expenses for this event will likely exceed the tax revenue gain generated under the trust funds, this report requests that the Economic Development and Tourism Department of the Office of Governor approve establishing a Trust Fund for this event under Section 5C of Article 5190.14 Vernon's Texas Civil Statutes to receive a maximum of \$71,365 in state tax contributions when matched by \$11,418 in tax contributions by the City of McKinney for a total Event Trust Fund level of \$82,783 pending certification of expenses.

Table 3
**State and Local Tax and Expenditure Summary for the
 2019 NCAA Division II Football Championship**
 December 21, 2019 in McKinney, Texas

Hotel Expenditures:

		OOS Athletes & Coaches	OOS NCAA Staff, Officials & Media	Out-of-State Credentialed & Ticketed Attendees		
Persons/ hotel room		1.95	1.25	2.10		
Percent Staying in hotel		100%	100%	85%		
Hotel Cost rm/night ⁷		\$92.48	\$92.48	\$92.48		
<u>Day</u>	<u>Date</u>				<u>State Tax</u>	<u>Local Tax</u>
1	18-Dec	\$7,683	\$2,179	\$14,000	\$1,432	\$2,148
2	19-Dec	\$7,683	\$3,233	\$14,846	\$1,546	\$2,319
3	20-Dec	\$7,683	\$3,374	\$91,277	\$6,140	\$5,526 ⁸
4	21-Dec	\$3,842	\$703	\$29,014	\$2,013	\$3,020
5	22-Dec	\$0	\$0	\$0	\$0	\$0
					\$11,131	\$11,804

Food & Bev. Expend.:

		OOS Athletes & Coaches	OOS NCAA Staff, Officials & Media	Out-of-State Credentialed & Ticketed Attendees		
<u>Day</u>	<u>Date</u>				<u>State Tax</u>	<u>Local Tax</u>
1	18-Dec	\$4,050	\$736	\$9,350	\$884	\$141
2	19-Dec	\$8,100	\$1,829	\$19,265	\$1,825	\$292
3	20-Dec	\$8,100	\$2,233	\$70,875	\$5,075	\$812
4	21-Dec	\$8,100	\$2,161	\$167,578	\$11,115	\$1,778
5	22-Dec	\$2,025	\$238	\$19,377	\$1,352	\$216
					\$20,251	\$3,240

Entertain. & Shopping:

		OOS Athletes & Coaches	OOS NCAA Staff, Officials & Media	Out-of-State Credentialed & Ticketed Attendees		
<u>Day</u>	<u>Date</u>				<u>State Tax</u>	<u>Local Tax</u>
1	18-Dec	\$5,192	\$944	\$11,987	\$1,133	\$181
2	19-Dec	\$10,384	\$2,344	\$24,698	\$2,339	\$374
3	20-Dec	\$10,384	\$2,862	\$90,861	\$6,507	\$1,041
4	21-Dec	\$10,384	\$2,771	\$214,834	\$14,249	\$2,280
5	22-Dec	\$2,596	\$304	\$24,841	\$1,734	\$277
					\$25,962	\$4,154

⁷ Room rate based on an average room rate for December 20, 2019 for 29 hotels in and around McKinney (prices cited by Tripadvisor.com).

⁸ Because of limitations on the number of rooms available, it is assumed that McKinney garners only 60% of peak hotel usage.

Table 3, continued
**State and Local Tax and Expenditure Summary for the
 2019 NCAA Division II Football Championship**
 December 21, 2019 in McKinney, Texas

**State Mixed Bev. Tax
 and Title 5 ABC Tax⁹**

<u>Day</u>	<u>Date</u>	<u>OOS Athletes & Coaches</u>	<u>OOS NCAA Staff, Officials & Media</u>	<u>Out-of-State Ticketed Attendees</u>	<u>State Tax</u>	<u>Local Tax</u>
1	18-Dec	0	\$206	\$4,536	\$643	\$71
2	19-Dec	0	\$512	\$4,712	\$708	\$78
3	20-Dec	0	\$625	\$31,337	\$4,334	\$479
4	21-Dec	0	\$605	\$42,281	\$5,815	\$643
5	22-Dec	0	\$67	\$3,780	\$522	\$58
					\$12,023	\$1,330

Vehicle Rental Tax:

<u>Percent Renting Cost per Day¹⁰ Day</u>	<u>Date</u>	<u>OOS Athletes & Coaches flat fee</u>	<u>OOS NCAA Staff, Officials & Media 40%</u>	<u>Out-of-State Ticketed Attendees 20%</u>	<u>State Tax</u>	<u>Local Tax</u>
			\$42.67	\$42.67		
1	18-Dec	\$1,000	\$503	\$1,251	\$275	\$0
2	19-Dec	\$1,000	\$746	\$1,299	\$305	\$0
3	20-Dec	\$1,000	\$778	\$8,641	\$1,042	\$0
4	21-Dec	\$1,000	\$162	\$2,606	\$377	\$0
5	22-Dec		\$0	\$0	\$0	\$0
					\$1,999	\$0

Total All Taxes

\$71,365 **\$20,528**

Required Local Tax match

\$11,418

Total Event Trust Fund

\$82,783

⁹ In general, Table 3 applies statutory tax rates to relevant expenditures in order to derive tax gains under the event trust fund. However since the Alcoholic Beverage Tax is a complex tax levied on the basis of the alcohol content of various beverages by volume, the estimate of that tax in Table 3 is based on a derived value-based percentage linking revenue from the Alcoholic Beverage Tax to mixed beverage tax sales. Specifically, in the January 2013 Biennial Revenue Estimate prepared by the Comptroller of Public Accounts, the estimated tax gain during the next biennium for the Mixed beverage tax is \$1,624 million (see page 17). The estimated gain from the other Alcoholic Beverage taxes is estimated at \$416 million or roughly a quarter of the tax raised by the state under the Mixed Beverage Tax. Accordingly, Table 3 applies the state statutory tax rate of 11 percent to the value of mixed beverages as described in law and approximates the alcoholic beverage tax gains as being 2.56 percent of the value of mixed beverages which raises about a quarter of mixed tax raised by the state under the mixed beverage tax for this event. Since there is no local tax component to the Title 5 ABC tax, no estimate for this is included in Table 3 beyond the city mixed beverage tax.

¹⁰ Average cost of renting full-size car (not premium) from 13 different rental companies at DFW or Love Field airports on December 20, 2019 from airportrentalcars.com