

## EXCLUSIVE REPORTS

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### D.C. Consultant Launches Last-Second Shot for Hornets

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Staff Reporter

Norfolk city officials are enlisting the help of Washington consulting firm Brailsford & Dunlavey to help lure the [Charlotte Hornets](#), whose owner, George Shinn, is looking to move his team.

Norfolk became a contender for the National Basketball Association franchise after Charlotte, N.C., leaders voted against building a new arena that would include higher-priced club level seats and more luxury boxes. Now Norfolk needs to put together a viable financial plan by Dec. 15.

Brailsford & Dunlavey will help Norfolk sort out the finances of building a \$200 million, 18,500-seat arena.

"We have been hired to put a financial plan in place for the arena including identifying the appropriate construction budget, what site will be used, and what kind of arena needs to be built," says Chris Dunlavey, president of the firm (<http://www.facilityplanners.com/>). "A funding mechanism needs to be put in place so we have a viable financial plan to propose to them."

Other cities -- including St. Louis -- are contenders for the franchise, but Norfolk and Louisville, Ky., are considered the front-runners, with Louisville slightly ahead.

Shinn brought the expansion team to Charlotte in 1987 amid great enthusiasm, which continued into the 1990s. But since he traded popular players, fired the coach and demanded a new arena, the team has dropped from 21,000 season ticketholders to 6,000.

**Va. official 'encouraged'**

With 1.6 million residents, Norfolk is the largest market with no major league franchise. In addition, it is the 42nd-largest television market. Bob Leffler, who runs a Baltimore sports advertising agency, says only one thing matters: "Whether the money is authorized to build the building. It's all moot if there isn't a law saying 'We're going to build this thing.'"

Dunlavey says the funding will center on a Virginia law passed in 1995, when Norfolk made an attempt to get what is now the National Hockey League's Carolina Hurricanes. The legislation allows all new tax revenue from the facility -- ranging from sales tax to construction tax to

income tax on player payroll -- to be available to pay for the construction of the facility.

Brailsford & Dunlavey -- which has worked with the Cincinnati Reds, the Baltimore Ravens and the Cleveland Browns on their new stadiums -- wants to build an arena already designed by Ellerbe Becket, which pitched the design as a new venue in Charlotte.

"It could look different outside based on the topography," Dunlavey says, "but in terms of what is inside the building, we are assuming that design transports to Norfolk."

Naming rights is another key to the financial plan to build the arena in downtown Norfolk. Virginia Secretary of Commerce and Trade Barry DuVal is trying to put together a naming rights deal for the arena by the Dec. 15 deadline. An unnamed naming rights marketer has been hired to help.

"I cannot disclose the companies I am talking to, but I will say I am encouraged by the level of interest companies have expressed in possible naming rights," says DuVal, who led the hockey effort in 1995 as head of the Hampton Roads Partnership.

Meanwhile, Louisville officials have a 25- to 30-year, \$100 million naming rights deal just about sewn up with Louisville-based Tricon Global Restaurants (NYSE: YUM), the parent of Kentucky Fried Chicken.

#### **Valuable experience**

Still, Norfolk remains a top candidate. Dunlavey says the work being done now will pay off, regardless of the outcome.

"It absolutely helps Norfolk's efforts," he says. "As long as we are able to make the concept work, this process is a good thing for our client, even if the Hornets go elsewhere. We'll have the financial plan in place. All you're doing then is waiting for the next franchise" to relocate.

DuVal agrees the city is gaining valuable experience in its pursuit of a major league team.

"What I've learned is that cities nationally will often go through this experience more than once in order to find the appropriate team and sport."

Dunlavey says an NBA franchise could be very successful in Norfolk based on his market studies of the area for hockey, baseball and basketball because it is completely untapped. "We've seen the NBA do very well in markets where it's the only game in town," Dunlavey says.

Norfolk's large military population also could be a plus, Dunlavey says.

"Some of that is very transient," he says, "but that is good for advertisers because it means more eyeballs."

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