Communications Department | 205 Government St. | South Tower, 10[™] Floor | Mobile, AL 36602

- March 14, 2024 -

CITY OF MOBILE Media Alert

For Immediate Release

Mobile to tear down Civic Center, build state-of-the-art arena

Future partnership with Oak View Group, Live Nation will bring top tier acts to Mobile

Mobile, Ala. — Mayor Sandy Stimpson today announced the City of Mobile's plans to tear down the 60year-old Mobile Civic Center and construct a new, world-class entertainment destination suited for concerts, family shows and sporting events, including professional hockey.

This new facility will be uniquely designed to support Mobile's Mardi Gras traditions while providing a state-of-the-art venue capable of bringing in major acts that previously drove through the Port City en route to other destinations. To ensure the highest level of programming and customer experience, the City of Mobile intends to partner with Oak View Group (OVG) as part of a multi-year operational agreement that includes the new civic arena, the Mobile Convention Center and the Saenger Theatre.

"Mobilians have been talking about how to address our aging Civic Center for nearly two decades, and we are beyond excited to put this feasible and affordable plan into action," **said Mayor Sandy Stimpson**. "We have partnered with the best in the entertainment industry to help design and operate the most technologically advanced arena in the region. It will have the versatility to host all kinds of events and attractions and meet the unique needs of our community. This is a game changer for Mobile."

This new arena will have countless features thoughtfully designed to provide exceptional experiences, including retail spaces, luxury suites, VIP clubs, premium seating, great sightlines and dynamic acoustics. Flexible seating and layout options will allow the new area to easily accommodate a range of activities, including smaller shows and larger events with more than 10,000 spectators and fans.

The design also includes multiple ballrooms capable of hosting events of all sizes — offering greater flexibility for Mardi Gras balls and local events and creating additional spaces for conventions. In addition to concerts and live performances, the new civic arena will be built to host professional hockey, ice skating performances and many other youth, collegiate and professional sporting events.

Paired with top-tier programming, this world-class facility will bring 400,000+ new visitors to downtown Mobile annually. As the global leader in live experience venue development, management, and premium hospitality, OVG is a natural partner for this effort. OVG owns and operates a wide range of venues globally, including stadiums, arenas, theaters, convention centers and cultural attractions. Together with Live Nation, they will bring in the performances and events that will make Mobile a destination for live entertainment in the Southeast.

Because the Mobile Civic Center is functionally obsolete and unable to host many modern attractions, finding a way to replace or upgrade this 60-year-old facility has been a goal of city leaders for decades. High maintenance costs and limited capabilities have led to an operating loss of approximately \$18 million over the last decade. However, due to the fiscal stewardship of the Stimpson administration and its aggressive efforts to pay down existing debt, the City of Mobile is now in a position to turn one of its greatest financial liabilities into an incredible asset for Mobilians and visitors alike.

Communications Department | 205 Government St. | South Tower, 10[™] Floor | Mobile, AL 36602

- March 14, 2024 -

CITY OF MOBILE Media Alert

Over the last two years, Mayor Stimpson's administration has evaluated multiple proposals to renovate the existing Civic Center. However, after an extensive assessment with leading industry architects, it became abundantly clear that building a new facility from the ground up was the most fiscally responsible decision. A new civic arena will create a better, more sustainable, and longer-lasting facility that will give Mobilians the most return on their investment.

By building a facility that meets current industry standards, the city can ensure that its civic arena can host modern touring acts and sporting events now and decades into the future. A remodel could not guarantee the same results and would still cost taxpayers hundreds of millions of dollars.

"We are honored that the City of Mobile has entrusted Oak View Group to guide the next chapter of these community-centric venues," said **Peter Luukko**, **Co-Chairman**, **OVG360**. "We value the opportunity to shape memorable experiences and leave a lasting imprint on the cultural heartbeat of the city. In collaboration with our partners, we look forward to utilizing our depth of experience and industry resources to help grow the live entertainment offerings, inspire a diverse workforce and establish Mobile as a top destination for live entertainment and conventions."

As part of the proposed management agreement with the City of Mobile, OVG will also improve the food and beverage experiences at the Mobile Convention Center and Saenger Theatre. Like the new civic arena, these venues will feature menus curated with local brands and flavors Mobilians know and love. As part of this project, the City of Mobile will also invest in additional improvements at the Saenger Theatre.

"A new state-of-the-art arena in Mobile with the most up-to-date production capabilities will give us the opportunity to attract artists that have previously bypassed the market," said **Jon Petrunak**, **Vice President**, **Live Nation Arenas**.

Based on current designs, the construction cost of this new facility will be approximately \$300 million, which will be financed through cash contributions from the City of Mobile and project partners as well as sponsorship opportunities, strategic borrowing through the bond market and other funding sources.

Because of its strong financial position, the City of Mobile can take on a project of this scale without impacting any public services or losing out on other important capital needs across the city. A strategic financing plan will allow all debt associated with the new civic arena's construction to be paid down in less than 20 years. More information about financing this project is available at cityofmobile.org.

Soon, the Mobile City Council will consider several items related to the demolition of the Mobile Civic Center's arena, theater and Expo Hall as well as the operating partnership with OVG for the existing convention center and Saenger Theater. Contingent upon the timely approval of necessary contracts, demolition should begin in August, and construction of the new facility would start in February of 2025. With a two-year construction timeline, the new arena is estimated to be open for Mardi Gras in 2027.

Additional information and project renderings are available at <u>https://www.cityofmobile.org/mobile-new-arena</u>. This webpage will continue to be updated as the project moves forward.