

Joker asks hard questions re: events center – 7.18.13

Lake City Development Corp.'s announcement that they will fund \$10 million for a new North Idaho College arena raises big concerns about the project. Before you buy what the Yea CDA crowd and the LCDC advocates are selling, think about these questions.

1. Do we need it? It's not clear Coeur d'Alene or North Idaho College actually needs an expensive arena. For starters, the college already has a very nice auditorium that plays host to Coeur d'Alene Summer Theater. NIC's athletics are nice, but is there any evidence that thousands of people would show up for a basketball game? Or a wrestling match? If the college were to host tournaments that would draw more people to the region, but can those tournaments offset the substantial operating costs? Where's the proof that we need it? The feasibility study? Ok, how often does a commissioned study comeback with a, "No." Wanting something cool doesn't mean its a good idea.
2. Can this area sustain a 4,500-seat arena? A Minnesota-based consulting company says we can. The study said the venue would host 75 events a year. That's a lot of events. Does Coeur d'Alene have 75 events now? For those of you who say, "Build it and they will come." Let me ask you this: Why would a performance act come to Coeur d'Alene over Spokane? I don't think they would. And who is not coming now? Spokane has a larger population base, more venues of varying size and more overall seating capacity. We're not going to get a minor league hockey team (Spokane and the rest of the WHL would never allow it) and we're not going to get arena football. Who is going to fill this thing up 75 times a year?
3. What's the actual cost to build? These things always cost more than anticipated (see McEuen park). The same Minnesota consultant said the arena would cost between \$25 million and \$35 million to build. Let's do some math. LCDC is going to fund \$10 million if NIC comes up with \$5 million. Where are the remaining dollars coming from? Taxpayers. NIC is claiming it doesn't have enough money as it is. Do you think the state Legislature is going to be sympathetic to the college spending that kind of money on entertainment and sports? How does entertainment fit into the college's educational goals?
4. How much will it cost to operate and who gets to foot the bill? The same consultants said the cost to operate an arena is a \$240,000, which seems conservative, but ok. The consultant said the arena is a not a money maker. So the college and LCDC are going to invest in a project that is guaranteed to lose money every year? How does this make any sense? How can the college afford to absord that can of loss annually?
5. But what about the economic benefits? The consultant said Coeur d'Alene's region could bring in \$7 million to the local economy and \$1 million in taxes per year. Well that sounds nice on the surface, but how does the consultant figure this amount? Is based on the 75 acts a year

s or the money spent at local restaurants before and after the show? It would be nice to see how this actually works – instead of the “trust us” routine.