

By Mark E. Goebel

Buffalo Scores A New Arena

The first major professional sports facility to be built in New York State in over 20 years is scheduled to open in Buffalo for the 1996-97 hockey season. The \$122-million Crossroads Arena, on which construction began late last year, will be one of seven new National Hockey League facilities to come on-line during the 1995-96 and 1996-97 seasons. This follows the two that opened this year (Chicago and St. Louis) and last year (Anaheim and San Jose), as well as the \$200-million refurbishing of Madison Square Garden.

Getting the Crossroads Arena project off the ground wasn't easy, however. It took several years and numerous failures for the Sabres and the team's supporters in the Western New York political scene to get the go-ahead from the city, county and state governments, as well as line up the financing.

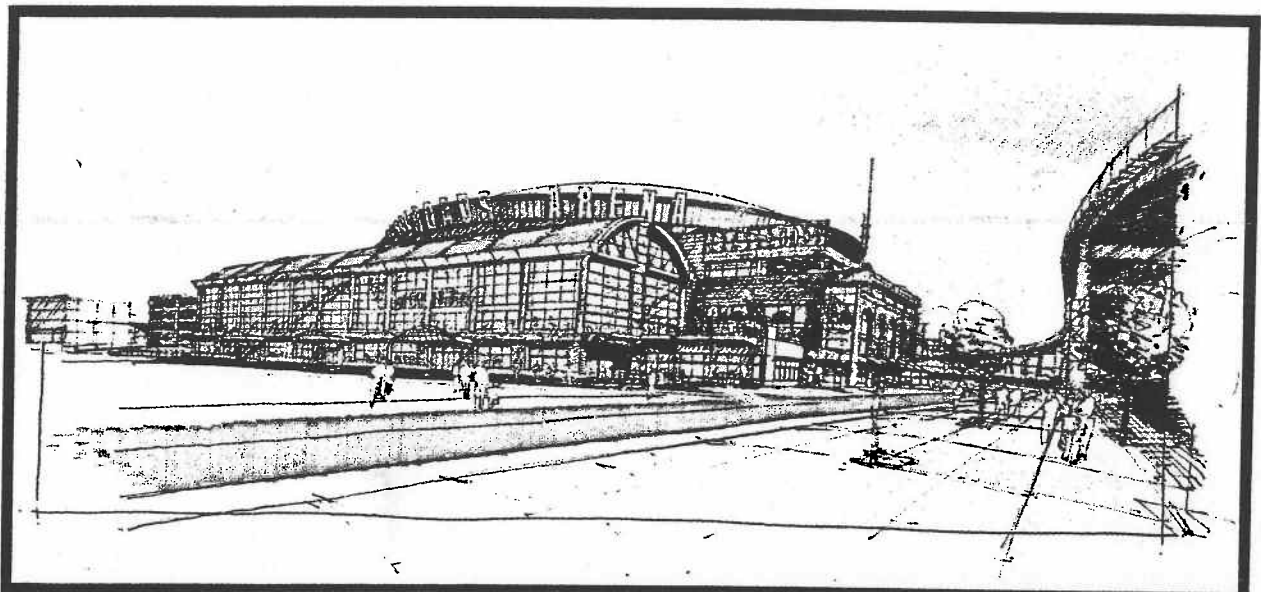
Team officials indicated in the early 1990s that without the revenue from a new arena, they would be forced to move from Buffalo. Given the propensity of NHL teams changing cities, and the constantly rising costs of running a franchise, this was probably not an idle threat by the Sabres.

The new arena should enable the Sabres to turn what have been losses of several million dollars per year the last few seasons into profits, according to team officials, and should enable them to stay in Buffalo for the foreseeable future.

If the success of the San Jose Sharks is at all indicative

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Continued on page 36



CROSSROADS ARENA WILL FEATURE 80 LUXURY SUITES, 2,400 CLUB-LEVEL SEATS AND SEVERAL FOOD COURTS.

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Continued from page 34

of what a new arena can do for a team, the Sabres can probably count on raking in the dough, beginning in 1996. The Sharks made \$15 million on \$45 million in revenues during the 1993-94 season, their first in a new facility. Why? Because modern arenas have a multitude of revenue-generating facilities, including luxury boxes, huge concession stands and a myriad of advertising platforms.

Crossroads Arena will have many of those attributes and more. Its features include:

- 80 luxury boxes priced at \$55,000-\$100,000 per year, connected to structured parking, with concierge and food and beverage service. As of January, 74 of the 80 had been leased.
- 2,400 club-level seats with direct access to weather-protected parking, concierge and food and beverage service.
- State-of-the-art video scoreboard
- Food courts
- Team store
- Sports bar
- 150-seat press box
- Pavilion that can accommodate 6,000 people for special events.

The Crossroads Arena project is a private-public venture, with private sources providing \$67.5 million in financing and New York State (\$25 million), Erie County (\$20 million) and the City of Buffalo (\$10 million) adding \$55 million. It will be the first sports arena in the Buffalo area and one of very few in the country constructed with more private money than public. Construction of the arena is expected to employ 400-450 during its peak. The Sabres anticipate producing \$20 million in annual salaries and another \$30 million in economic activity in the Buffalo area by 1997.

The arena, located adjacent to Buffalo Harbor and the Memorial Auditorium, the Sabres current home, is forecasted to bring 1.5 million visitors to downtown Buffalo each year. Local and state officials hope that the arena will also act as a catalyst for the long-awaited re-birth of the Buffalo Waterfront.



In addition to the Sabres, Crossroads Arena will be home to the Buffalo Bandits of the Major Indoor Lacrosse League and the Buffalo Blizzard of the National Professional Soccer League. The arena's management is optimistic about attracting other major sporting events, including college basketball and professional tennis, as well as family-oriented entertainment (ice shows, circus). The arena is expected to host over 125 events during its first year of operation.

The predictions of local political leaders and Sabres officials with respect to the arena's impact on the Buffalo area economy don't seem to be pie-in-the-sky wishful thinking to justify the spending of over \$120 million. Take, for example, another relatively new sports facility in New York—Knickerbocker Arena in Albany.

The Knick, as it is affectionately known in Albany, has been a boon to the Capital District. In addition to hosting the first two rounds of the NCAA basketball tournament last March, the arena was also the site of the 1992 NCAA Division I Ice Hockey Championship. That event drew 32,000 out-of-town fans to the Albany area.

Knickerbocker Arena, permanent home of the River Rats of the American Hockey League and the Firebirds of the Arena Football League, has also played host to numerous NBA and NHL exhibition games. Since its opening in 1990, the arena, owned by

the county, has helped to bring three million people into downtown Albany. The Knick has averaged 175 events per year. 🏠

