

EXCLUSIVE: Michael Crawford On What's Next For Hall of Fame Resort & Entertainment Company

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Zinger Key Points

- Hall of Fame Resort and Entertainment Co. President and CEO Michael Crawford spoke with Benzinga on what his company has achieved and what it plans to accomplish in the coming months.
- Infrastructure continues for the Hall of Fame's hotel and the water park area and with some of the roadways are expanding from two lanes to four lanes, necessary to handle all the traffic inbound and outbound.
- Hall of Fame has continued expanding into the NFT realm.

The Canton, Ohio-based **Hall of Fame Resort & Entertainment Co** HOFV is on a mission to offer the best of multiple worlds under a single banner: sports, hospitality, retail, entertainment and digital assets are part of the company's operations and goals.

President and CEO Michael Crawford spoke with Benzinga on what his company has achieved and what it plans to accomplish in the coming months.

Q: Your company has some short-term debt coming due. What is your long-term plan for addressing the short-term debt?

Michael Crawford: We've always been upfront with our investors on every call that I've had in terms of earnings and addressing the balance sheet. Making sure the company was structured for success in the long term has always been a priority for us. COVID had an impact on the commercial lending environments, but thankfully, we've had success there as well.

We knew we had about \$45 million of near-term debt this year that we needed to address. We've partnered with and put a package together with support from our largest shareholder, **Industrial Realty Group (IRG)**. They are taking out one piece of debt that was due March 1 — a \$7.4 million remaining piece of a loan we took out two years ago with a group called Aquarian that was originally \$40 million. We paid all of that down to the remaining amount I just referenced and IRG is now going to pay off that remaining amount, take their place of Aquarian and extend that out for over two years.

The second piece to this is IRG themselves had a couple of different lending pieces to the company over the last few years, one of which was carrying a small part of the Hilton DoubleTree hotel that we purchased in downtown Canton. They had a \$7 million loan there that was due in December 2021. But we had already extended the maturity of that date. We've now restructured that as part of this package to extend for another two-plus years, as well.

The third piece was a loan that they had provided to us to bridge us to get to the commercial lending that **Erie Bank** had financed for us recently, a \$22 million commercial loan for our Constellation Center for Excellence. That piece was roughly \$8 million. They've agreed to take that loan and extend it out for over two years as well.

You can start to see the support that our largest shareholder is willing to provide to this company in not only paying off previous debt, but taking that they have incurred on behalf of the company and extending that out. If the company still needs support, there is an opportunity for them to convert that debt into equity as well, which is amazing.

Q: Can you provide an update on the development at your site and when the assets will be open?

Michael Crawford: We've had great progress. I wish I could show you — I'm looking outside right now at it, and all of the site formation work has either been completed or will be completed this month. Infrastructure continues for the hotel and the water park area and with some of the roadways, we're expanding from two lanes to four lanes, which is necessary to handle all the traffic inbound and outbound.

The Constellation Center for Excellence, our office incubation building for great thought leadership and partnership, is complete and we have started to tenant that building. In fact, one of our tenants that we signed a lease with last month is now residing in our stadium while their space is being filled out in the Constellation Center for Excellence — they were so excited about getting on campus.

With our Center for Performance, they've poured the foundations and they now have the fabric being completed off-site. Our intention is to lift that dome-shaped building in sort of an April-May timeframe and have it open in June. That adds a tremendous amount of indoor square footage for sporting events, conventions, concerts, all types of year-round activity.

I can't talk a lot about this, but we already have an eye towards tremendous amount of booking for that facility, which will drive a lot of revenue for us this year and beyond.

The last piece that will be completed this year, in addition to the roadways and the infrastructure and what I've just talked about, is an outdoor area called Play Action Plans. Think pregame tailgate: it'll be an outdoor bar and restaurant to attractions. The hotel and the waterpark should start to break ground in a month or two and those will be completed mid-to-late 2023.

Q: You are doing a great deal in the real world, but you are also highly active in the digital world. What are your plans for your non-fungible token (NFT) activities?

Michael Crawford: We've already launched and we've sold thousands. I think we have the best product in the market. You actually hear the voices of those Hall of Famers, you hear them talking about the greatest play they ever had and what it meant to them. The digital artwork is phenomenal. It's really exciting in that partnership with **Dolphin Entertainment Inc** DLPN.

But here's the good news: We didn't stop there. We just signed another partnership between the Pro Football Hall of Fame and a company called **I Got It** to monetize several hundred pieces of the archives contained in the Pro Football Hall of Fame. These are physical objects, one-of-a-kind things that have never been seen before, and now guests and fans can own those archives digitally.

It's very interesting to continue to grow and expand in that space. It gives our fans a way to engage with our product that only we have access to.

Q: We're currently at a somewhat interesting point of time: supply chain disruptions, inflation is at record highs, companies are facing labor shortages, and over in Europe one country decided to invade another country. Are you concerned about the global and domestic economic situations and how they would impact your business?

Michael Crawford: Surprising as it may be, I think people look for relief and happiness and an opportunity to escape those kinds of everyday truisms. And believe me when I tell you it's a difficult world out there today. But I also know that it's no different than the world we've lived in for many, many decades — there's always something that challenges us as the human race and we overcome it.

When I worked at Disney [**Walt Disney Co** (NYSE: DIS), it was the same thing: there were wars, political issues, market turmoil and people still wanted to come to the happiest place on earth. I think our connection to professional football — and if you've watched any game this year, those stands were full — is very strong and we are building in a regional drive destination where we're surrounded by half the NFL franchise teams. That's 40 million people within a five-hour drive radius.

I feel confident that we are creating experiences that people want and need as a point of relief and a pause in the turmoil that the world is facing. And we're doing it in a way that's affordable and that's high quality.

I certainly don't mean that to sound insensitive to everything that's going on in the world, because I realize that there are a lot of issues that we're all facing. But I think we're also happy to take a break from the news and be with like-minded people in engaging environments. And that's what we're creating, both physically and virtually.

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