



Velodrome Management Group



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LOWER PROVIDENCE TOWNSHIP ANNOUNCES VELODROME PLAN

First Indoor Cycling Track for East Coast and Second in USA Will Draw International Events

EAGLEVILLE, PA November 2, 2006: Lower Providence Township Manager, Joseph C. Dunbar, on behalf of the Board of Supervisors, announced today the development of the first indoor bicycle track and events center on the East Coast and the nation's second on a 14-acre site in Lower Providence Township not far from Valley Forge National Park.

The 2,500 seat arena and velodrome, a steeply banked wooden track, will be capable of hosting high level national and international competition and will provide a much needed year round facility for training and development of young cyclists. Although the velodrome and comprehensive cycling program will anchor the facility, the building will be designed for multi-use including expanded seating capacity to over 4,000 for concerts, other sporting events and community activities. Initial plans also call for connecting the velodrome, via bike path, to the widely used Schuylkill River and Perkiomen bicycle trails.

“Cycling is a great lifetime sport that promotes health, fitness and family recreation,” Dunbar said. “The Velodrome and related facilities will be the perfect recreational and entertainment addition to our area and will ensure that Lower Providence Township is in the forefront of bringing unique and exciting events to our township and the surrounding Delaware Valley.”

The only other indoor velodrome in the United States opened in 2004 in Los Angeles has become a site for national and international cycling events, championships and youth development programs. There are 22 outdoor velodromes in the nation, the closest and most successful being the Lehigh Valley Velodrome in Trexlertown, PA, a magnet for cyclists that has been in summer operation since 1976.

Dunbar indicated that a private investment partnership, American Management Group, LLC, is providing financial backing for the project and has entered into an Agreement of Sale to purchase the former semi-conductor plant at 950 Rittenhouse Road, a structure that has been vacant on the 14-acre site for nearly a decade. The existing building will be demolished to make room for the 130,000 square foot arena and a 150-room hotel on the property. It is estimated that the velodrome will be completed within 18 months, ideally by early 2008 for Olympic preparation. Several architects are being considered for the project.

Dr. Bhaskar Savani, a principal in American Management Group indicated that the velodrome will be developed and operated by Velodrome Management Group LLC

(VMG) of Norristown, a group that has been working to create an indoor velodrome in the Delaware Valley for over five years.

“My partners and I were interested in expanding our real estate and hotel business to include a sports facility,” said Dr. Savani. “We think cycling is a great sport and the idea of providing a year round venue for training and competition is very exciting, particularly since cycling is so popular in the area. When Velodrome Management Group approached us for backing with a solid plan, it was an easy decision.”

VMG principals include David Chauner and Jerry Casale, organizers of the Commerce Bank Triple Crown and Philadelphia International Cycling Championship. They also founded the Pro Cycling Tour and have been instrumental in growing and developing cycling in the United States for over three decades.

“We believe that indoor cycling has a huge future in the United States”, said VMG’s director, David Chauner, a two time Olympic cyclist and member of the U.S. Bicycling Hall of Fame. “It’s fast, colorful, exciting and is undergoing a surge in popularity around the world. Plus with over a dozen track cycling events for men and women in international and Olympic competition, there is a tremendous opportunity to develop American talent at this facility.”

Chauner says that, in addition to high-level competition, introducing area youth to cycling in all its disciplines will be a key objective of velodrome usage and points to the successful Air Products Development Program he and former partner Jack Simes created at the Lehigh Valley Velodrome. Since its inception in 1977, the program has introduced cycling to 14,000 youngsters and, over the years, has produced 16 Olympic team members including 2000 Olympic Gold Medallist, Marty Nothstein.

While cycling will provide the anchor program for the arena, it is the potential for additional events that excites Paul Decker, president of the Valley Forge Convention and Visitors Bureau. “Our research indicates that there is a universe of some 35,000 events that could potentially be held in the Center. Attracting some of these is a major goal for us, particularly when you consider that attendees spend money in the area and will make a significant contribution to our local economy,” Decker said.

Developers expect the velodrome and adjacent hotel to create nearly 100 new full and part time jobs and that \$25 to \$35 million will be pumped into the local economy by some 50,000 out of town visitors each year.

According to Dunbar, “We see this as a huge win for Lower Providence Township and the greater Valley Forge area.”

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Velodrome Management Group
2550 Eisenhower Ave, Suite 206
Norristown, PA 19403
ph: 610-676-0390 fax: 610-676-0391

Lower Providence Township
100 Parklane Drive
Eagleville, PA 19403
ph: 610-539-8020 fax: 610-539-6347