

Appendix A  
May 9, 2019

# Ithaca Conference Center Analysis – Phase II

# ITHACA DOWNTOWN CONFERENCE CENTER

## Appendix A – Comparable Facility Profiles

HSP analyzed various comparable developments across the United States in order to better understand how a potential facility in Ithaca may perform. HSP analyzed eight different facilities to better understand how the facilities performed financially, in total and on a per square basis, to project how a development in Ithaca may perform.

The following table outlines the comparable facilities' key statistics related to location, size of key spaces, number of events, number of attendees, full-time employees (if available) and who provides catering.

**Table 1**

Comparable Facility Revenues & Expenses Per Square Foot of Function Space									
Venue Name	Bridge View Center	Chesapeake Conference Center	Davenport River Center	Three Rivers Convention Center	Vicksburg Convention Center	Saratoga Springs City Center	Two Rivers Convention Center	Monroe County Convention Center	Average PSF
Location	Ottumwa, IA	Chesapeake, VA	Davenport, IA	Kennewick, WA	Vicksburg, MS	Saratoga Springs, NY	Grand Junction, CO	Bloomington, IN	-
Reporting Date	6/30/18	6/30/18	6/30/18	12/31/18	9/30/18	3/7/18	12/31/18	2/8/19	-
Total Function Space (SF)	37,000	23,183	53,386	32,574	25,555	31,000	23,120	25,095	31,364
Exhibition Space	30,000	-	45,130	21,600	17,000	20,000	-	-	26,746
Ballroom Space	-	20,000	-	-	6,111	-	18,600	12,285	14,249
Meeting Space	7,000	3,183	8,256	10,974	2,444	11,000	4,520	12,810	7,523
Number of Events	536	336	259	208	112	175	556	514	337
Total Attendance	153,513	35,899	126,913	104,634	51,838	166,626	131,437	76,107	105,871
Year Opened	2009	1997	1983	2004	1997	1984	1975	1991	1993
Full-Time Equivalents (FTE's)	9	14	11	12	6	16	-	-	11
Catering Operator	In-House	In-House	In-House	In-House	Local Operator	Third-Party	In-House	In-House	

The eight comparable facilities profiled and analyzed range from 23,000 to 54,000 square feet of net function space, averaging 31,000. Typically, these facilities have either exhibit hall space or ballroom space, though all have meeting space. These facilities also averaged more than 330 events per year and averaged attendance of 106,000. The number of full-time equivalent employees is eleven and nearly all have in-house catering.

## Comparable Facility Profiles

HSP researched and profiled the following comparable facilities to better understand the operations, market situations and performance of each. The resulting implications informed the conclusions and ultimate recommendations for a conference center in Ithaca.

### *Monroe Convention Center*

The Monroe Convention Center is a two-story building located in downtown Bloomington, Indiana at the intersection of North College Avenue and 3rd Street. This location puts the facility less than a mile from Indiana University's Memorial Union, which is located in the center of campus and features approximately 30 event spaces ranging from small conference rooms to large capacity halls. Indiana University was founded in 1820 and has a total student population of more than 48,000 students. The facility is owned by Monroe County but is operated by the Convention Center Management Company, a non-profit organization established only to operate the facility. The facility is by all definitions a conference center and with its smaller spaces, serves many events, most of which are generally small.

The building was first built in 1923 as the Graham Motor Sales Building but was converted into The Henry Ford Model T plant and showroom thereafter. The showroom was converted into the Monroe County Convention Center in 1991. After drawing statewide association events, regional public events, corporate recognition and other events the facility underwent a renovation in 2012 aimed at remodeling and modernizing the facility. The facility is located adjacent to the 117-room Courtyard by Marriott, which is connected via an enclosed walkway. The Courtyard by Marriott features 1,138 square feet of function space, which is divided between the 542-square-foot Alumni meeting room and the 596-square-foot Varsity meeting room.

The following figure shows the facility's exterior.

Figure 1



The following figure shows the interior of the Monroe Convention Center.

Figure 2



The following table shows a breakdown of the function space offerings at the Monroe Convention Center.

**Table 2**

**Monroe Convention Center Function Space**

<b>Facilities</b>	<b>Total (SF)</b>	<b>By Division (SF)</b>	<b>Divisions</b>
<b>Ballroom Facilities</b>			
The Great Room & Duke Energy Room	12,146		3
The Great Room		8,675	1
Duke Energy Room		3,471	2
	12,146		3
<b>Meeting Room Facilities</b>			
Olcott Young Room	2,600		1
William J. Finch Room	1,350		1
Zebendon Room	1,166		1
Hansen Room	1,130		1
Rogers Room	864		1
Cook Group Room	1,610		2
	8,720		7
Hotel Rooms	117		
Total Exhibit Space	0	/ Guest Room	0.0
Total Ballroom Space	12,146		103.8
Total Meeting Space	8,720		74.5
Total Function Space	20,866		178.3
Ballroom Divisions	3	/ 100 Guest Rooms	2.6
Meeting Room Divisions	7		6.0
Total Divisions (including Ballroom)	10		8.5

Source: Hunden Strategic Partners

The Monroe Convention Center features one 12,146-square foot ballroom on the second floor (when combined with the Duke Energy Room) in addition to seven meeting rooms on the first floor. The Olcott Young Room is the largest meeting room available for rent at the Monroe Convention Center at 2,600 square feet

and is followed by the Duke Energy Room West at 2,067 square feet. The total function space to hotel key ratio is just approximately 178 square feet per key when accounting for the 117 guestrooms at the adjacent Courtyard by Marriott hotel.

The following table shows the performance of the Monroe Convention Center from 2016 through 2018.

**Table 3**

<b>Summary of MCC Events 2016 - 2018</b>			
<b>Year</b>	<b># of Events</b>	<b>Total Attendees</b>	<b>Average # of Attendees Per Event</b>
2016	549	68,257	124
2017	571	75,556	132
2018	514	76,107	148
<b>Average</b>	<b>545</b>	<b>73,307</b>	<b>135</b>

Source: Monroe Convention Center

Over the three-year period, attendance at the facility grew slightly despite the facility hosting less events. The average number of attendees per event is small (135) compared to larger Convention Centers.

The following table outlines the net operating income at the Monroe Convention Center.

**Table 4**

<b>Monroe Convention Center - NOI</b>				
	<b>Average PSF of Function Space</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Total Revenues	\$80.40	\$1,570,100	\$1,793,500	\$1,669,501
Total Expenses	\$93.17	\$1,741,865	\$2,151,334	\$1,939,098
<b>Net Income</b>	<b>(\$12.77)</b>	<b>(\$171,765)</b>	<b>(\$357,834)</b>	<b>(\$269,597)</b>
<i>Non-Operating Revenue (*Innkeepers Tax)</i>				
CVC Income	\$15.88	\$311,331	\$336,237	\$346,324
<b>Net With Funding</b>	<b>\$3.11</b>	<b>\$139,566</b>	<b>(\$21,597)</b>	<b>\$76,727</b>
<i>Total Function Space: 20,866</i>				
Source: Monroe Convention Center				

The Monroe Convention Center's net loss ranged from \$170,000 to \$360,000 annually. After funding from the CVC and Innkeepers Tax, the Convention Center ends up about breaking even. As shown, net operating loss per square foot of function space is \$12.77.

#### *Franklin Marriott Cool Springs Conference Center*

The Franklin Marriott Cool Springs Conference Center is located approximately 17 miles south of Nashville in Franklin, Tennessee. The conference facility is housed within the 297-room Marriott property but is co-owned by both by Williamson County and the City of Franklin. Both entities paid \$6 million for the construction of the building in 1999.

Chartwell Hospitality manages both the 300-room Marriott and the adjoining Cool Springs Conference Center. The hotel also underwent significant renovations in 2014 that including all guest rooms and public spaces.

The following figure shows the facility's exterior.

Figure 3



The following table outlines the Cool Springs Conference Center.

**Table 5**

<b>Function Space Breakdown - Cool Springs Conference Center</b>			
<b>Facilities</b>	<b>Total (SF)</b>	<b>By Division (SF)</b>	<b>Divisions</b>
<b>Ballroom</b>			
Champion Ballroom	13,552		10
Salon 1-4		726	
Salon 5-6		3,872	
Salon 7-10		726	
<b>Total Ballroom Space</b>	<b>13,552</b>	<b>5,324</b>	<b>10</b>
<b>Meeting Rooms</b>			
Meeting Room 1	1,890		3
Saddlebred		630	
Highland		630	
Morgan		630	
Meeting Room 2	1,770		3
Mustang		600	
Quarter Horse		585	
Palomino		585	
Williamson	1,144		1
Franklin	1,155		1
Thoroughbred Boardroom	570		1
Appaloosa	576		1
Clydesdale	513		1
Arabian	513		1
<b>Total Meeting Space</b>	<b>8,131</b>	<b>-</b>	<b>12</b>
Hotel Rooms	297		
Total Exhibit Space	0	/ Guest Room	0.0
Total Meeting Space	8,131		27.4
Total Ballroom Space	13,552		45.6
<b>Total Function Space</b>	<b>21,683</b>		<b>73.0</b>
Ballroom Divisions		10 / 100 Guest Rooms	3.4
Meeting Room Divisions		12	0.4
<b>Total Divisions</b>		<b>22</b>	<b>7.4</b>

Source: Franklin Marriott Cool Springs, Hunden Strategic Partners

The Cool Springs Conference Center includes the 13,550-square foot Champion Ballroom which can be divided into 10 different Salons. There are 12 meeting rooms in total that account for more than 8,000 square feet of total space.

The following table outlines the changes in net position (income/expense) at the Cool Springs Conference Center.

**Table 6**

<b>Cool Springs Conference Center - Changes in Net Position</b>				
	<b>Average PSF of Function Space</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Operating Revenue</b>				
Banquet and Catering	\$308.53	\$6,791,978	\$6,865,933	\$6,411,532
<b>Operating Expenses</b>				
Banquet and Catering	\$168.23	\$3,809,537	\$3,631,908	\$3,501,781
Administrative and General	\$24.88	\$549,517	\$582,992	\$485,758
Sales and Marketing	\$50.64	\$1,105,291	\$1,112,788	\$1,075,822
Utilities	\$13.49	\$298,336	\$293,266	\$285,859
Repairs and Maintenance	\$11.64	\$256,201	\$254,861	\$245,963
Catering Management Fee	\$9.01	\$201,228	\$195,372	\$189,684
Management Fees	\$8.88	\$198,348	\$192,576	\$186,972
Insurance and Other Fixed Costs	\$1.60	\$30,488	\$29,879	\$44,006
<b>Total Operating Expenses</b>	<b>\$288.37</b>	<b>\$6,448,946</b>	<b>\$6,293,642</b>	<b>\$6,015,845</b>
<b>Operating Income</b>	<b>\$20.15</b>	<b>\$343,032</b>	<b>\$572,291</b>	<b>\$395,687</b>
<i>Total Function Space: 21,683</i>				
Source: Cool Springs Conference Center				

As shown, the facility generated gross revenue of nearly \$6.8 million in 2017 and had operating expenses of approximately \$6.45 million. The facility generated an operating profit of \$343,000. As the facility is privately managed and adjacent to an attached hotel that is managed by the same entity, there are likely economies and savings on marketing/sales staffing between the two facilities. The area is also a booming suburban region of one of the fastest growing cities in the country, Nashville.

### *Two Rivers Convention Center*

Two Rivers Convention Center is located in Grand Junction, Colorado. Grand Junction is approximately two hours from Aspen, CO and four hours from Denver, CO and Salt Lake City, UT. The facility opened in 1975 and underwent a renovation and expansion in 2001. The City announced another renovation in February 2018, as well as transition from city to private management. The remodeling project is expected to cost \$6 million, once completed. After the first phase of remodeling, the city planning to build a new hotel attached to the convention center. The hotel is not expected to be completed until 2021.

Two Rivers Convention Center is the largest meeting facility in between Denver and Salt Lake City. The building serves as an anchor to the west end of Main Street in Grand Junction.

The following figure shows the exterior of the facility.

**Figure 4**



The following figure shows the interior of the facility.

Figure 5



The following table outlines the function space offered at the Two Rivers Convention Center.

**Table 7**

<b>Two Rivers Convention Center Function Space</b>			
<b>Facilities</b>	<b>Total (SF)</b>	<b>By Division (SF)</b>	<b>Divisions</b>
<b>Ballroom Facilities</b>			
Two Rivers Ballroom	18,600		3
Colorado River Room		6,000	1
Colorado River Room II		6,000	1
Gunnison River Room		6,600	1
	<u>18,600</u>		<u>3</u>
<b>Meeting Room Facilities</b>			
Adobe Creek Room		400	1
Kannah Creek Room		1,360	1
Plateau Creek Room		400	1
Escalante Creek Room		400	1
Whitewater Creek Room		1,360	1
Dominguez Crek Room		400	1
	<u>4,320</u>		<u>6</u>
Hotel Rooms	0		
Total Ballroom Space	18,600		--
Total Meeting Room Space	<u>4,320</u>		<u>--</u>
Total Function Space	<u>22,920</u>		<u>--</u>
Ballroom Divisions	3		--
Meeting Room Divisions	<u>6</u>		<u>--</u>
Total Divisions (including Ballroom)	<u>9</u>		<u>--</u>

Source: Two Rivers Convention Center, Cvent, Hunden Strategic Partners

The Two Rivers Convention Center includes a total of nearly 23,000 square feet of function space. The facility includes 4,320 square feet of meeting room space between 12 rooms and a 18,600-square foot ballroom that can be divided into three separate rooms.

The following table outlines the financial position of the Two Rivers Convention Center and Avalon Theatre.

**Table 8**

Two Rivers Convention Center and Avalon Theatre										
	Average PSF of Function Space	Period to Date			Year to Date			Annual		
		Actual	Current Budget	Budget Variance	Actual	Current Budget	Budget Variance	Actual	Current Budget	Budget Variance
<b>Attendance</b>										
Number of Shows		44	34	10	556	396	160	556	396	160
Paid Attendance		0	0	0	7,958	0	7,958	7,958	0	7,958
General Attendance	5.73	12,032	9,422	2,610	131,437	122,169	9,268	131,437	122,169	9,268
<b>Revenue</b>										
Gross Ticket Revenue	\$53.56	\$171,927	\$46,400	\$125,527	\$1,227,658	\$547,399	\$680,260	\$1,227,658	\$547,399	\$680,260
Venue Rental Income	\$21.59	\$47,008	\$22,728	\$24,280	\$494,863	\$268,801	\$226,062	\$494,863	\$268,801	\$226,062
Less: Taxes	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net Revenue After Taxes</b>	<b>\$75.15</b>	<b>\$218,935</b>	<b>\$69,128</b>	<b>\$149,808</b>	<b>\$1,722,522</b>	<b>\$816,200</b>	<b>\$906,322</b>	<b>\$1,722,522</b>	<b>\$816,200</b>	<b>\$906,322</b>
<b>Promoter Proceeds</b>										
Payment to Promoter	\$29.36	\$90,830	\$35,440	\$55,390	\$672,824	\$324,076	\$348,748	\$672,824	\$324,076	\$348,748
<b>Direct Event Income</b>										
Net Event Income	\$23.75	\$128,105	\$33,688	\$94,417	\$544,372	\$492,124	\$52,248	\$544,372	\$492,124	\$52,248
Event Expenses	(\$22.38)	(\$116,451)	(\$40,462)	(\$75,989)	(\$513,050)	(\$400,334)	(\$112,716)	(\$513,050)	(\$400,334)	(\$112,716)
<b>Total Direct Event Income</b>	<b>\$1.37</b>	<b>\$11,654</b>	<b>(\$6,774)</b>	<b>\$18,428</b>	<b>\$31,322</b>	<b>\$91,790</b>	<b>(\$60,468)</b>	<b>\$31,322</b>	<b>\$91,790</b>	<b>(\$60,468)</b>
<b>Food and Beverage</b>										
General Concessions	\$1.68	\$3,894	\$11,743	(\$7,849)	\$38,515	\$176,968	(\$138,453)	\$38,515	\$176,968	(\$138,453)
Concession - Alcohol	\$2.35	\$2,148	\$0	\$2,148	\$53,968	\$0	\$53,968	\$53,968	\$0	\$53,968
Concession - Non-Alcohol	\$1.23	\$4,377	\$0	\$4,377	\$28,274	\$0	\$28,274	\$28,274	\$0	\$28,274
Banquet - Food	\$32.81	\$117,111	\$106,154	\$10,957	\$751,950	\$857,278	(\$105,327)	\$751,950	\$857,278	(\$105,327)
Catering - Restaurant	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Restaurant - Alcohol	\$9.75	\$31,263	\$0	\$31,263	\$223,365	\$0	\$223,365	\$223,365	\$0	\$223,365
Restaurant - Non-Alcohol	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Catering - Suites	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Food and Beverage Income</b>	<b>\$47.82</b>	<b>\$158,793</b>	<b>\$117,897</b>	<b>\$40,896</b>	<b>\$1,096,072</b>	<b>\$1,034,246</b>	<b>\$61,827</b>	<b>\$1,096,072</b>	<b>\$1,034,246</b>	<b>\$61,827</b>
Total Function Space: 22,920										
Source: Two Rivers Convention Center										

Net revenue at the Two Rivers Convention Center totals \$75.15 per square foot of total function space. Total food and beverage income totals nearly \$48 per square foot of total function space. HSP calculated Average PSF of function based on the annual figures.

The following table continues to show the Two Rivers Convention Center.

**Table 9**

Two Rivers Convention Center and Avalon Theatre										
	Average PSF of Function Space	Period to Date			Year to Date			Annual		
		Actual	Current Budget	Budget Variance	Actual	Current Budget	Budget Variance	Actual	Current Budget	Budget Variance
<b>Ancillary Income</b>										
Merchandise	\$0.28	\$650	\$0	\$650	\$6,429	\$0	\$6,429	\$6,429	\$0	\$6,429
Parking	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AV	\$0.80	\$630	\$2,590	(\$1,961)	\$18,339	\$27,321	(\$8,983)	\$18,339	\$27,321	(\$8,983)
Facility Fee	\$1.99	\$7,618	\$618	\$7,000	\$45,717	\$11,374	\$34,344	\$45,717	\$11,374	\$34,344
Surcharge	\$0.42	\$0	\$0	\$0	\$9,724	\$0	\$9,724	\$9,724	\$0	\$9,724
<b>Total Ancillary Income</b>	<b>\$3.50</b>	<b>\$8,898</b>	<b>\$3,208</b>	<b>\$5,689</b>	<b>\$80,209</b>	<b>\$38,695</b>	<b>\$41,514</b>	<b>\$80,209</b>	<b>\$38,695</b>	<b>\$41,514</b>
<b>Total Event Income</b>	<b>\$52.69</b>	<b>\$179,344</b>	<b>\$114,332</b>	<b>\$65,012</b>	<b>\$1,207,604</b>	<b>\$1,164,730</b>	<b>\$42,874</b>	<b>\$1,207,604</b>	<b>\$1,164,730</b>	<b>\$42,874</b>
<b>Other Revenue</b>										
Advertising / Sponsorships	\$1.19	\$3,472	\$3,738	(\$266)	\$27,333	\$44,900	(\$17,567)	\$27,333	\$44,900	(\$17,567)
Cancellation Fees	\$0.17	\$0	\$163	(\$163)	\$3,800	\$2,000	\$1,800	\$3,800	\$2,000	\$1,800
Interest and Dividends	\$0.00	\$0	\$15	(\$15)	\$0	\$180	(\$180)	\$0	\$180	(\$180)
Misc. Other Revenue	\$0.00	\$0	\$212	(\$212)	\$0	\$2,500	(\$2,500)	\$0	\$2,500	(\$2,500)
Other income	\$0.89	\$10,561	\$0	\$10,561	\$20,415	\$0	\$20,415	\$20,415	\$0	\$20,415
<b>Total Other Revenue</b>	<b>\$2.25</b>	<b>\$14,033</b>	<b>\$4,128</b>	<b>\$9,905</b>	<b>\$51,548</b>	<b>\$49,580</b>	<b>\$1,968</b>	<b>\$51,548</b>	<b>\$49,580</b>	<b>\$1,968</b>
<b>Indirect Expenses</b>										
Executive	\$13.07	\$45,303	\$41,086	\$4,217	\$299,670	\$307,038	(\$7,368)	\$299,670	\$307,038	(\$7,368)
Sales / Marketing	\$5.74	\$9,035	\$13,037	(\$4,001)	\$131,641	\$165,110	(\$33,469)	\$131,641	\$165,110	(\$33,469)
Food & Beverage	\$13.35	\$22,949	\$18,913	\$4,036	\$305,956	\$242,501	\$63,455	\$305,956	\$242,501	\$63,455
Operations	\$8.78	\$20,037	\$17,196	\$2,841	\$201,255	\$236,749	(\$35,494)	\$201,255	\$236,749	(\$35,494)
Overhead	\$18.90	\$65,276	\$31,900	\$33,376	\$433,210	\$370,454	\$62,756	\$433,210	\$370,454	\$62,756
Events	\$2.38	\$3,943	\$5,684	(\$1,741)	\$54,578	\$73,483	(\$18,905)	\$54,578	\$73,483	(\$18,905)
<b>Total Indirect Expenses</b>	<b>\$62.23</b>	<b>\$166,543</b>	<b>\$127,816</b>	<b>\$38,728</b>	<b>\$1,426,310</b>	<b>\$1,395,335</b>	<b>\$30,975</b>	<b>\$1,426,309</b>	<b>\$1,395,335</b>	<b>\$30,974</b>
<b>Net Operating Income / (Loss)</b>	<b>(\$7.29)</b>	<b>\$26,833</b>	<b>(\$9,356)</b>	<b>\$36,189</b>	<b>(\$167,157)</b>	<b>(\$181,025)</b>	<b>\$13,868</b>	<b>(\$167,157)</b>	<b>(\$181,025)</b>	<b>\$13,868</b>

Total Function Space: 22,920  
Source: Two Rivers Convention Center

Total direct expenses at the Two Rivers Convention Center total \$62.23 per square foot. Net operating loss averages approximately \$7.29 per square foot.

*Bridge View Center*

The Bridge View Center (BVC) opened in 2007 in Ottumwa, Iowa. BVC has 37,000 square feet of meeting space with a 30,000-square foot Expo Hall and a 7,000-square foot meeting room that has five equal divisions. The BVC also includes a 655-seat theater. The facility cost \$19.3 million to develop. VenuWorks manages the facility.

The following figure shows the exterior of the facility.

**Figure 6**



The following figure shows the interior of the facility.

Figure 7



The following table outlines the function space offered at the Bridge View Center.

**Table 10**

<b>Function Space Breakdown - Bridge View Center</b>			
<b>Facilities</b>	<b>Total (SF)</b>	<b>By Division (SF)</b>	<b>Divisions</b>
<b>Exhibit Hall</b>			
Exhibit Hall	30,000		3
Exhibit Hall A		10,000	
Exhibit Hall B		10,000	
Exhibit Hall C		10,000	
<b>Total Exhibit Space</b>	<b>30,000</b>		<b>3</b>
<b>Meeting Rooms</b>			
Meeting Rooms	7,000		5
<b>Total Meeting Space</b>	<b>7,000</b>	<b>--</b>	<b>5</b>
<b>Theater</b>	<b>655</b>		

Source: Bridge View Center, Hunden Strategic Partners

The following table outlines the operating income at the Bridge View Center.

**Table 11**

<b>Bridge View Center - Income</b>		
<b>Overview</b>		
Location	Ottumwa, IA	
Reporting Date	6/30/2018	
Function Space	37,000	
Year Opened	2007	
Full-Time Equivalents (FTE's)	9	
Catering Operator	In-House	
<b>Income</b>	<b>Actual</b>	<b>PSF</b>
Rental Income	226,584	6.12
<b>Building Rent Income</b>	<b>226,584</b>	<b>6.12</b>
Food & Beverage	557,311	15.06
Reimbursed Expenses	92,623	2.50
Equipment Rental	27,212	0.74
Event Income	187,624	5.07
Other Ancillary Income	85,779	2.32
<b>Ancillary Income</b>	<b>950,548</b>	<b>25.69</b>
<b>Total Operating Income</b>	<b>1,177,132</b>	<b>31.81</b>
Source: Venuworks		

The following table outlines the expenses at the Bridge View Center.

**Table 12**

<b>Bridge View Center - Expenses</b>		
<b>Expenses</b>	<b>Actual</b>	<b>PSF</b>
Full-Time Salaries	370,048	10.00
Part-Time Salaries	208,877	5.65
Employer Paid Taxes & Benefits	134,757	3.64
General & Administrative	31,855	0.86
Occupancy	95,030	2.57
Utilities	162,692	4.40
Travel & Motor Vehicle	9,823	0.27
Food & Beverage *	173,901	4.70
Services & Operations	164,100	4.44
Event Expenses	216,711	5.86
<b>Total Operating Expenses</b>	<b>1,567,793</b>	<b>42.37</b>
<b>Net Operating Income (Loss)**</b>	<b>(390,662)</b>	<b>(10.56)</b>
* Including Cost of Goods Sold		
** Including Mgmt Fees, Excluding Debt Service		
Source: Venuworks		

Operating revenues totaled nearly \$1.2 million (\$32 per square foot) for the 2018 fiscal year with nearly half produced by food & beverage service. Expenses totaled nearly \$1.6 million (\$42 per square foot) for the period with the majority coming from staffing (\$714,000). The resulting net operating loss was \$391,000 (\$11 per square foot) for the 2018 fiscal year.

### *Chesapeake Conference Center*

The Chesapeake Conference Center (CCC) opened in September of 1997 as the first freestanding meetings and event center in the Hampton Roads area. The CCC offers 37,000 square feet of meeting space, including a 30,000-square foot exhibit hall and a 7,000-square foot conference room that is divisible into five sections. The City of Chesapeake owns the CCC and managed the operations before contracting with VenuWorks to assume management of the facility in 2014.

Before VenuWorks took over the CCC's operations, the facility was mainly used for local meetings and social events. In the years following the Great Recession, CCC staff was cut from 30 to about 15 in order to reduce operating expenses. The staff has remained at this level through present day. There are still many local events that are held within the CCC but VenuWorks has also focused on increasing the number of non-local events and hotel room night generation.

The following figure shows the facility's exterior.

**Figure 8**



The following figure shows the facility's interior.

Figure 9



The following table highlights the function space offered at the Chesapeake Conference Center.

**Table 13**

<b>Function Space Breakdown - Chesapeake Conference Center</b>			
<b>Facilities</b>	<b>Total (SF)</b>	<b>By Division (SF)</b>	<b>Divisions</b>
<b>Ballroom</b>			
William E. Ward Ballroom	20,000		6
Ward Ballroom A		2,250	
Ward Ballroom B		2,250	
Ward Ballroom C		5,500	
Ward Ballroom D		5,500	
Ward Ballroom E		2,250	
Ward Ballroom F		2,250	
<b>Total Ballroom Space</b>	<b>20,000</b>		<b>6</b>
<b>Meeting Rooms</b>			
Chesapeake Room	2,700		2
Chesapeake Room A		1,350	
Chesapeake Room B		1,350	
Conference Room 1	288		
Conference Room 2	195		
<b>Total Meeting Space</b>	<b>3,183</b>	<b>--</b>	<b>2</b>
Source: Chesapeake Conference Center, Hunden Strategic Partners			

The CCC has the 20,000-square foot William E. Ward Ballroom, which divides into six sections that are 2,250 or 5,500 square feet each. The CCC also has four meeting rooms/divisions that total nearly 3,200 square feet. The largest meeting room, the Chesapeake Room, houses 2,700 square feet and is divisible into two 1,350-square foot sections, Chesapeake Room A & B. There are also Conference Rooms 1 and 2, which total less than 500 square feet and are able to host ten and eight people for a board meeting, respectively.

The following table highlights the operating income at the Chesapeake Conference Center.

**Table 14**

<b>Chesapeake Conference Center - Income</b>		
<b>Overview</b>		
Location	Chesapeake, VA	
Reporting Date	6/30/2018	
Function Space	23,183	
Year Opened	1997	
Full-Time Equivalents (FTE's)	14	
Catering Operator	In-House	
<b>Income</b>	<b>Actual</b>	<b>PSF</b>
Rental Income	218,243	9.41
<b>Building Rent Income</b>	<b>218,243</b>	<b>9.41</b>
Food & Beverage	1,021,985	44.08
Reimbursed Expenses	228,446	9.85
Equipment Rental	109,532	4.72
Event Income	--	--
Other Ancillary Income	24,273	1.05
<b>Ancillary Income</b>	<b>1,384,236</b>	<b>59.71</b>
<b>Total Operating Income</b>	<b>1,602,480</b>	<b>69.12</b>
Source: Venuworks		

The following table highlights the operating expenses at Chesapeake Conference Center.

**Table 15**

<b>Chesapeake Conference Center - Expenses</b>		
<b>Expenses</b>	<b>Actual</b>	<b>PSF</b>
Full-Time Salaries	750,281	32.36
Part-Time Salaries	412,310	17.79
Employer Paid Taxes & Benefits	241,375	10.41
General & Administrative	21,669	0.93
Occupancy	145,814	6.29
Utilities	119,359	5.15
Travel & Motor Vehicle	6,402	0.28
Food & Beverage *	299,567	12.92
Services & Operations	168,048	7.25
Event Expenses	82,367	3.55
<b>Total Operating Expenses</b>	<b>2,247,192</b>	<b>96.93</b>
<b>Net Operating Income (Loss)**</b>	<b>(644,712)</b>	<b>(27.81)</b>

\* Including Cost of Goods Sold  
 \*\* Including Mgmt Fees, Excluding Debt Service  
 Source: Venuworks

The operations of the CCC are funded by a portion of the City's hotel tax (1.0 percent) and a portion of the restaurant tax (0.5 percent), which provides more than \$2 million in revenue each year. Operating revenues totaled nearly \$1.6 million (\$69 PSF) for the 2018 fiscal year with nearly two-thirds produced by food & beverage service. Expenses totaled \$2.2 million for the period with the majority coming from staffing (\$1.4 million) and food and beverage (\$300,000). The resulting net operating loss was \$644,000 (\$28 per square foot) for the 2018 fiscal year.

*Davenport RiverCenter*

The Davenport RiverCenter (DRC) opened in 1983 in Davenport, Iowa. DRC has over 53,000 square feet of meeting space with a 45,000-square foot exhibit space and 8,000 square feet of meeting rooms. The DRC is connected to the Adler Theater, which has 2,400 seats, and the 130-room Hotel Blackhawk. The City of Davenport owns the DRC. VenuWorks began managing the DRC and the Adler Theater in 1998 and later assumed the food and beverage operations in 2010.

The following figure shows the facility's exterior.

Figure 10



The following figure shows the facility's interior.

Figure 11



The following table outlines the function space offered at the Davenport RiverCenter.

**Table 16**

<b>Function Space Breakdown - Davenport RiverCenter</b>			
<b>Facilities</b>	<b>Total (SF)</b>	<b>By Division (SF)</b>	<b>Divisions</b>
<b>Exhibit Hall</b>			
Great River Hall	32,400		2
Mississippi River Hall	13,130		2
<b>Total Exhibit Space</b>	<b>45,530</b>		<b>4</b>
<b>Meeting Rooms</b>			
Arkansas Room	900		1
Wisconsin Room	900		1
Illinois Room	860		1
Ohio Room	840		1
Iowa Room	805		1
Missouri Room	790		1
Des Moines Room	790		1
Platte Room	783		1
Wabash Room	783		1
Wapsi Room	770		1
<b>Total Meeting Space</b>	<b>8,221</b>	<b>--</b>	<b>10</b>
<b>Theatre</b>	<b>2,400</b>		
Hotel Rooms	130		
Total Exhibit Space	45,530	/ Guest Room	350
Total Meeting Room Space	8,221		63
<b>Total Function Space</b>	<b>53,751</b>		<b>413</b>
Ballroom Divisions	4	/ 100 Guest Rooms	3.1
Meeting Room Divisions	10		7.7
<b>Total Divisions</b>	<b>14</b>		<b>10.8</b>

Source: Davenport RiverCenter, Hunden Strategic Partners

The DRC has more than 45,000 square feet of exhibit space between the 32,000-square foot Great River Hall and the 13,000-square foot Mississippi River Hall.

The DRC also has ten meeting rooms that total 8,200 square feet. The largest meeting room, the Arkansas Room, offers 900 square feet and can be combined with the Platte, Wabash and Wisconsin Rooms for a 3,300-square foot space. The Illinois and Ohio Rooms may also be combined for an 1,800-square foot space. The Iowa, Missouri, Des Moines and Wapsi Rooms may be combined to a 3,200-square foot space.

The following table outlines the operating income at the RiverCenter.

**Table 17**

<b>Davenport River Center - Income</b>		
<b>Overview</b>		
Location	Davenport, IA	
Reporting Date	6/30/2018	
Function Space	53,386	
Year Opened	1983	
Full-Time Equivalents (FTE's)	11	
Catering Operator	In-House	
<b>Income</b>	<b>Actual</b>	<b>PSF</b>
Rental Income	422,294	7.91
<b>Building Rent Income</b>	<b>422,294</b>	<b>7.91</b>
Food & Beverage	1,365,345	25.57
Reimbursed Expenses	305,561	5.72
Equipment Rental	146,931	2.75
Event Income	875,815	16.41
Other Ancillary Income	330,904	6.20
<b>Ancillary Income</b>	<b>3,024,556</b>	<b>56.65</b>
<b>Total Operating Income</b>	<b>3,446,850</b>	<b>64.56</b>
Source: Venuworks		

The following table outlines the operating expenses at the RiverCenter.

**Table 18**

<b>Davenport River Center - Expenses</b>		
<b>Expenses</b>	<b>Actual</b>	<b>PSF</b>
Full-Time Salaries	885,292	16.58
Part-Time Salaries	942,506	17.65
Employer Paid Taxes & Benefits	250,421	4.69
General & Administrative	96,203	1.80
Occupancy	349,016	6.54
Utilities	278,757	5.22
Travel & Motor Vehicle	4,547	0.09
Food & Beverage *	492,359	9.22
Services & Operations	217,087	4.07
Event Expenses	472,331	8.85
<b>Total Operating Expenses</b>	<b>3,988,519</b>	<b>74.71</b>
<b>Net Operating Income (Loss)**</b>	<b>(541,669)</b>	<b>(10.15)</b>

\* Including Cost of Goods Sold  
 \*\* Including Mgmt Fees, Excluding Debt Service  
 Source: Venuworks

Operating revenues totaled \$3.4 million for the 2018 fiscal year with nearly half produced by food and beverage service. Expenses totaled nearly \$4 million for the period with more than half coming from staffing (\$2 million). The resulting net operating loss was \$542,000 (\$10 per square foot) for the 2018 fiscal year.

*Three Rivers Convention Center*

Three Rivers Convention Center is the convention center that serves the Tri-Cities of southeastern Washington. The facility is located in Kennewick, Washington and gets its name from the Snake River, Yakima River and Columbia Rivers, which all intersect in vicinity of the Tri-Cities. The center is located adjacent to the multipurpose Toyota Center arena. The 6,000-seat arena was built in 1988, while the Three Rivers Convention Center was built in 2004.

The following figure shows the exterior of the facility.

**Figure 12**



The following figure shows the interior of the facility.

**Figure 13**



The following table outlines the function space offered at the three rivers convention center.

**Table 19**

<b>Function Space Breakdown - Three Rivers Convention Center</b>			
<b>Facilities</b>	<b>Total (SF)</b>	<b>By Division (SF)</b>	<b>Divisions</b>
<b>Ballroom</b>			
Great Hall	21,600		4
<b>Total Ballroom Space</b>	<b>21,600</b>	<b>-</b>	<b>4</b>
<b>Meeting Rooms</b>			
Meeting room A	900		1
Meeting Room B	950		1
Meeting Room C	1,842		1
Meeting Room D	1,842		1
Meeting Room E	920		1
Meeting Room F	880		1
Meeting Room G	1,840		1
Meeting Room H	1,818		1
Board Room	500		1
<b>Total Meeting Space</b>	<b>11,492</b>	<b>-</b>	<b>9</b>
Hotel Rooms	-		
Total Exhibit Space	0	/ Guest Room	-
Total Meeting Space	11,492		-
Total Ballroom Space	21,600		-
<b>Total Function Space</b>	<b>33,092</b>		<b>-</b>
Ballroom Divisions		4 / 100 Guest Rooms	-
Meeting Room Divisions	9		-
<b>Total Divisions</b>	<b>13</b>		<b>-</b>

Source: Three Rivers Convention Center, Hunden Strategic Partners

The Three Rivers Convention Center offers more than 33,000 square feet of total function space. The Great Hall at the center totals more than 21,500 square feet while the nine meeting rooms offer a total of nearly 11,500 square feet of function space.

The following table highlights the facility's operating income.

**Table 20**

<b>Three Rivers Convention Center - Income</b>		
<b>Overview</b>		
Location	Kennewick, WA	
Reporting Date	12/31/18	
Function Space	32,574	
Year Opened	2004	
Full-Time Equivalents (FTE's)	12	
Catering Operator	In-House	
<b>Income</b>	<b>Actual</b>	<b>PSF</b>
Rental Income	374,388	11.49
<b>Building Rent Income</b>	<b>374,388</b>	<b>11.49</b>
Food & Beverage	2,254,544	69.21
Reimbursed Expenses	32,748	1.01
Equipment Rental	298,210	9.15
Event Income	166,659	5.12
Other Ancillary Income	35,165	1.08
<b>Ancillary Income</b>	<b>2,787,325</b>	<b>85.57</b>
<b>Total Operating Income</b>	<b>3,161,713</b>	<b>97.06</b>
Source: Venuworks		

The following table highlights the facility's operating expenses.

**Table 21**

<b>Three Rivers Convention Center - Expenses</b>		
<b>Expenses</b>	<b>Actual</b>	<b>PSF</b>
Full-Time Salaries	846,422	25.98
Part-Time Salaries	549,168	16.86
Employer Paid Taxes & Benefits	357,763	10.98
General & Administrative	59,658	1.83
Occupancy	188,860	5.80
Utilities	142,451	4.37
Travel & Motor Vehicle	9,573	0.29
Food & Beverage *	567,987	17.44
Services & Operations	503,437	15.46
Event Expenses	119,115	3.66
<b>Total Operating Expenses</b>	<b>3,344,433</b>	<b>102.67</b>
<b>Net Operating Income (Loss)**</b>	<b>(182,720)</b>	<b>(5.61)</b>

\* Including Cost of Goods Sold  
 \*\* Including Mgmt Fees, Excluding Debt Service  
 Source: Venuworks

Total operating income throughout 2018 was approximately \$2.8 million while operating expenses totaled more than \$3.3 million, resulting in a net operating loss of nearly \$183,000, or approximately \$5.60 per square foot.

*Vicksburg Convention Center*

The Vicksburg Convention Center is located in downtown Vicksburg, Mississippi. First opening in 1997, the Vicksburg Convention Center is a convention, trade show and multi-purpose event facility owned by the City of Vicksburg. The facility is currently undergoing a renovation to repair escalators and elevators at the facility, which cost nearly \$900,000. Renovations were finished in March of 2019.

The following figures shows the facility’s exterior.

Figure 14



The following figure shows the facility's interior.

Figure 15



The following table outlines the function space available at the facility.

**Table 22**

<b>Function Space Breakdown - Vicksburg Convention Center</b>			
<b>Facilities</b>	<b>Total (SF)</b>	<b>By Division (SF)</b>	<b>Divisions</b>
<b>Exhibit Hall</b>			
Exhibit Hall	17,050		2
Exhibit Hall A		6,820	
Exhibit Hall B		10,230	
<b>Total Exhibit Space</b>	<b>17,050</b>	<b>-</b>	<b>2</b>
<b>Meeting Rooms</b>			
Meeting Room 1	2,120		1
Meeting Room 2	1,326		1
Meeting Room 3	1,321		1
Meeting Room 4	1,296		1
Meeting Room 5	785		1
Meeting Room 6	638		1
Meeting Room 7	782		1
Board Room	239		1
<b>Total Meeting Space</b>	<b>8,507</b>	<b>-</b>	<b>8</b>
Hotel Rooms	-		
Total Exhibit Space	17,050	/ Guest Room	-
Total Meeting Space	8,507		-
Total Ballroom Space	0		-
<b>Total Function Space</b>	<b>25,557</b>		<b>-</b>
Exhibit Divisions		2 / 100 Guest Rooms	-
Meeting Room Divisions	8		-
<b>Total Divisions</b>	<b>10</b>		<b>-</b>

Source: Vicksburg Convention Center, Hunden Strategic Partners

The Vicksburg Convention Center includes a total of more than 25,500 square feet of function space. The center includes an exhibit hall of 17,000 square feet and eight meeting rooms that total more than 8,500 square feet.

The following figure highlights the operating income at the Vicksburg Convention Center.

**Table 23**

<b>Vicksburg Convention Center - Income</b>		
<b>Overview</b>		
Location	Vicksburg, MS	
Reporting Date	9/30/18	
Function Spce	25,555	
Year Opened	1997	
Full-Time Equivalent (FTE's)	6	
Catering Operator	Local Operator	
<b>Income</b>	<b>Actual</b>	<b>PSF</b>
Rental Income	132,421	5.18
<b>Building Rent Income</b>	<b>132,421</b>	<b>5.18</b>
Food & Beverage	111,781	4.37
Reimbursed Expenses	40,267	1.58
Equipment Rental	21,877	0.86
Event Income	9,555	0.37
Other Ancillary Income	43,798	1.71
<b>Ancillary Income</b>	<b>227,277</b>	<b>8.89</b>
<b>Total Operating Income</b>	<b>359,698</b>	<b>14.08</b>
Source: Venuworks		

The following figure highlights the operating expenses at the Vicksburg Convention Center.

**Table 24**

<b>Vicksburg Convention Center - Expenses</b>		
<b>Expenses</b>	<b>Actual</b>	<b>PSF</b>
Full-Time Salaries	317,621	12.43
Part-Time Salaries	68,567	2.68
Employer Paid Taxes & Benefits	100,316	3.93
General & Administrative	14,519	0.57
Occupancy	143,279	5.61
Utilities	111,822	4.38
Travel & Motor Vehicle	8,428	0.33
Food & Beverage *	25,554	1.00
Services & Operations	176,476	6.91
Event Expenses	9,147	0.36
<b>Total Operating Expenses</b>	<b>975,730</b>	<b>38.18</b>
<b>Net Operating Income (Loss)**</b>	<b>(616,033)</b>	<b>(24.11)</b>

\* Including Cost of Goods Sold  
 \*\* Including Mgmt Fees, Excluding Debt Service  
 Source: Venuworks

Total operating income throughout 2018 was approximately \$230,000 while operating expenses totaled nearly \$976,000, resulting in a net operating loss of approximately \$616,000 or \$24 per square foot.

### *Saratoga Springs City Center*

The Saratoga Springs City Center, located in Saratoga Springs, New York approximately 190 miles northeast of Ithaca. The Saratoga Springs City Center first opened in 1984 and primarily hosts corporate meetings, New York State Associations, trade groups and northeast regional organizations. The facility is located in downtown Saratoga Springs and is adjoined to a 242-key Saratoga Hilton Hotel. According to management at the Saratoga Springs City Center, the facility had an estimated economic impact of \$32 million.

The following figure shows the exterior of the facility.

**Figure 16**



The following figure shows the interior of the facility.

**Figure 17**



The following table outlines the function space offered at the Saratoga City Center.

**Table 25**

<b>Function Space Breakdown - Saratoga Springs City Center</b>			
<b>Facilities</b>	<b>Total (SF)</b>	<b>By Division (SF)</b>	<b>Divisions</b>
<b>Ballroom</b>			
Main Hall	20,004		4
Room A		2,397	
Room B		2,810	
Room C		2,397	
Room D		12,400	
<b>Total Exhibit Space</b>	<b>20,004</b>	<b>-</b>	<b>4</b>
<b>Meeting Rooms</b>			
Meeting 1	5,000		1
Meeting 2	6,000		2
Wedge Room	1,321		1
<b>Total Meeting Space</b>	<b>12,321</b>	<b>-</b>	<b>4</b>
Hotel Rooms	-		
Total Exhibit Space	0	/ Guest Room	-
Total Meeting Space	12,321		-
Total Ballroom Space	20,004		-
<b>Total Function Space</b>	<b>32,325</b>		<b>-</b>
Exhibit Divisions		4 / 100 Guest Rooms	-
Meeting Room Divisions		4	-
<b>Total Divisions</b>		<b>8</b>	<b>-</b>

Source: Saratoga Springs Convention Center, Hunden Strategic Partners

The total function space at the City Center totals more than 32,000 square feet. The Main Hall at the facility totals just more than 20,000 square feet and the meeting rooms total approximately 12,300.

The next table shows the event activity in the building in 2017.

**Table 26**

<b>Saratoga Springs Events by Type - 2017</b>		
<b>Category</b>	<b>Number</b>	
Conventions & Conferences	66	
Trade Shows - Industry	7	
Consumer Shows	36	
Banquets	26	
Special Events	40	
Total	175	Per Event
Paid Event Days	273	1.6
Total Building Use Days	333	1.9
Total Attendance	178,720	1,021
Overnight Guests	21,521	123
Day Visitor Guests	157,199	898
Source: Saratoga Springs City Center		

The building hosted 175 events that accounted for 273 paid event days and 333 total building use days. Each event used nearly two days on average. Conventions and conferences were the most plentiful event type, with 66, followed by special events (40) and consumer shows (36). There were nearly 180,000 attendees, with nearly 22,000 overnight guests. Given that the average people per hotel room is between 1.2 and 1.9, depending on the type of event, it is estimated that the facility induced between 12,000 – 18,000 hotel room nights. Given the size of the facility, this is a healthy number of room nights.

The next table shows the financial results and operating support for the center.

**Table 27**

<b>Saratoga Springs Income Statement - 2017</b>	
<b>Revenue</b>	
Rental Income	\$698,000
Catering	\$167,000
Other	\$120,000
Total	\$985,000
<b>Expense</b>	
Salaries	\$815,000
Benefits	\$375,000
Utilities	\$181,000
Prof. Services	\$111,000
Insurance	\$88,000
Repairs	\$43,000
Other	\$116,000
Total	\$1,729,000
<b>Net Operating Loss</b>	<b>(\$744,000)</b>
<b>Operating Support</b>	
Room Tax	\$607,000
City Capital Fund	\$137,000
Total	\$744,000
Source: Saratoga Springs City Center	

The facility generated nearly \$1 million in revenue in 2017, driven primarily by building rent. Net catering revenue was \$167,000, implying a likely gross amount of nearly \$700,000. Expenses totaled more than \$1.7 million, with staffing as the largest component at nearly \$1.2 million. To cover the nearly \$750,000 operating loss (approximately \$23 per square foot of net function space), the community supports the facility with the hotel room tax of \$607,000 and city capital fund of \$137,000.

As shown, the facilities profiled in this chapter generally are busy, but most operate at a loss, which requires financial support. This support typically comes from public sources, such as the local hotel tax, city funds, county funds, food and beverage taxes and others. In total, HSP expects that the Ithaca conference center will perform well, but will likely also generate an operating loss that must be mitigated by public support.