

Comparative Data Review on Convention Center Expansions

8-4-2009

At the request of task force member Lani Lutar, the San Diego Convention Center Corporation (SDCCC) staff produced a report of recently completed convention center expansion projects with data on financing sources. The following thirteen (13) convention centers were included in the report:

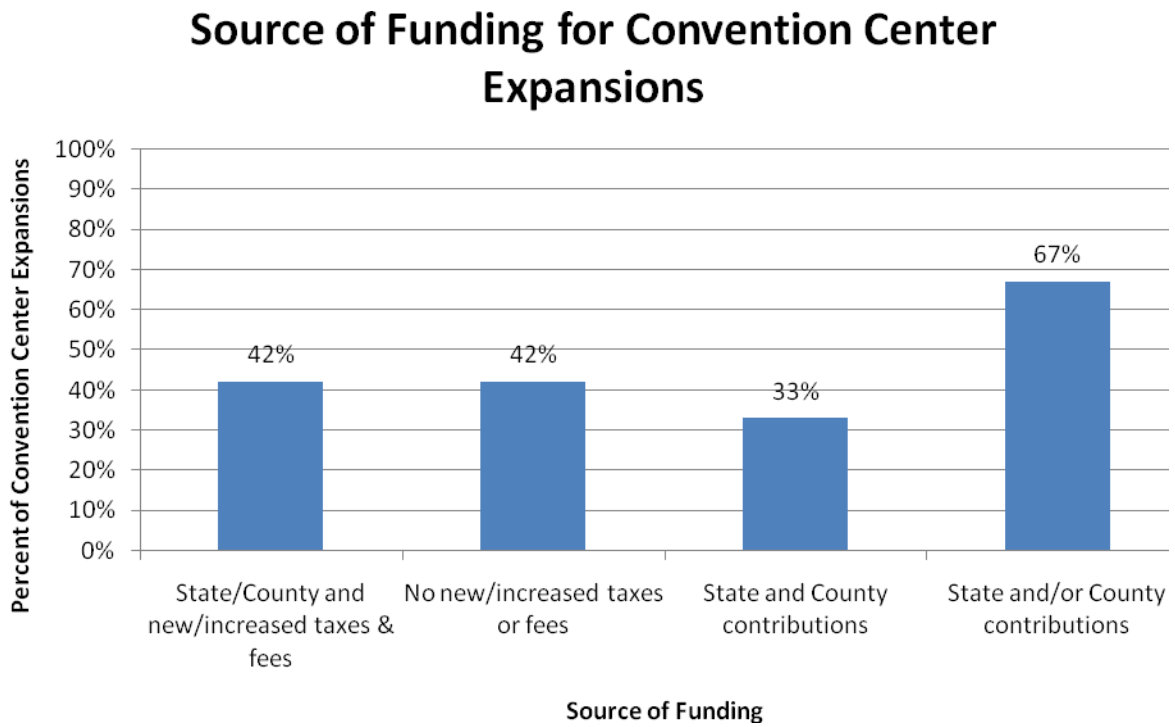
- Indiana Convention Center & Lucas Oil Stadium
- Pasadena Convention Center
- Pennsylvania Convention Center
- Phoenix Convention Center
- Vancouver Convention & Exhibition Centre
- Chicago McCormick Place
- Raleigh Convention Center
- The Boston Convention and Exhibition Center
- Walter E. Washington Convention Center, Washington DC
- Rhode Island Convention Center Complex
- Toronto Congress Centre
- Niagara Convention & Civic Centre
- Jackson Convention Complex

The report did not include detailed data for the Toronto Congress Centre. For the remaining twelve (12) convention centers, SDCTA prepared statistical information to highlight trends. It is important to note that the document was taken at face value. If the report noted that a convention center did not increase taxes but listed taxes, it was assumed the taxes were in existence prior to the expansion project. It should also be noted that of these twelve (12) convention centers, only four (4) are within San Diego's competitive set: Washington DC, Phoenix, Boston, and Vancouver.

Findings from the twelve (12) convention center expansions:

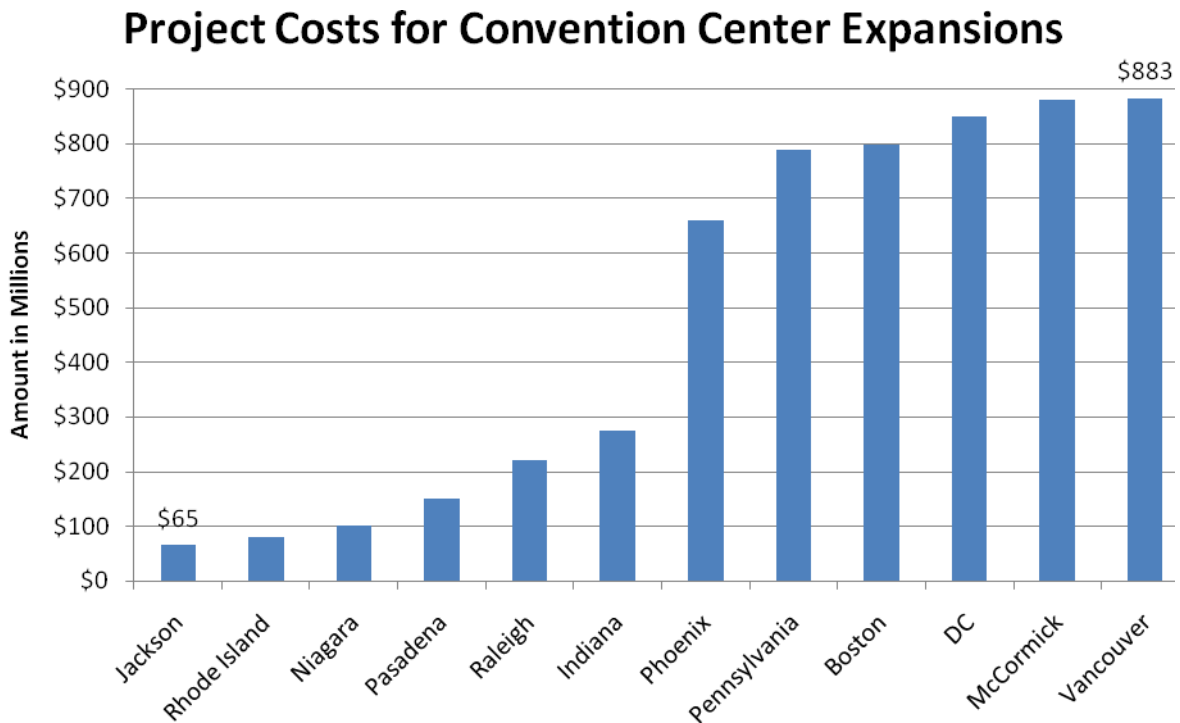
- Four (33%) received funding from both the state **and** the county where the convention center is located (including provincial and federal funding for Canada). (See Figure 1)
- Eight (67%) were paid for with state **and/or** county contributions. (See Figure 1)
- Five (42%) were paid for with a combination of state/county funds as well as new or increased taxes and fees. (See Figure 1)
- Five (42%) were paid for without new or increased taxes or fees. (See Figure 1)
- The Jackson Convention Complex had the lowest costs for expansion at \$65 million. (See Figure 2)
- The Vancouver Convention & Exhibition Centre had the highest cost for expansion at \$883.2 million. (See Figure 2)
- The average (mean) cost for expansions is \$480 million with a median cost of \$467.5 million. (See Figure 2)
- Nine (75%) used some form of TOT to fund the expansion. (See Figure 3)
- Three (25%) used some form of auto rental taxes/surcharges. (See Figure 3)
- Six (50%) used some form of food and beverage taxation. (See Figure 3)

Figure 1: Source of Funding for the Twelve (12) Convention Center Expansions



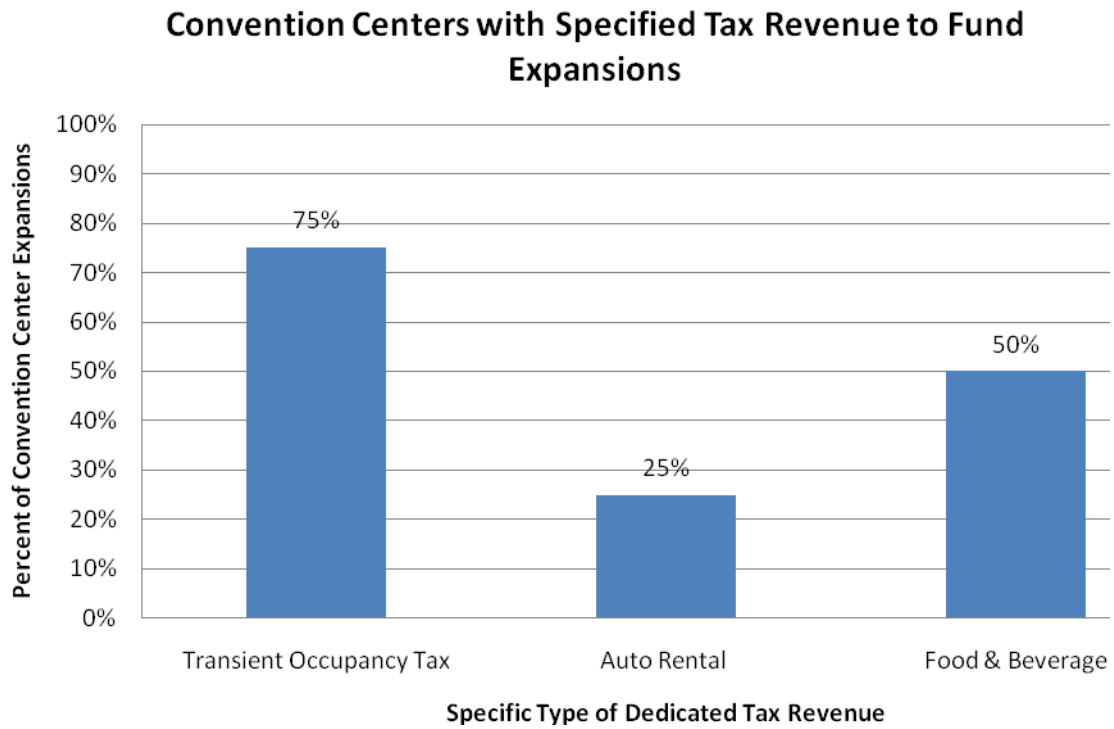
Source: San Diego Convention Center Corporation provided data.

Figure 2: Project Costs for the Twelve (12) Convention Center Expansions



Source: San Diego Convention Center Corporation provided data.

Figure 3: Specified Tax Revenue for the Twelve (12) Convention Center Expansions



Source: San Diego Convention Center Corporation provided data.