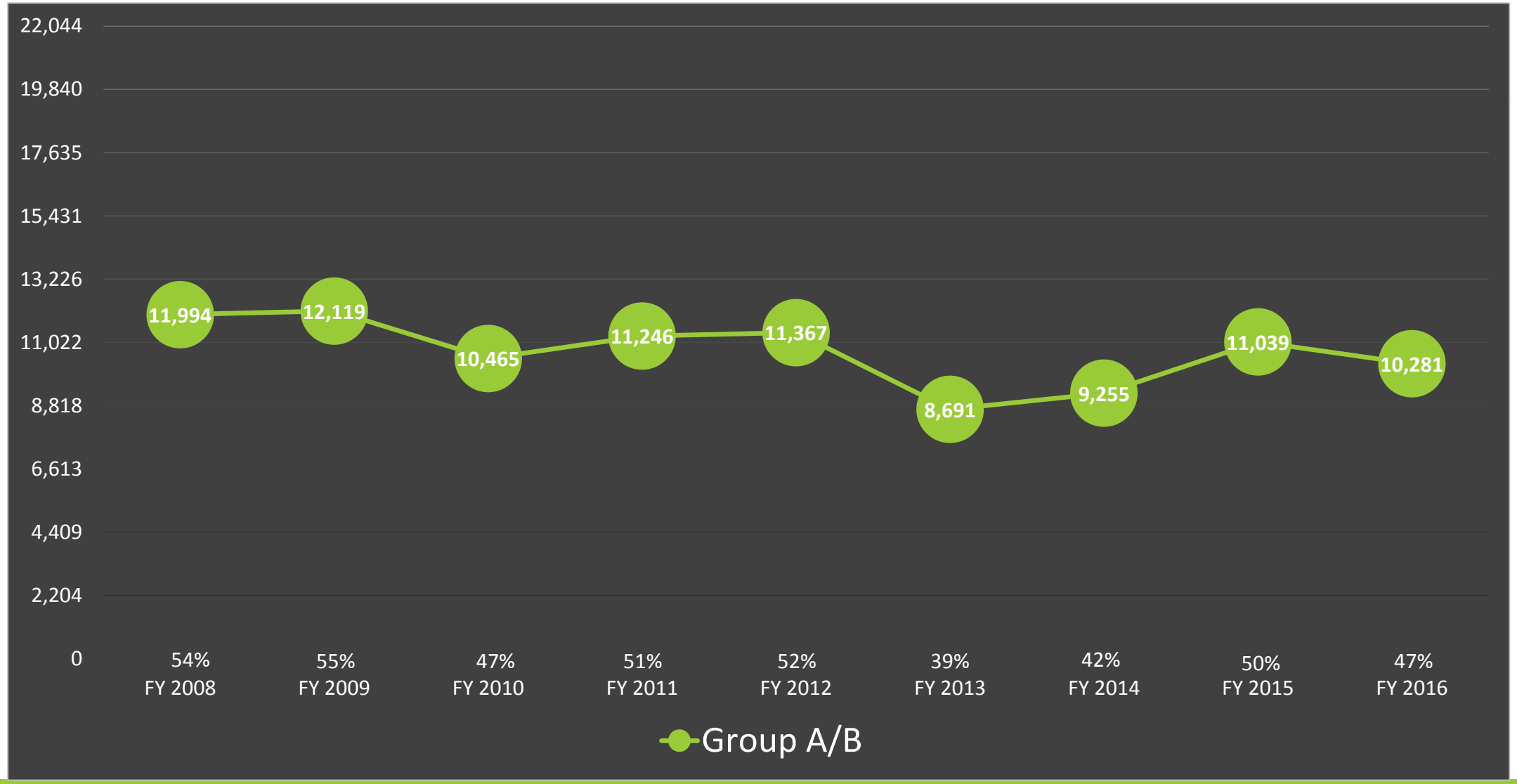
The Sacramento Convention Center

CONTINUED DISCUSSION

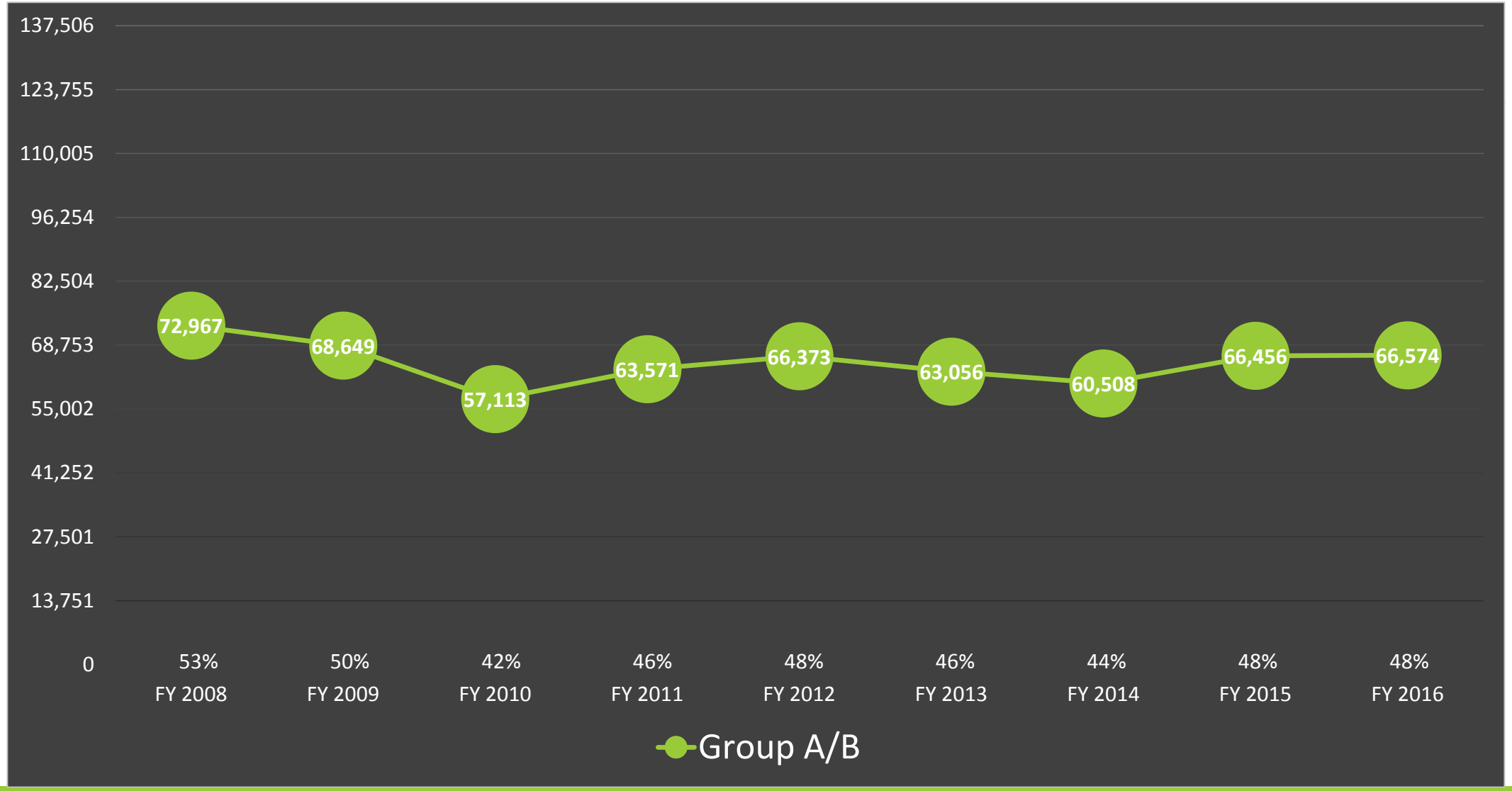
PRESENTED BY MATT VOREYER, GENERAL MANAGER, SACRAMENTO CONVENTION CENTER

MIKE TESTA, CHIEF OPERATING OFFICER, VISIT SACRAMENTO

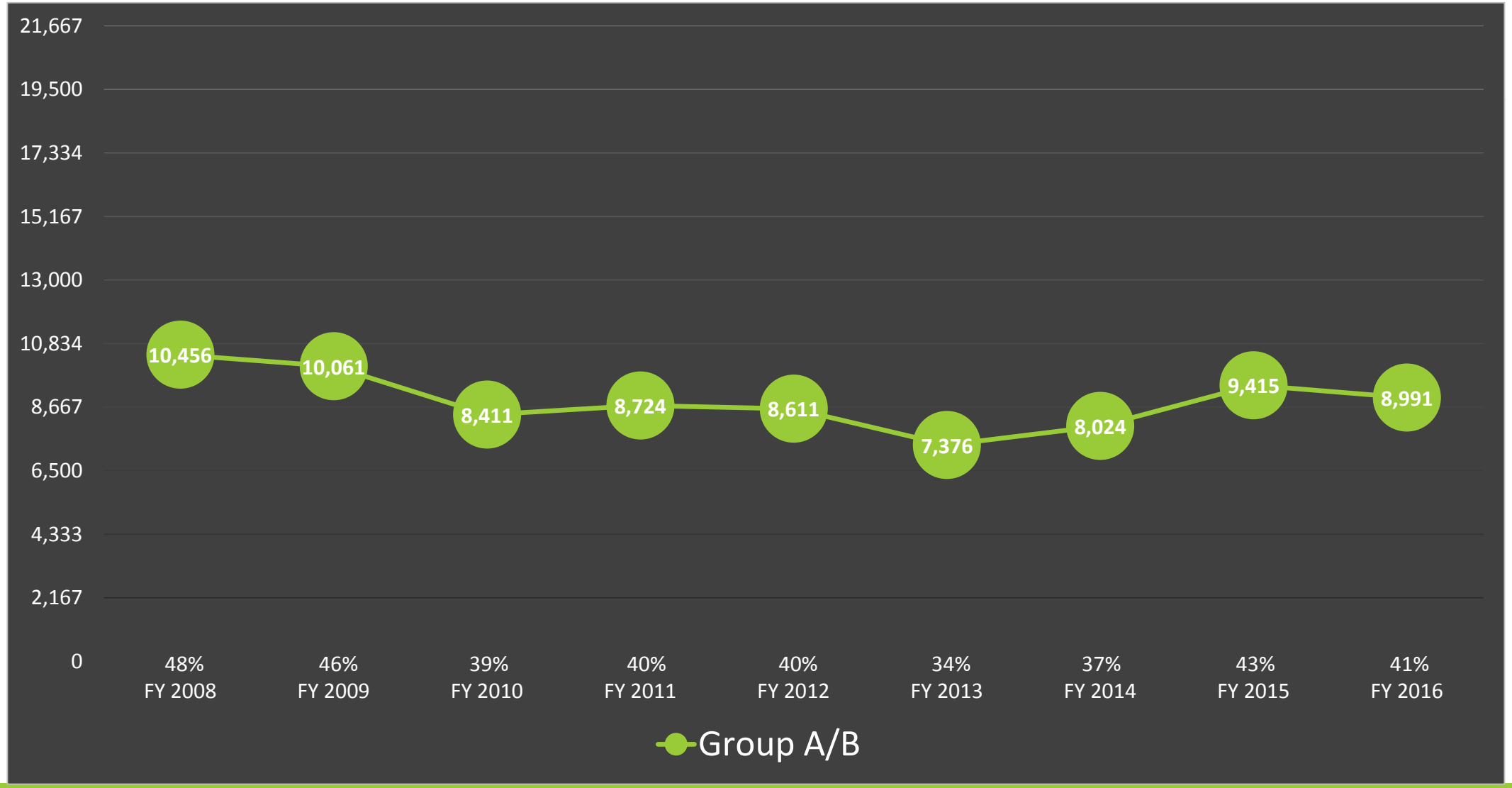
Convention Center Ballroom
Annual Square Footage Used



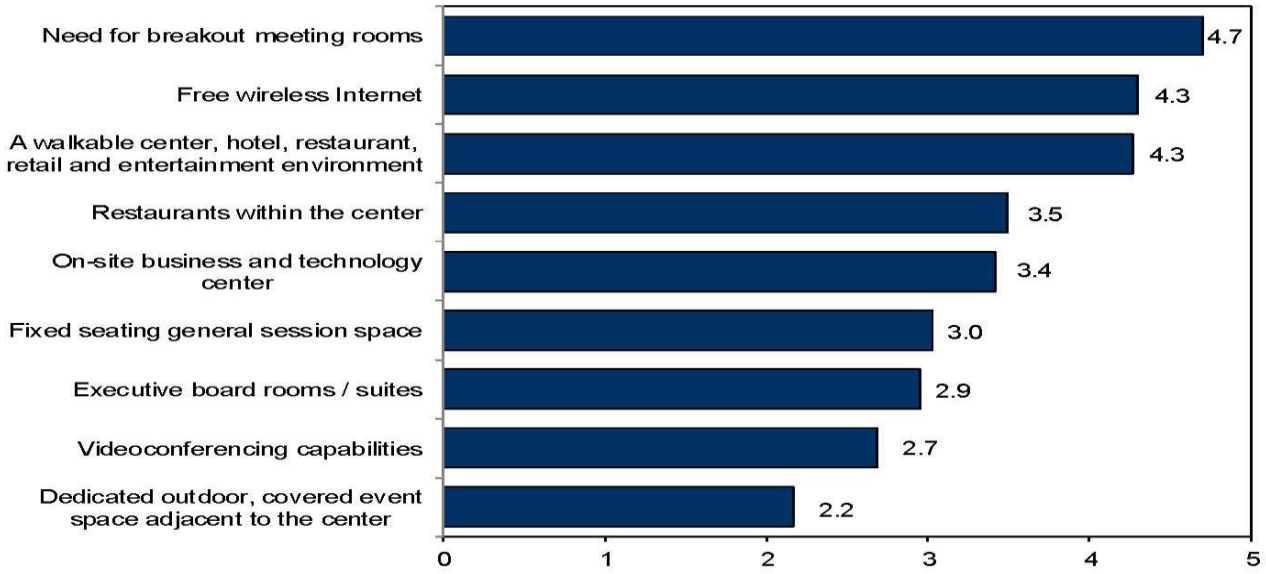
Convention Center Exhibit Halls
Annual Square Footage Used



Convention Center Meeting Rooms Annual Square Footage Used



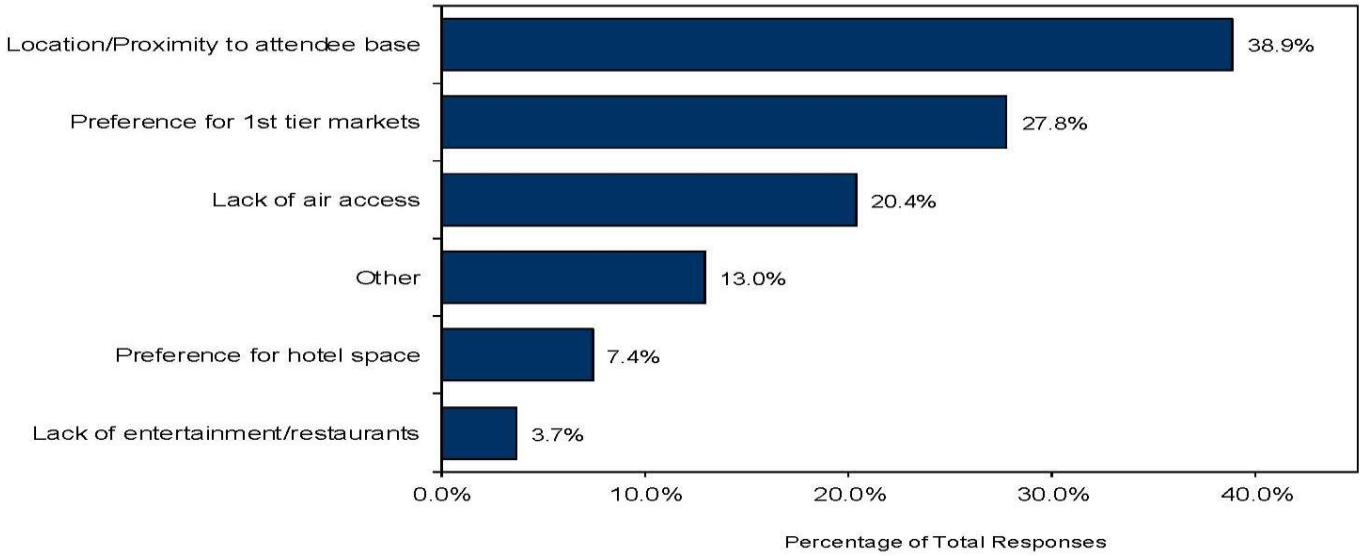
Convention Center & Destination Features Expected to Increase in Importance in the Future (All Respondents) – National Conventions and Tradeshows



Notes: Data represented includes all organizations interviewed
Ratings are based on a scale of one through five, with five being most important and one being least important.
Source: CSL Interviews, 2011

- CSL has conducted surveys of national event planners regarding their opinions as to center and destination features expected to increase in importance in the future.
- The top three responses were (1) needed for breakout meeting space, (2) free wireless Internet access and (3) a walkable center/hotel/restaurant/retail and entertainment environment.
- SCC meeting space levels are relatively low, representing an increasing competitive disadvantage.
- The walkable environment surrounding the SCC, inclusive of hotels and restaurants, should be considered a competitive advantage.

Reasons for a Lack of Future Interest in the Sacramento Convention Center – National Conventions and Tradeshows

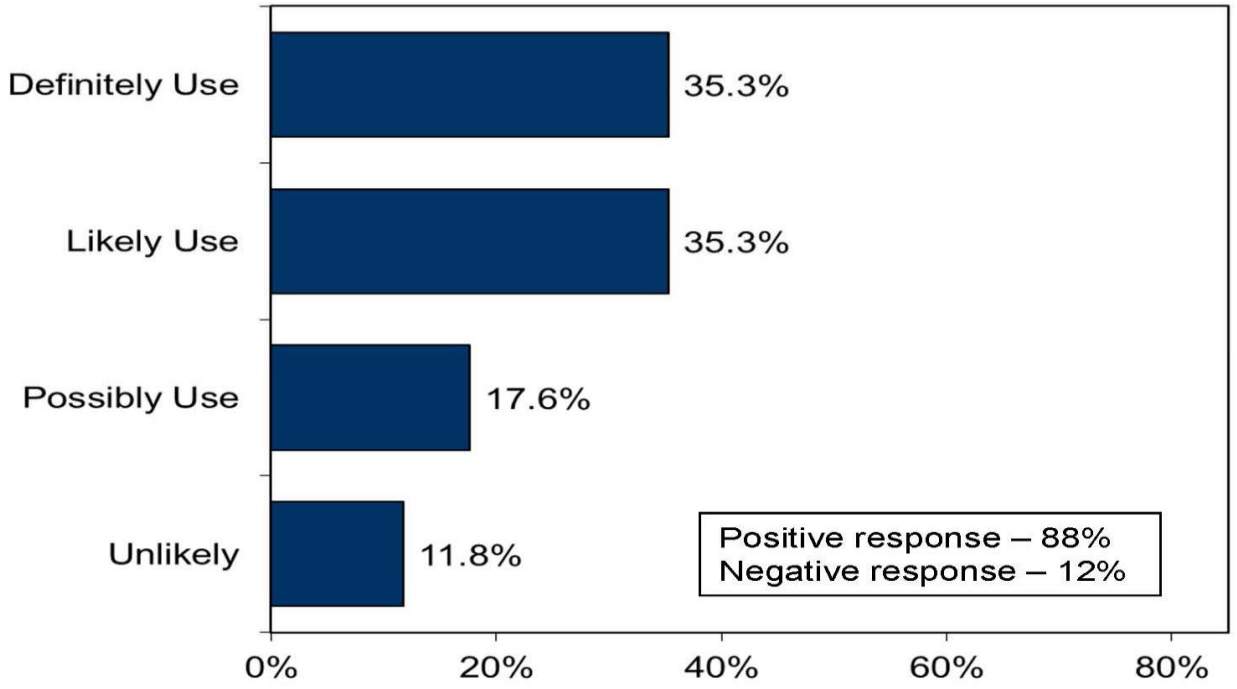


Notes: Data represented includes all organizations without a potential interest in the Sacramento Convention Center.
Figures total more than 100 percent, as several organizations cited more than one reason.
Source: CSL Interviews, 2011

- Reasons for a negative response to hosting an event in Sacramento focused on location of Sacramento relative to event attendee base, preference for 1st tier markets and lack of air access into Sacramento.
- Issues related to proximity to attendee base and preference for a 1st tier market are difficult to market against. However air access and lack of entertainment can be considered in some cases to be perceptions issues, based more on a lack of familiarity with the destination. Marketing efforts may mitigate some of these concerns.

Likelihood of Using the SCC – All Organizations

FINAL REPORT



- Event planners that have used the SCC in the past are very likely to use or consider using the SCC in the future.
- This base of potential repeat business is important in supporting future occupancy levels.
- These data also indicate support for the desirability of the Sacramento convention package.

Note: Data represented includes all organizations interviewed.
Source: CSL Interviews, 2011

Why We Lose Business

- Could not coordinate dates between Hyatt, Sheraton, Center
- Hotels did not give adequate blocks (over dates when SCC had availability)
- Availability of dates at hotels (over dates where we had center availability)
- Center dates were unavailable
- Lack of meeting rooms at the center
- Condition of the Convention Center
- Conflict with anchor hotel annual group

Winning Business – Making the Puzzle Pieces Fit

Client	# of Delegates	Room Nights	Contracted Hotels	Average Daily Rate (ADR)	Meeting Venues
American Society of Enology and Viticulture	14,000	7,656	2	$267.00	Convention Center (all spaces, including lobbies and third floor terrace), Hyatt, Sheraton
NCFL – National Catholic Forensic League	5,000	5,698	18	$131.40	Convention Center Hyatt, Sheraton, Hilton, McClatchy High School, CSUS
YMCA – Young Men's Christian Association	3,900	5,269	2	$135.53	Convention Center Hyatt and Sheraton State Capitol, Masonic Temple, Municipal Courthouse
AVID Summer Institute	2,800	2,496	3	$190.08	Convention Center Hyatt, Sheraton, Residence Inn, Citizen California Chamber in Esquire building *AVID utilizes 50 meeting spaces and they need to grow to 60 by 2020
Juice Plus Global Conference	4,000	5,775	9	$177.55	Convention Center

STR – Measuring the Industry

STR, formerly known as Smith Travel Research, is an American company that tracks supply and demand data for multiple market sectors, including the global hotel industry. STR provides market share analysis for major hotel chains and brands in North America, Europe, Asia Pacific, Middle East and Africa. STR maintains a presence in 10 countries around the world.

2016 Total Demand – Smith Travel Research (STR) Sacramento Convention Center Dec. 2016 YE

Business	Revenue	TOT
Visit Sacramento contracted room nights using the convention center – 126,881 – at an average daily rate from STR of $150.28	$19,067,676	$2,288,121
Group norms outside of the block – estimated at 25% of contracted rooms – 31,720 at an average daily transient rate from STR of $179.22	$5,684,858	$682,183
"Group B" Business not tracked – estimated at 10% of total event attendance (42,396) at average daily transient rate from STR of $179.22	$7,598,211	$911,785
Compression: STR reports market increase of $7.50 per room during week of Wine & Grape Symposium	**$9,386,475**	**$1,126,975**
Total	**$41,737,220**	**$5,009,024**

SCC Financial Performance

Sacramento Convention Center
Non-TOT Revenue and Expenditures (Complex Operations)

City of Sacramento, Convention and Cultural Services Department
Sacramento Convention Center
Non-TOT Revenue and Expenditures (Complex Operations)
in Thousands of Dollars

SACRAMENTO CONVENTION CENTER

	FY 2015/16	FY 2014/15	FY 2013/14	FY 2012/13	FY 2011/12	FY 2010/11	FY 2009/10	FY 2008/09	FY 2007/08	Average
Net Results Carryover	4,212	3,864	3,827	4,218	3,010	2,629	2,647	2,241		
Convention Center Complex Revenue Collected	8,775	8,729	7,834	7,213	8,794	7,892	7,758	8,635	8,773	8,267
Convention Center Complex Expenditure	9,057	8,381	7,797	7,604	7,586	7,512	7,777	8,228	6,532	7,830
Difference per Fiscal Year	(282)	348	37	(391)	1,208	380	(19)	407	2,241	437
Net Results	**3,930**	**4,212**	**3,864**	**3,827**	**4,218**	**3,010**	**2,629**	**2,647**	**2,241**	

Notes:

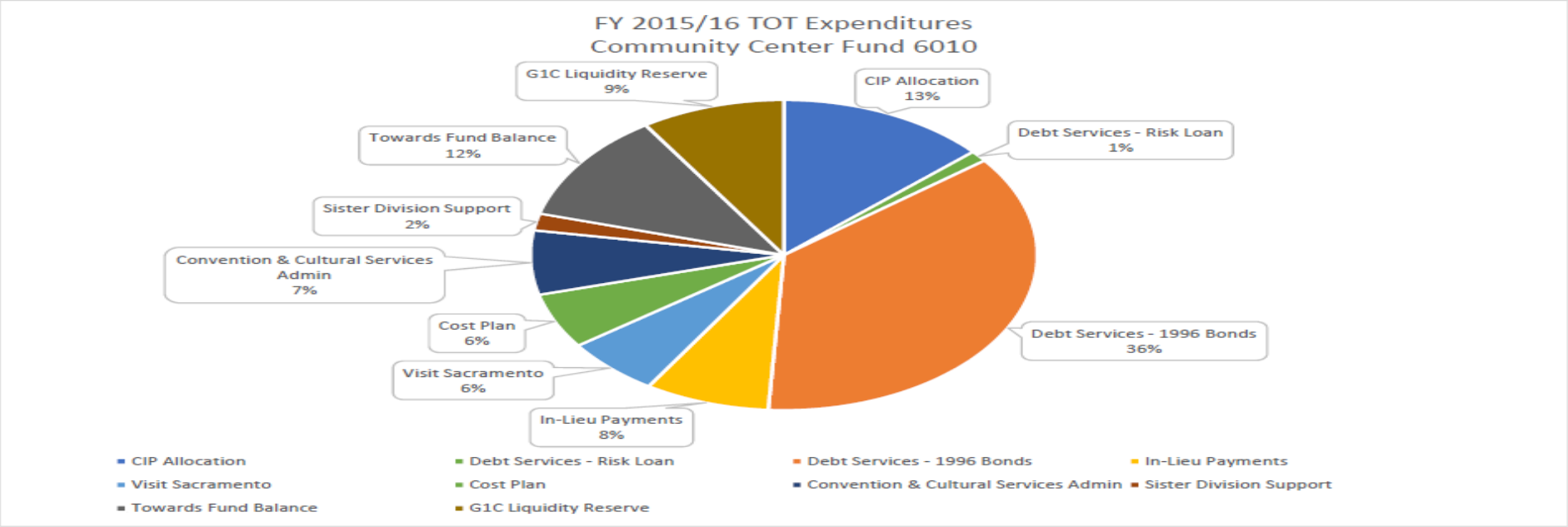
Convention Center Complex includes: Memorial Auditorium, Community Center Theater and Convention Center

FY 2015/16 - Increase in employee services due to changing schedules and increase in services & supplies due to increase in attendance (143,000 people)

FY 2012/13 - Revenue collected lower due to the number and types of events held

FY 2009/10 - Revenue collected lower than anticipated due to the recession

FY 2015/16 TOT Expenditures
Community Center Fund 6010



G1C Liquidity Reserve	$	2,000,000
CIP Allocation	$	2,922,344
Debt Services - Risk Loan	$	250,000
Debt Services - 1996 Bonds	$	7,944,037
In-Lieu Payments	$	1,734,892
Visit Sacramento	$	1,334,380
Cost Plan	$	1,265,320
Convention & Cultural Services Admin	$	1,456,873
Sister Division Support	$	385,181
Total TOT Expenditures	$	19,293,027
Towards Fund Balance	$	2,506,853
Total TOT Collected	$	21,799,880

What the Data Tells Us

PRESENTED BY SCOTT SUMMERS