

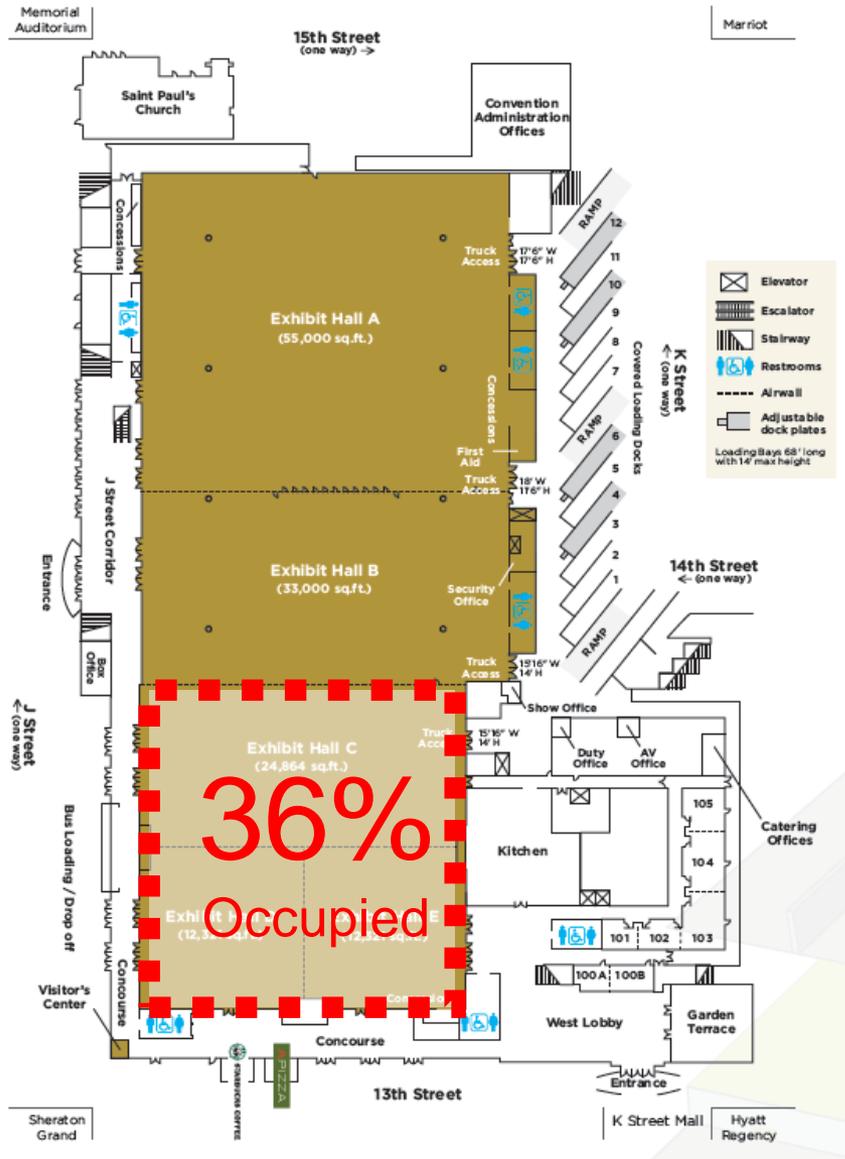
Sacramento Convention Center City Team & Stakeholder Group Meeting

Monday, February 6, 2017

11:00 a.m. – 1:00 p.m.

Sacramento Convention Center, Room 306

4. What Can We Learn from the Data?



Industry Standard for Measuring Occupancy:
Average % Gross SF Occupied

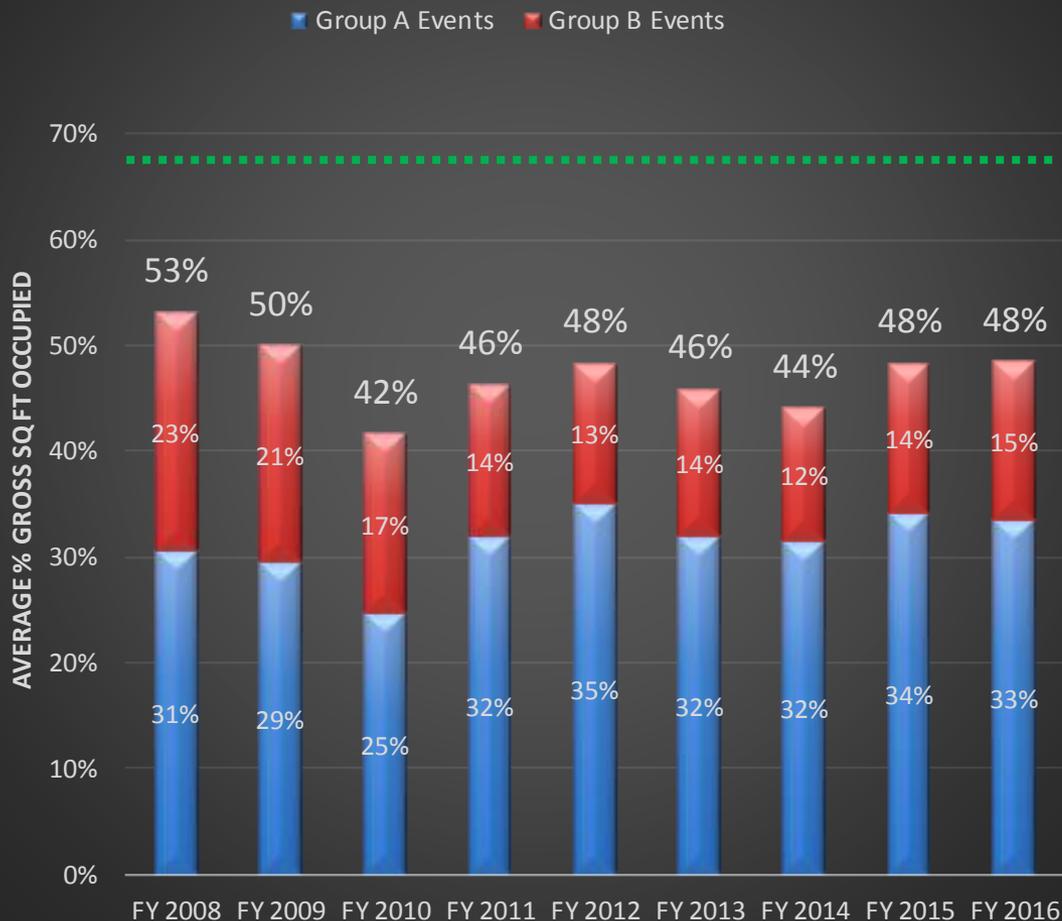
Example: Halls C,D+E Occupied 49,405 SF
 / Total 137,506 SF
 = 36% Occupancy

Contracted Space = Occupied
 Move-In Days
 Event Days
 Move-Out Days

All 365 Days / Year Count

Maximum Practical Occupancy is ~70%

SCC Exhibition Hall Occupancy - FY08-FY16



Source: City of Sacramento, Convention & Cultural Facilities Department

Exhibition Halls

Utilization

- FY 2016 Occupancy @ 48%
- Capacity to Host More Events

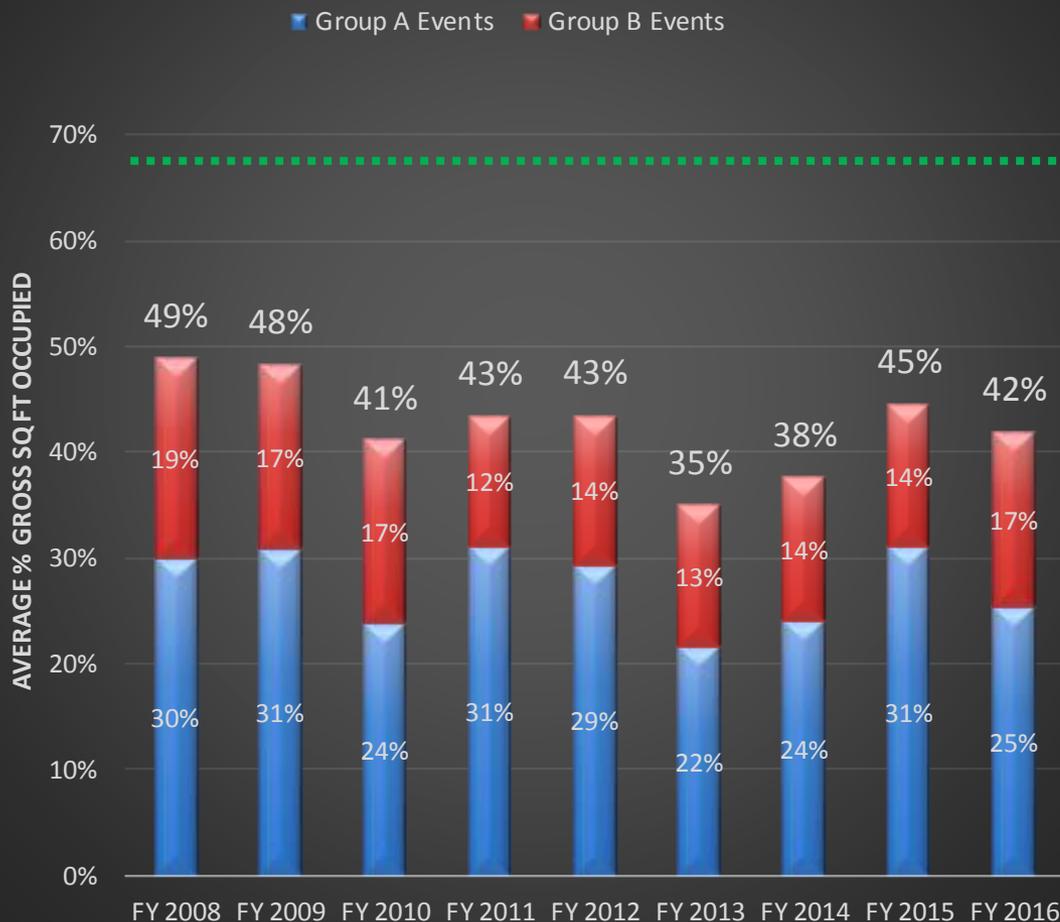
Driver

- Group A Events

Trends

- Total Utilization Consistent
- Group A Up Slightly
- Group B Down Slightly

SCC Ballroom & Meeting Room Occupancy - FY08-FY16



Source: City of Sacramento, Convention & Cultural Facilities Department

Meeting Space

Utilization

- FY 2016 Occupancy @ 42%
- Capacity to Host More Events

Driver

- Group A Events

Trends

- Total Utilization Down Slightly
- Group A Down Slightly
- Group B Consistent

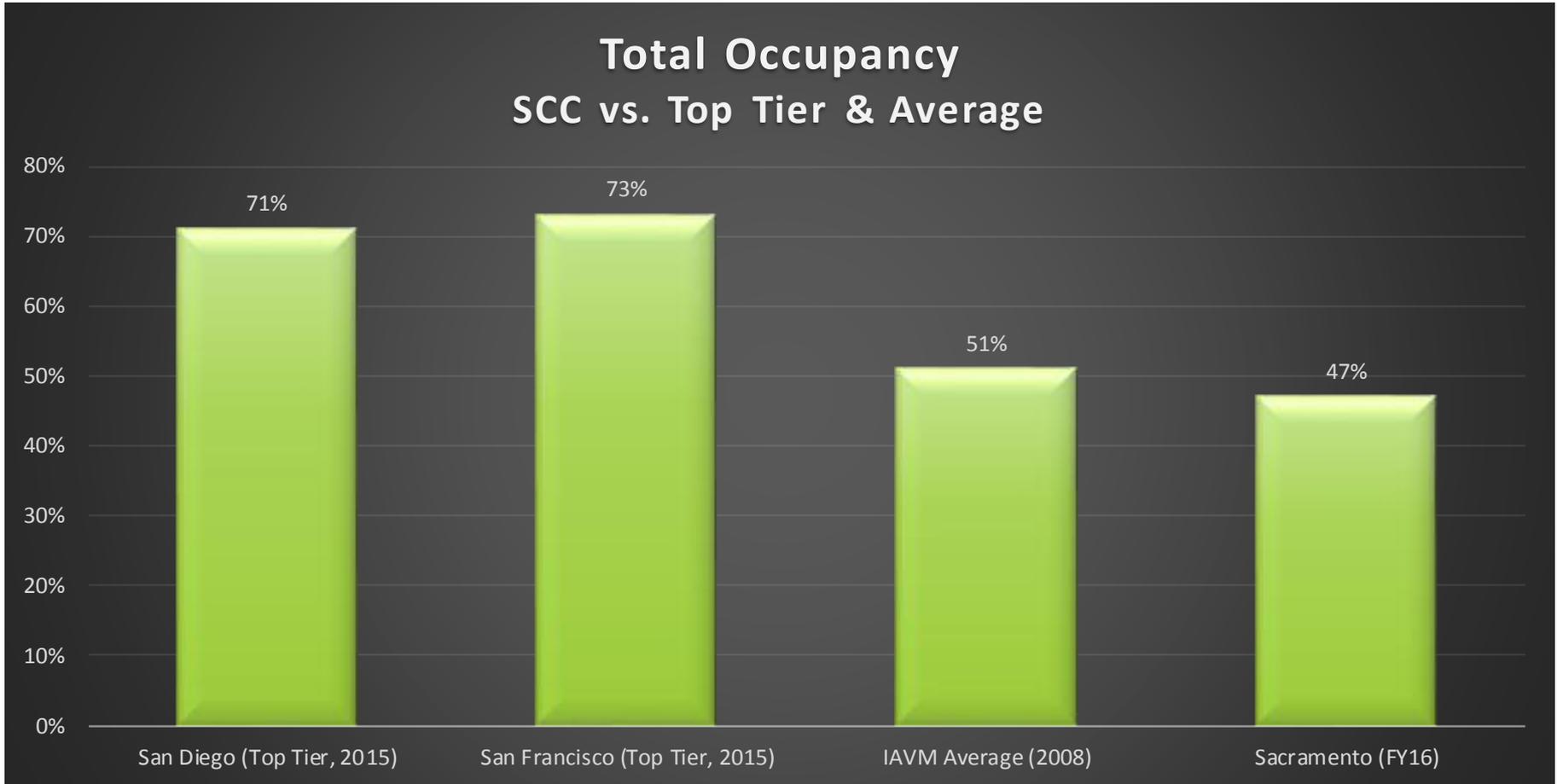
Why is Maximum Practical Occupancy 70%?

- Demand for Specific Dates
- Demand for Specific Days of the Week
- Gaps Between Events
- Residual Spaces
- Holidays
- Building Maintenance

What Does “Wildly Successful” Look Like?



MOSCONE CENTER
SAN FRANCISCO



Sources:
Market Demand and Economic Impact Analysis for Potential San Diego Convention Center Expansion, CS&L, August 2015
Moscone Convention Center Efficiency Assessment, Johnson Consulting, December 2016
Benchmarking Survey Report, IAAM, 2008
City of Sacramento, Convention & Cultural Facilities Department

Takeaways

- Maximum Practical Occupancy is ~70%
- SCC Exhibition Hall Occupancy is at ~50%; Meeting Space is Slightly Lower
- Type A Events Drive Occupancy – SCC and Hotels
- SCC Has Capacity to Host More Events
- Building Layout Constrains Marketability, Occupancy and Revenue
- Need to Look Into Additional Decision Factors

5. How Do We Measure Performance?

Convention Center Purpose?

1. Economic Engine

- Goal: Visitor Spending
- Metric: # of Room Nights

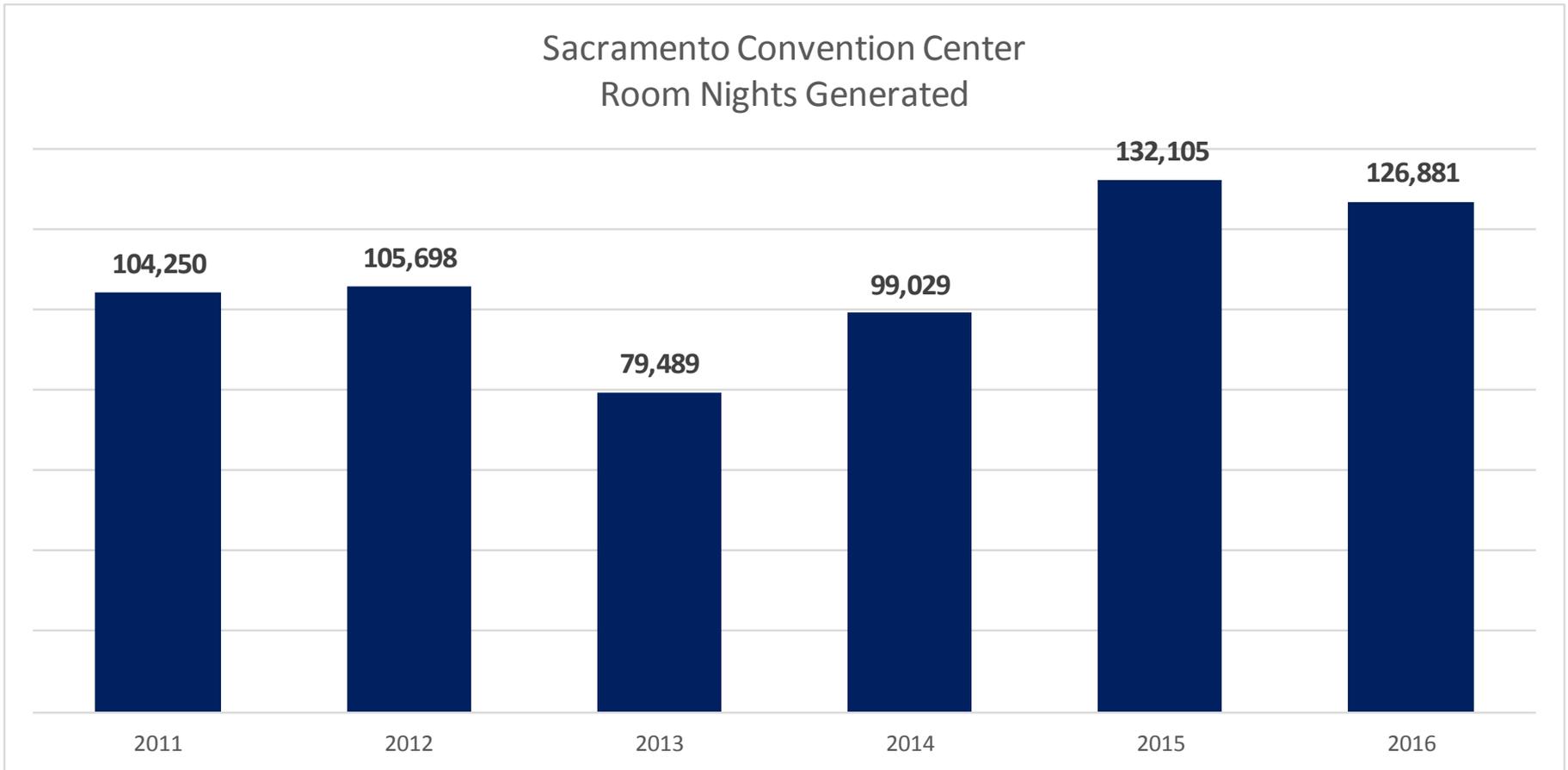
2. Public Amenity

- Goal: Events & Activities for Community
- Metric: Attendance

Convention Center as Economic Engine



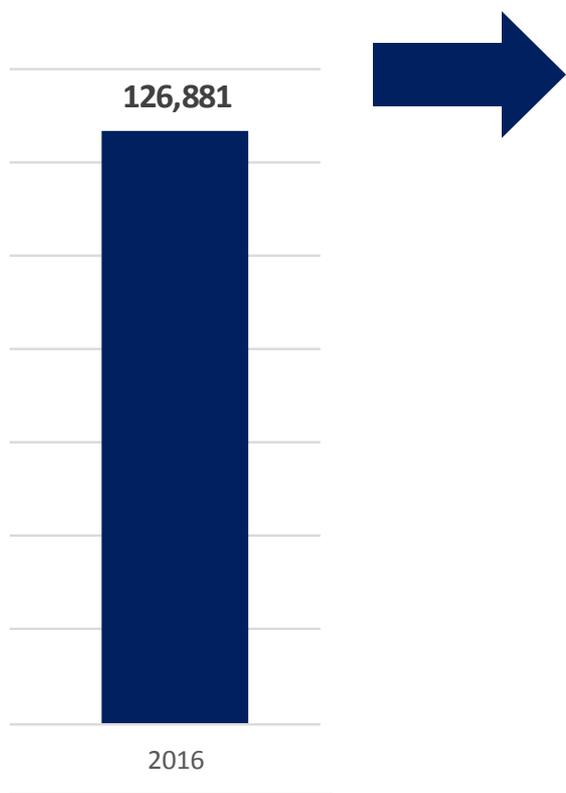
Economic Engine Metric



Source: Visit Sacramento

Economic Engine Metric

Sacramento Convention Center
Room Nights Generated



*SCC-Generated Room Nights
Represent ~20% of Downtown Total*

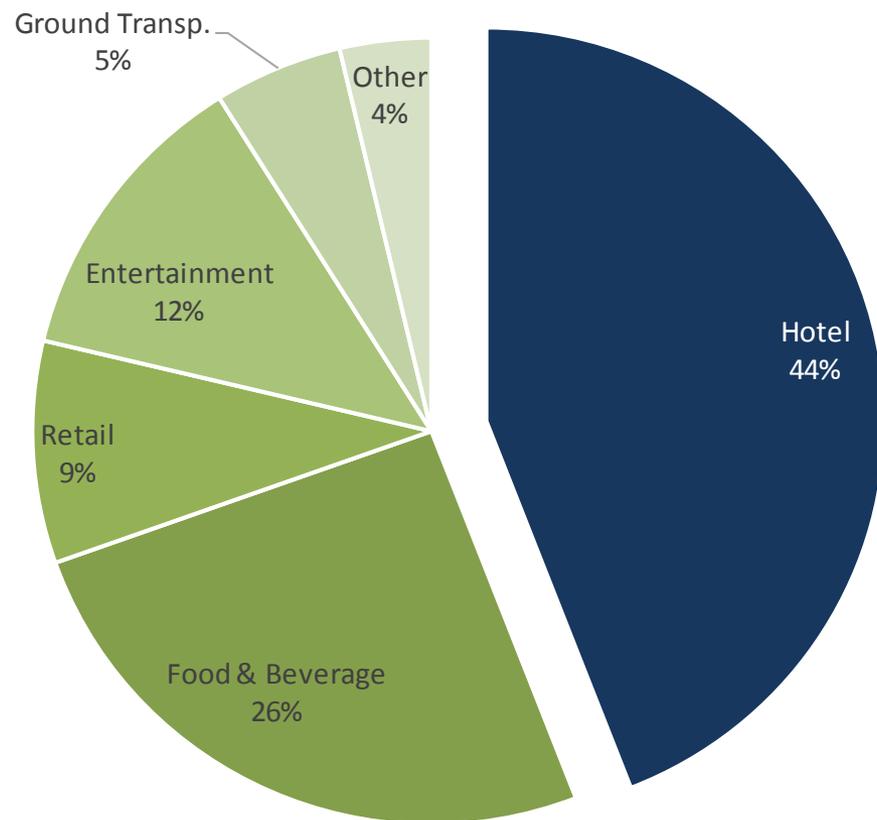
Downtown Hotels

- 7 of 68 Properties in Total Market
- 2138 of 8070 Total Rooms
- Highest Avg Daily Rate
- Responsible for 42% of Total TOT

Sources: Visit Sacramento
City of Sacramento TOT Analysis, CBRE, Oct 2016

Conventions Drive Revenue Beyond TOT and City

Typical Spending from Conventions (IMPLAN Model)

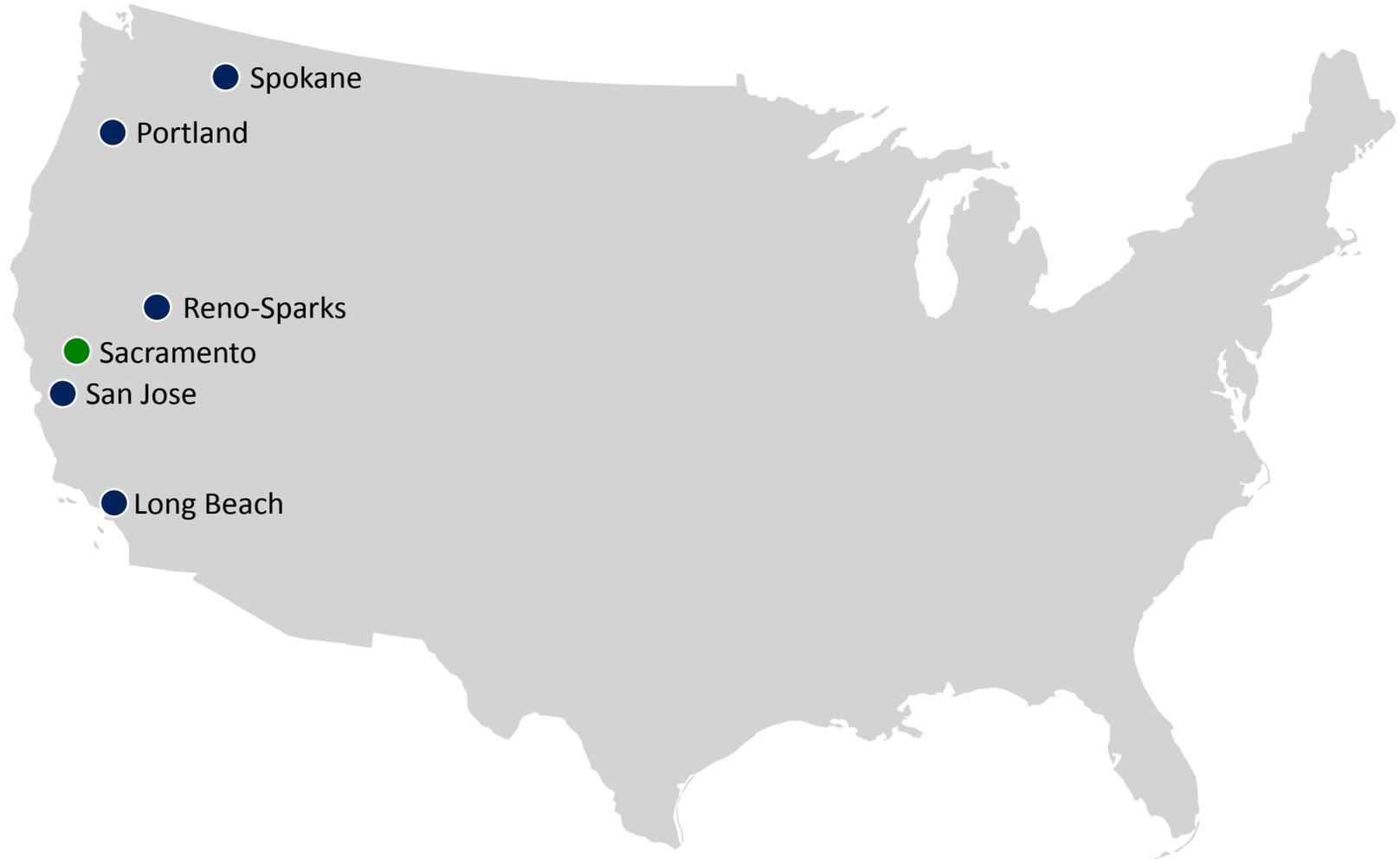


Other Benefactors

- State General Fund, Education Protection Account, Local Revenue Funds, Local Public Safety Fund, Fiscal Recovery Fund, Budget Stabilization Fund
- County General Fund, Transportation Fund
- City General Fund

4. Peer Performance Comparison

Direct Competitors



Aspirational Cities

