



## Phoenix Convention Center South Building

This report provides information to the Planning and Economic Development Subcommittee on the Phoenix Convention Center South Building.

### **THIS ITEM IS FOR INFORMATION AND DISCUSSION**

#### **Summary**

The South Building of the Phoenix Convention Center (PCC) opened in 1985 as part of an expansion of the then Phoenix Civic Plaza. Since that time, the building has undergone two major renovations, the first in 1996 and most recently, in 2008 at a cost of \$18.5 million as part of the \$600 million convention center expansion project.

The South Building consists of 286,000 gross square feet and is situated on a 9.27-acre site located between Washington and Jefferson Streets from 3rd Street to 5th Street. The building features 143,400 square feet of rentable exhibition, meeting and ballroom space and is used primarily for local consumer shows, meetings and banquets. The South Building is utilized an average of 218 days to host 86 events annually. Average attendance is 172,000 each year.

#### **Financial Impact**

Annually, the South Building generates approximately \$2 million in direct revenues to the PCC enterprise fund from facility rentals and revenues from food and beverage, audio visual, IT and other services provided. Operating expenses are approximately \$1 million annually.

In addition, the building generates \$750,000 to \$1 million annual impact in State General Fund revenues. This includes direct spending from convention attendees, event organizers and exhibitors.

#### **Concurrence/Previous Council Action**

In September 2002, the City Council adopted a convention center expansion master plan and development concept that includes the South Building site as a future phase expansion site. Given the recent need to construct a permanent shoring wall solution for the North Building; the current master plan as envisioned with a future expansion

under Washington Street is no longer feasible. Therefore, future development will need to take into account these physical constraints and current market conditions.

**Responsible Department**

This item is submitted by Assistant City Manager Milton Dohoney, Jr. and the Phoenix Convention Center Department.