



MARKET FEASIBILITY STUDY FOR THE PHOENIX CONVENTION CENTER AND SURROUNDING HOSPITALITY ASSETS

WORKFORCE AND ECONOMIC DEVELOPMENT SUBCOMMITTEE

January 22, 2020

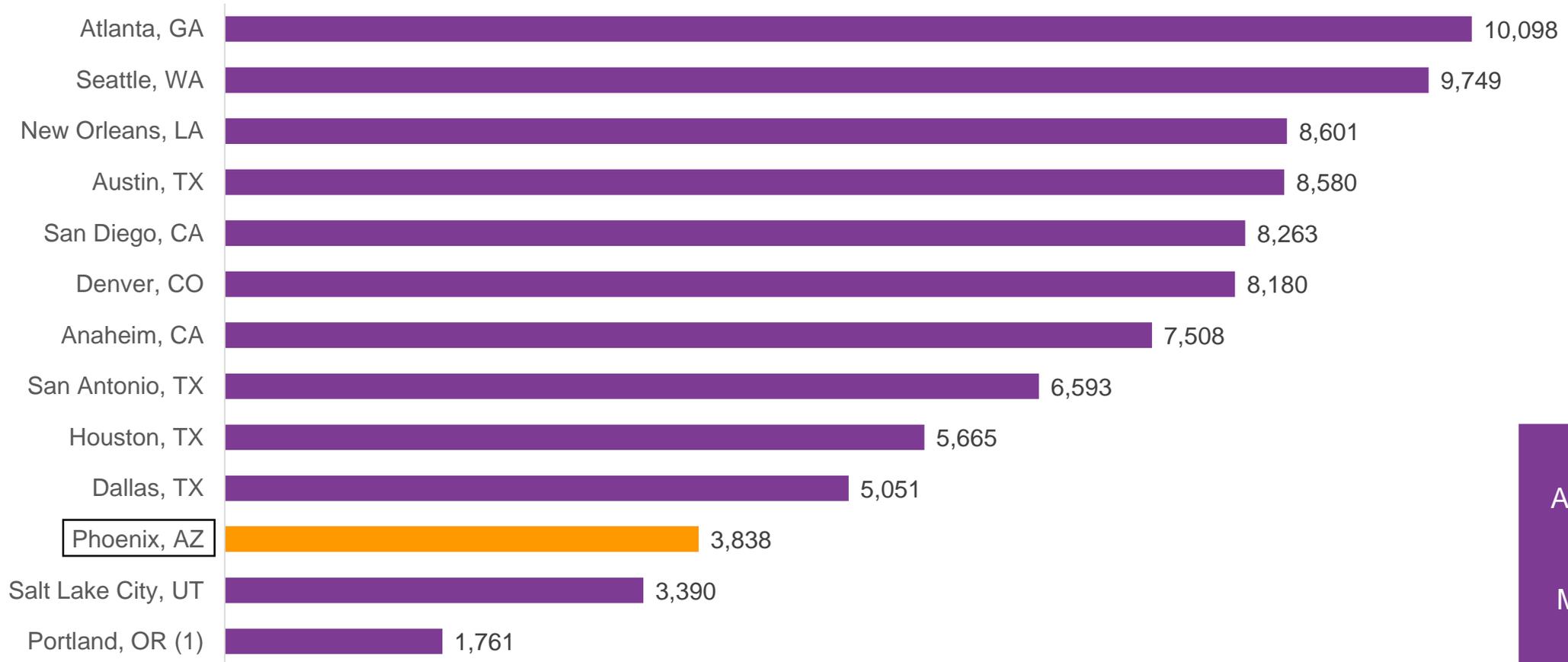


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1. How the PCC Compares
 2. PCC Utilization History
 3. The View From the Meeting Planner
 4. Near Term & Long Term PCC/Hospitality Industry Guidelines

Workforce and Economic Development Subcommittee
Presentation Outline

Hotel Inventory and Impacts on Market Capture

Hotel Rooms Within One-Half Mile of Convention Center

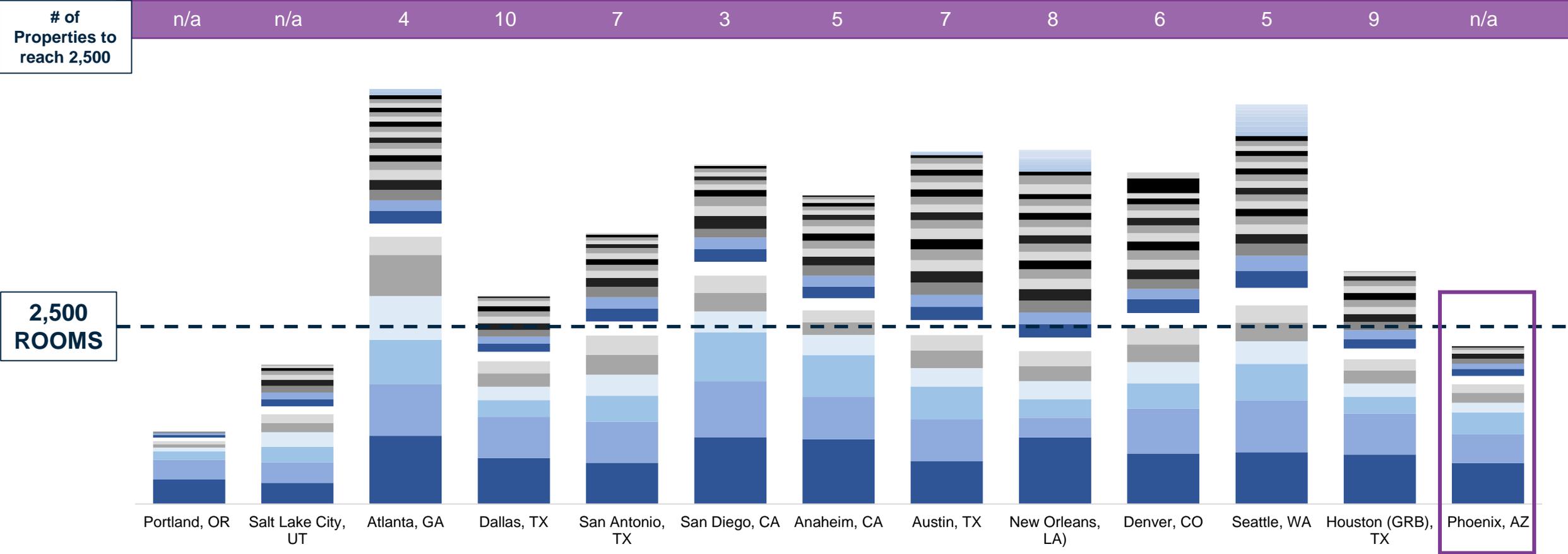


Average =
7,000

Median =
7,800

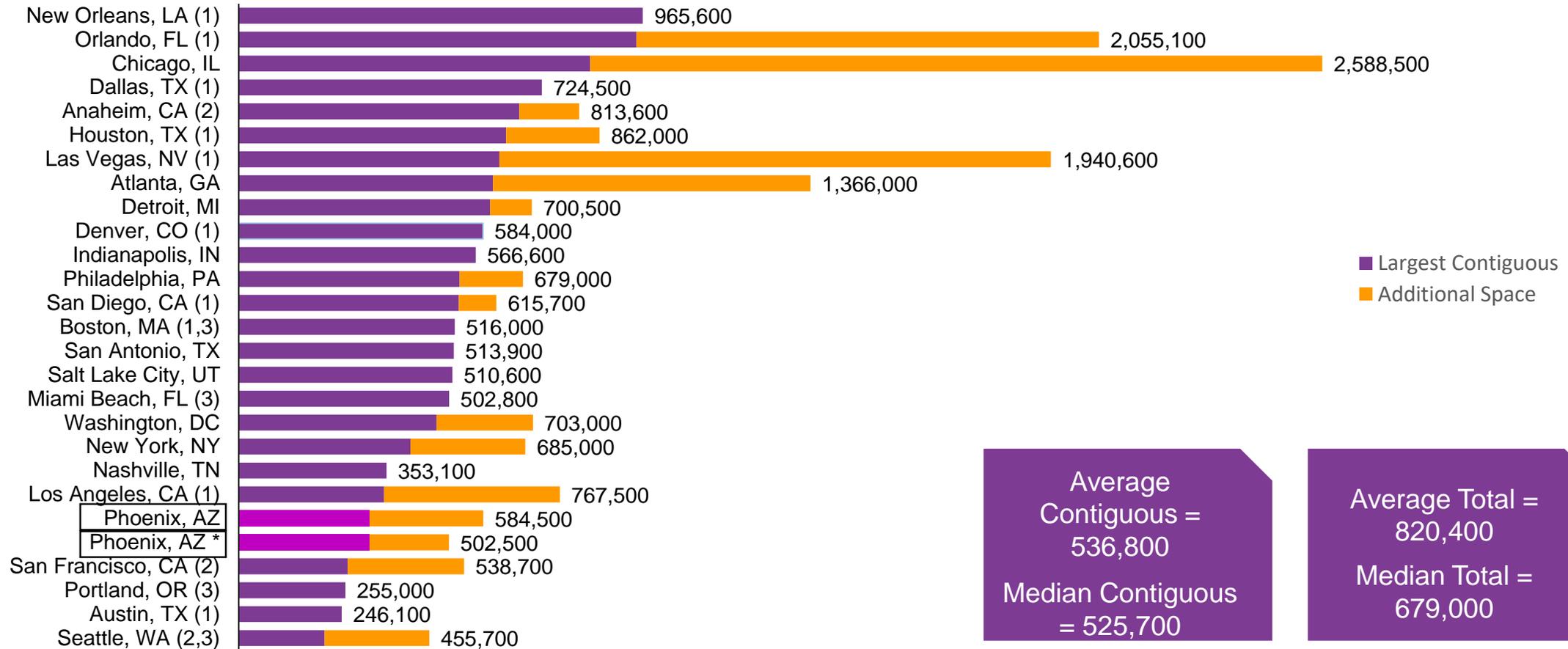
1 – Figure includes incoming headquarter hotel property that is either planned or under construction.
Source: facility management, 2019.

Hotel Inventory and Impacts on Market Capture



Note: 60% committability rate assumed for each market's ½-mile hotel inventory.
 Source: DMO's, 2019.

Competitive/Comparable: Contiguous & Total Exhibit Space



1 – Currently planning convention center/hotel expansion.

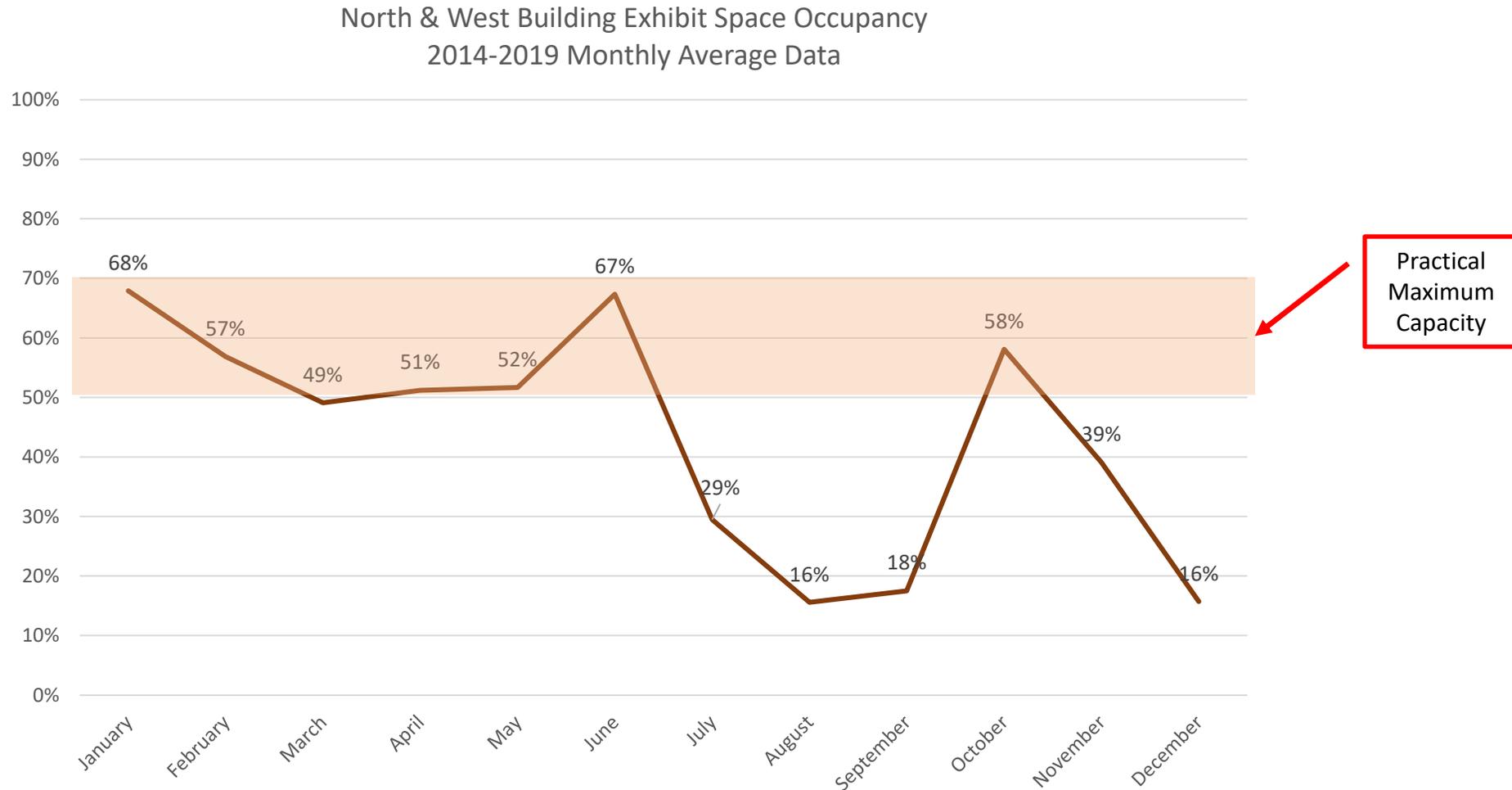
2 – Figure includes space that is planned, under construction, or recently constructed.

3 – Planning/constructing a new headquarter hotel property.

Source: facility management, 2019.

* - Denotes Phoenix Convention Center totals without the inclusion of square footage in the South Building.

PCC Space Utilization History

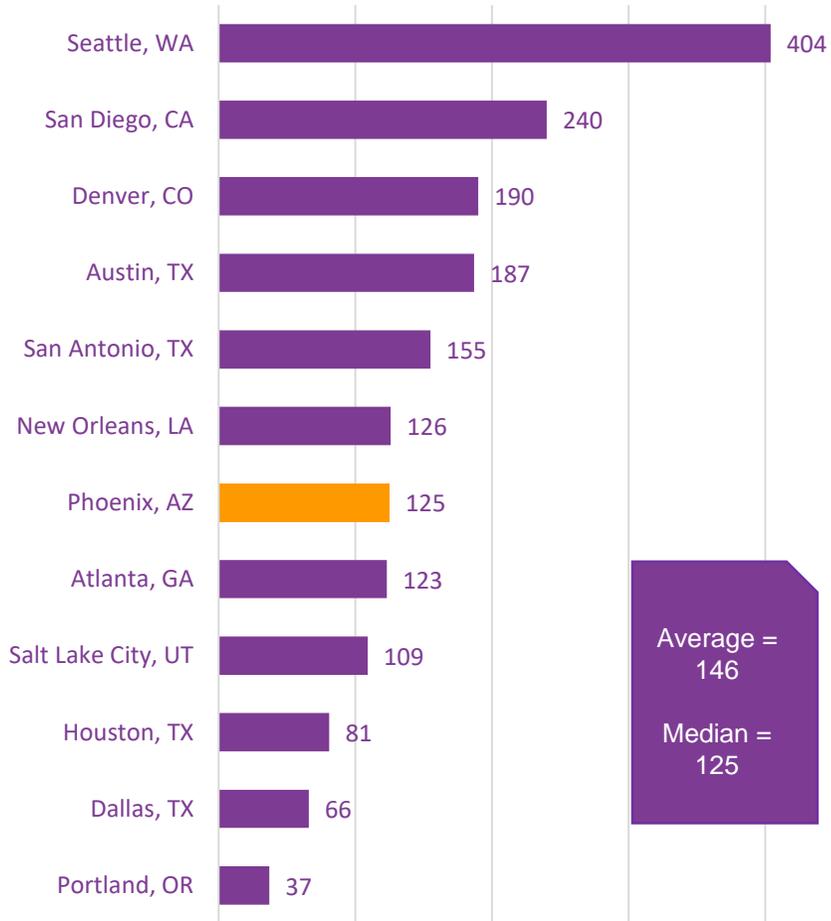


Notes: Data for 2019 include event bookings as of August 2019.

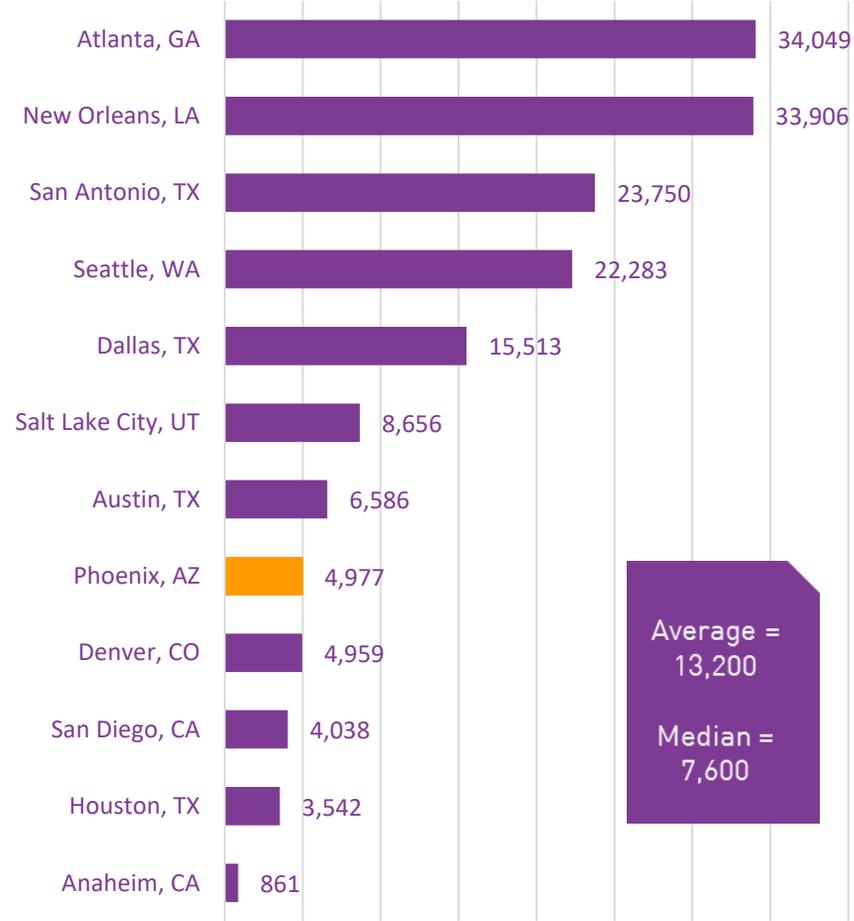
Sources: PCC; CSL International, 2019

Destination Amenities Benchmarking

of Dining Places within ½ Mile

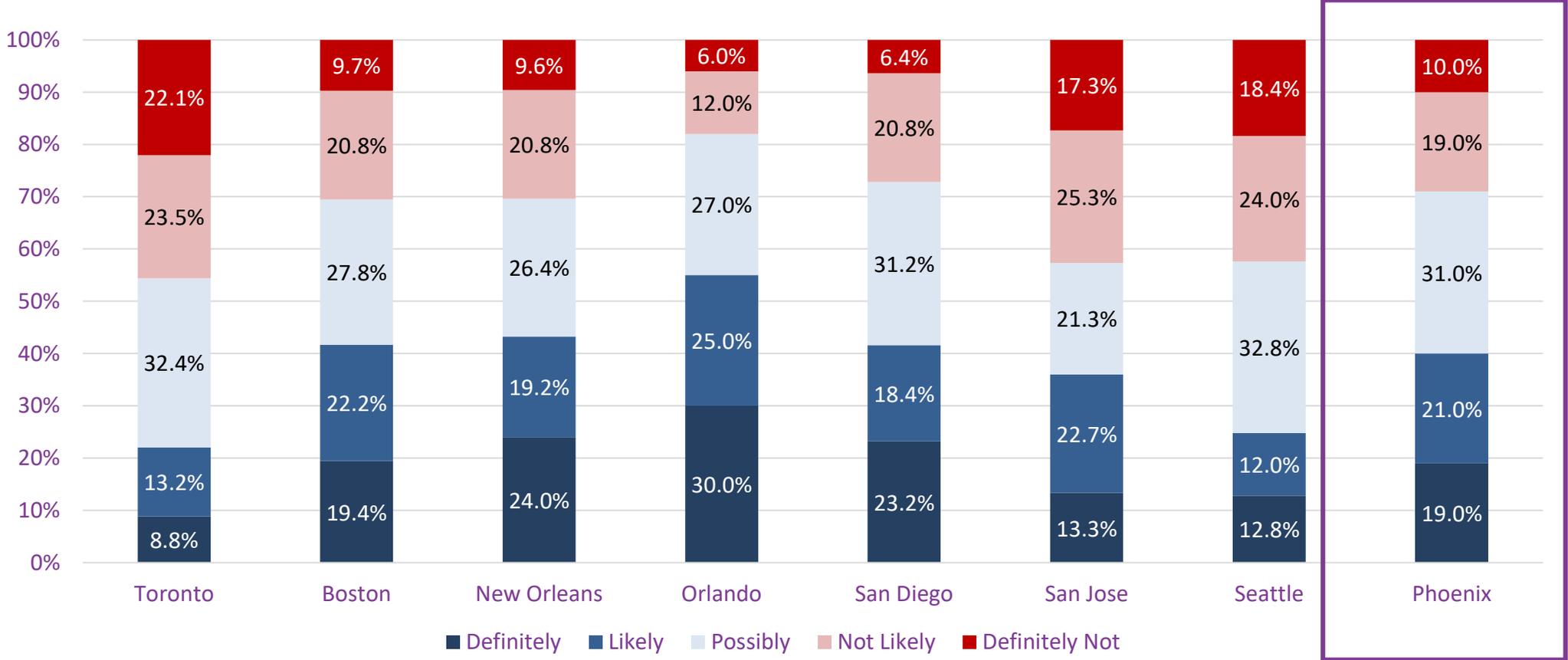


of Positive TripAdvisor Attraction Reviews within ½ Mile



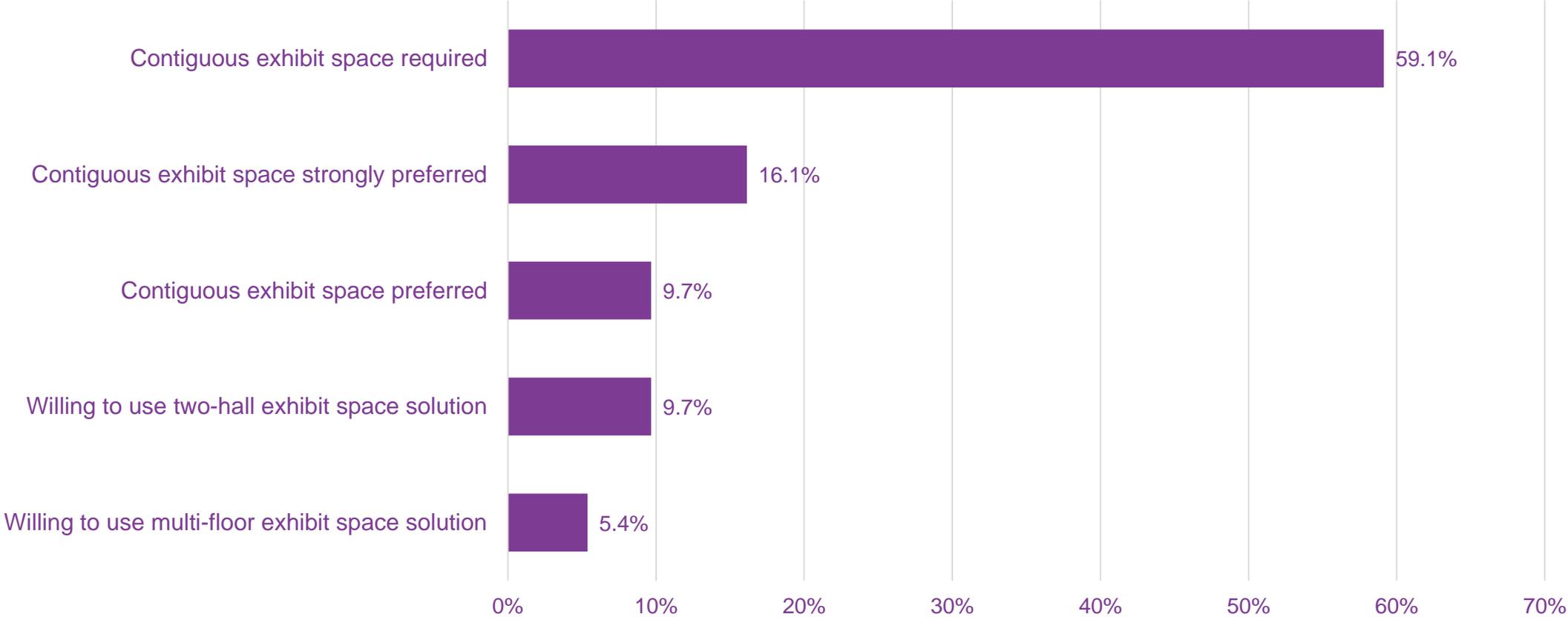
Source: TripAdvisor, Esri, 2019.

The View From the Meeting Planner



Source: CSL National Event Planner Interviews.

The View From the Meeting Planner: Contiguous Space



Source: CSL National Event Planner Interviews, 2019.

The View From the Meeting Planner:

Share of market captured at various space/room levels

	Committable		
Market Capture	Hotel Rooms	Exhibit Space (sf)	
50%	2,000	150,000	
63%	2,300	180,000	
70%	2,500	200,000	
80%	3,000	280,000	
92%	5,500	312,500	

Source: CSL National Event Planner Interviews, 2019.

NEAR TERM PRIORITIES

OVER THE NEXT FIVE YEARS

At least one convention quality hotel property that:

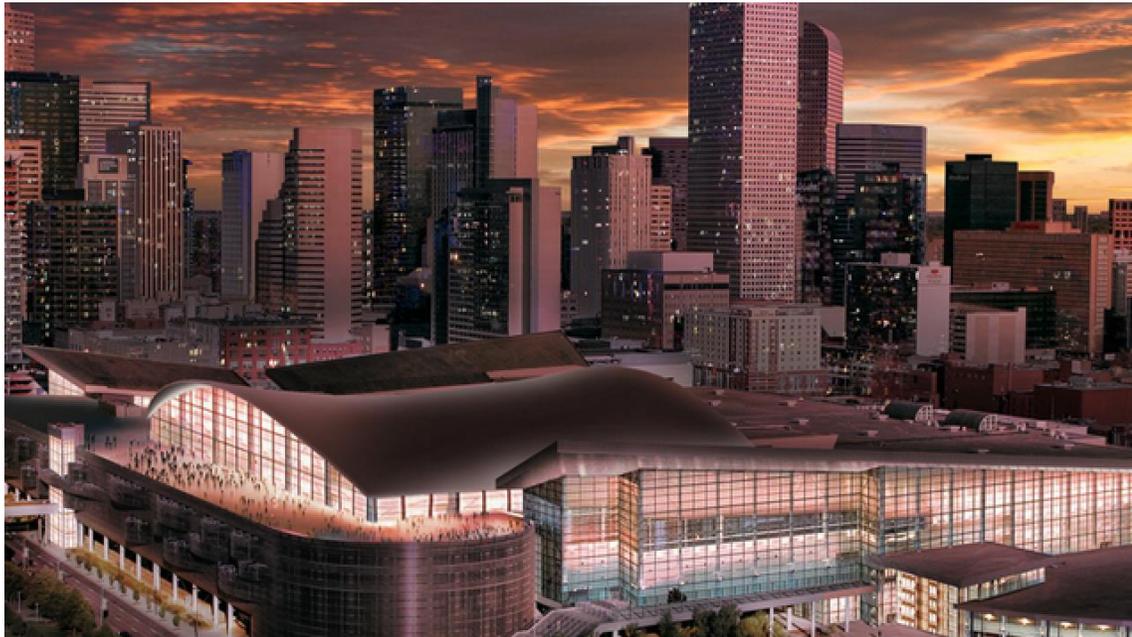
- Offers 800 to 1,200 rooms.
- Attached to or adjacent to the PCC.

Proposed 800-Room
Hilton Signa, Indianapolis



NEAR TERM PRIORITIES **PCC ENHANCEMENTS - OVER THE NEXT FIVE YEARS**

OUTDOOR SPACE



RE-INVENTION OF THE CONCOURSE

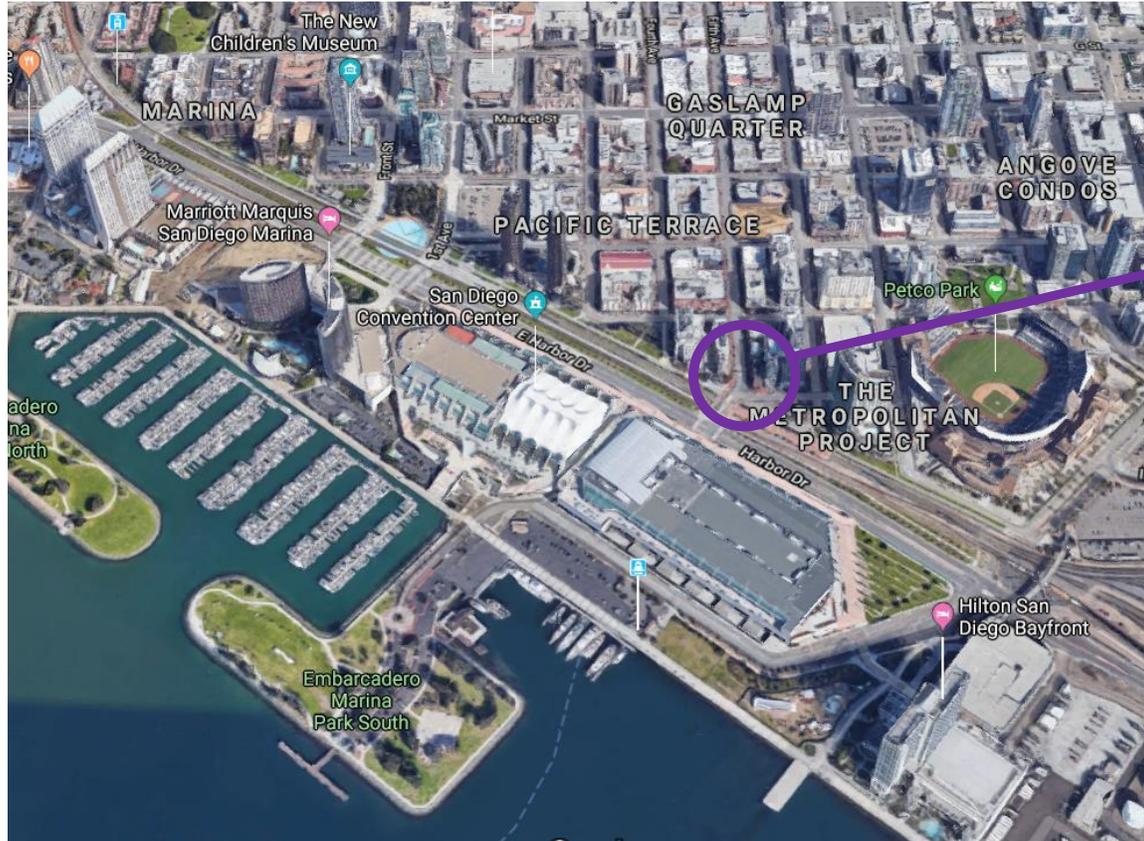


TECHNOLOGY TRENDS – AR/VR



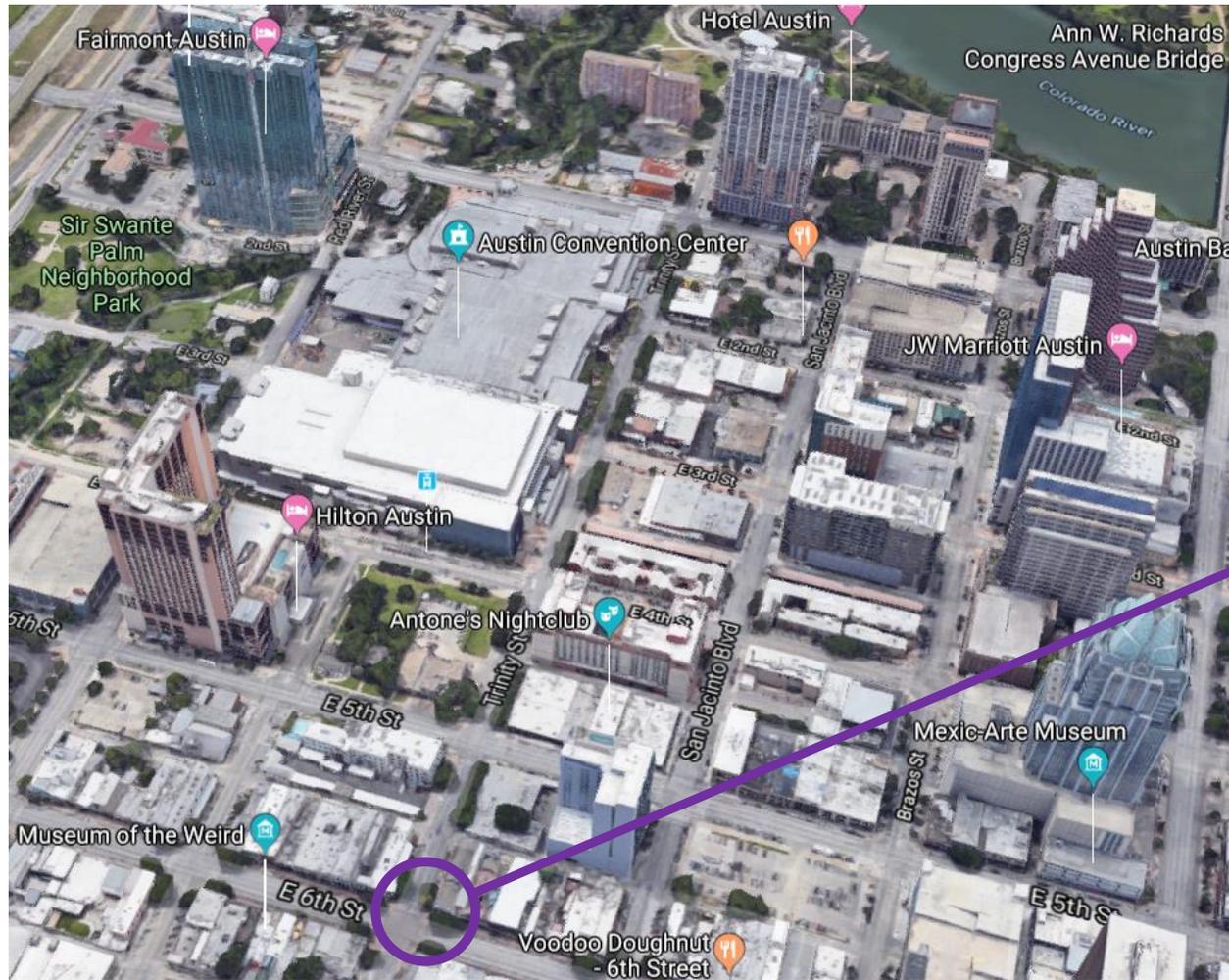
NEAR TERM PRIORITIES DISTRICT DEVELOPMENT - OVER THE NEXT FIVE YEARS

San Diego – Gaslamp Quarter



NEAR TERM PRIORITIES DISTRICT DEVELOPMENT - OVER THE NEXT FIVE YEARS

Austin – 6th Street



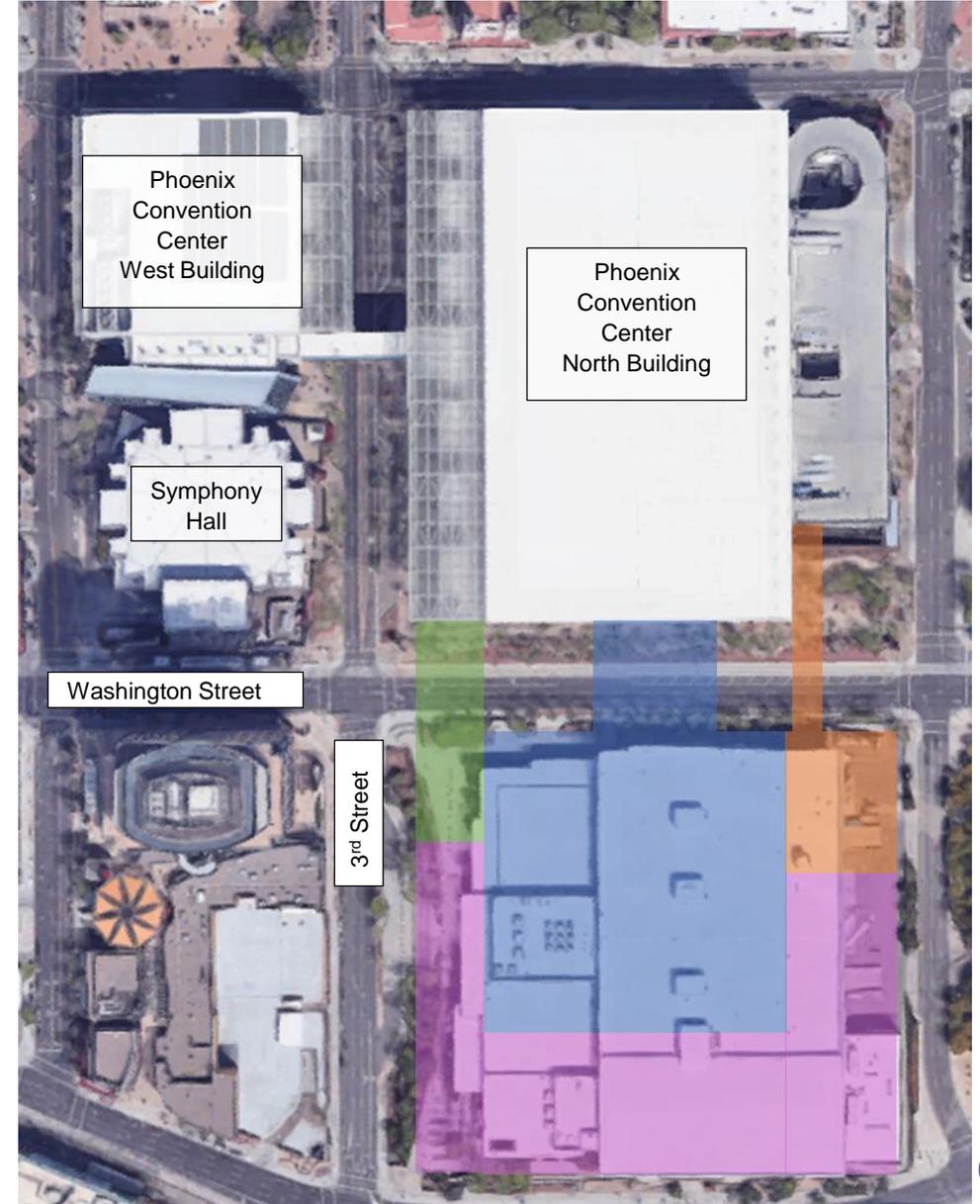
LONG TERM PRIORITIES PCC EXPANSION CONCEPT – YEARS 6 TO 10

Expansion would result in:

- Lower level hall at 312,500 sf;
- Upper level hall at between 300,000 and 340,000 sf.

Both halls could accommodate over 90 percent of the national market.

- Added exhibit space
- Added prefunction space
- Added loading dock space
- Commercial development opportunities



Convention & Hospitality Industry Real Estate Conditions





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