ITHACA DOWNTOWN CONFERENCE CENTER PROJECT PROFILE

Project Profile, Drawings and Budget

The City of Ithaca has been in the process of revitalizing its downtown for many years. One of the key components of this effort is the potential development of a conference center in the heart of downtown. The downtown hotel count has increased from two to four, as the market has recognized the desire of visitors to be downtown. However, there is also a need to fill low periods for hotels, as there are often significant gaps in demand during the weekdays or when local schools Cornell and Ithaca College are not generating event demand. There is also a lack of supply of quality function spaces large enough to host the groups that desire to be in Ithaca. Hunden Strategic Partners (HSP) was engaged to assess the opportunity for a conference center in 2016-2017 and found that there was a desire by the group market to host events in Ithaca beyond what local facilities could accommodate, either due to location, quality, size or time of year. While the likely conference center would need upfront public development funding and ongoing operating support, the benefits of the conference center were determined to be worth the investment to improve the quality of life, business climate, group/event market and other elements of Ithaca.

The heart of downtown is the Commons, a pedestrian mall bounded to the north and south by Green and Seneca Streets, one-way thoroughfares heading east and west. The Green Street garage, a public parking facility surrounded by underutilized development, was selected as the most opportune location for developers to creatively propose a mixed-use project that would include a public conference center.

Since that study, two significant developments occurred: hotel supply expansion and a developer RFP process for the Green Street garage, the likely site for a conference center.

Since the first study was initiated, the Marriott full-service hotel opened on the same block as the proposed conference center. In addition, the construction of the Canopy hotel was initiated. Finally, the renovation of the Hotel Ithaca was completed. These additions of quality and supply to the downtown marketplace improved the product that Ithaca offers to guests, expanded the room block available, and yet also put some added pressure on the concept of the downtown conference center. The new hotels did not include material function space, so the need now is greater than before to find sources of new demand to help keep the hotels full. A conference center, perhaps larger than initially proposed by the original HSP study, is not just a benefit to the community and hotels, but likely a need at this point. A larger conference center can help generate group demand that will compress demand into downtown hotels and overflow into non-downtown hotels, so that the whole market can see the positive impacts of group business.

The City's RFP process for developers of the conference center and other elements resulted in the selection of the Vecino Group to develop a mixed-use housing and conference center project on the same block as the Marriott Hotel, although not exactly adjacent. The proposed project by Vecino is called the Asteri.

The purpose of the vignette is to profile the proposed *Asteri* development from Vecino. This vignette also explores potential design and budget options of two sites for a conference center provided by Convergence Design. Convergence Design works with HSP to assess design and cost elements of proposed event facilities.

Project Profile

The Vecino Group is dedicated to providing affordable housing and focuses on affordable housing, student housing and public-private partnerships developments. Vecino Group has 23 active projects across 12 states and is based out of Springfield, Missouri. Vecino responded to the Green Street Garage Redevelopment RFP with a proposed mixed-use development, Asteri, including affordable housing, apartments, parking and conference center.

The *Asteri* project is composed of two major elements. The residential component, Vecino's specialty, and the non-residential components that include the conference center, parking garage and movie theater. Some parking and the movie theater already exist. The project proposes development of the West and Center two-thirds of the site (the east third of the site is controlled by Jeffery Rimland). At this time the proposal does not include the east section, although the concept considers access to the existing parking decks and potential future construction. The newer (2007) Center section, consisting of a parking structure, access ramp and movie theatre, will be maintained. As an estimate from Vecino Group, the total development cost of the Asteri project is estimated at $95 million. Of the $95 million total, Vecino estimates that the residential component of the project will total $69.4 million, while the non-residential components will have a development cost of approximately $25.8 million.

The following table shows the project overview:

Table 1

Asteri Project Overview		
Affordable Housing Units	209	$69.5 million
Apartment Units	16	
Parking Spaces Added	365	
Total Parking Spaces	514	$25.8 million
Conference Center	33,000 SF	
		$95.3 million

Source: Vecino Group

Project Components

In Vecino's Asteri project proposal, the company provided estimates on costs and funding of project components that are highlighted below:

- As proposed, the entire project has an estimated cost of more than $95 million. The residential portion of the project is estimated to total approximately $69.5 million. Vecino estimates that a Housing Finance Agency (HFA) subsidy and tax credit can potentially fund over $60 million towards the residential portion of the project. Vecino anticipates that the remainder of the funding will come from an HFA permanent loan of $7.6 million and deferred developer fee of $1.7 million.
- Per an estimate from Vecino Group, the non-residential elements of the development, consisting of the parking garage, movie theatre and conference center, will have a total development cost of approximately $25.8 million. HSP estimates this could change if a larger conference component is developed. Vecino proposed to work with city entities to pursue $5 million in New Market Tax Credit Equity and $5 million in Upstate Revitalization Initiative Funding, although final funding is to be determined. Vecino estimates that the remainder of the project will be funded through other conventional loans supported by a lease from the public sector.

Vecino is an experienced low-income housing developer that understands the multiple facets of residential development but does not have extensive experience developing the various additional developments, including the conference center. Although the above description highlights Vecino's *proposed* funding structure, HSP highlights a more in-depth governance and funding structure in a separate document.

The HSP Team, which consists of Convergence Design, was engaged to help assess the proposal and determine business planning elements moving forward. Based on several factors, including the new hotels and opportunity for a larger conference center, HSP and Convergence worked to increase the sizing of the conference center on both east and west site options. The basis for recommending a larger facility is discussed in a separate vignette, but essentially is due to having four quality hotels within walking distance without enough function space to accommodate groups that wish to use the hotels and be located in Ithaca.

The following rendering shows the proposed development on two-thirds of the potential site, facing Green Street, as included in the Vecino proposal. If the portion adjacent to the Marriott is added, the project can increase in size and scope, as well as have more flexibility in programming. However, based on conversations with the owner of that parcel (Rimland) and existing conditions, including low floor-to-floor heights, it does not appear feasible to include the Rimland parcel. Instead the focus will be on the area of the development as proposed in Vecino's original proposal, with internal modifications based on HSP and Convergence Design's adjustments.

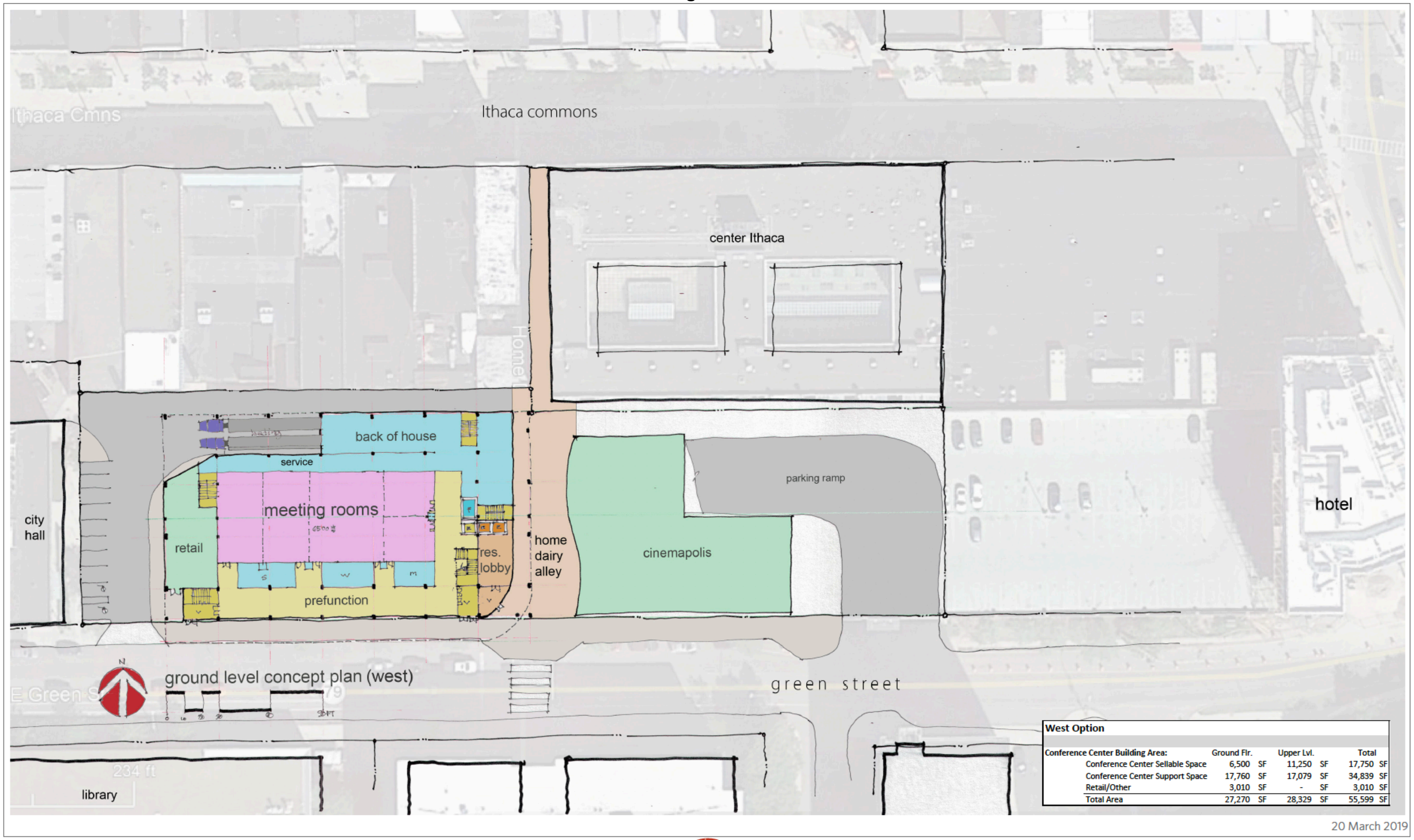
Figure 1

Conference Center Concept Design (Convergence)

Convergence Design completed two separate potential designs for a conference center development on the site based on recommendations by HSP to optimize the space for market penetration. The two sites identified included the East (Rimland) Site and West (Proposed Vecino) Site. Based on the layout and total available space at the two sites, total function space at the two sites varied slightly. As mentioned, because the east (Rimland site) does not have high enough floor-to-floor heights to accommodate a conference center, this option was ultimately not pursued. However, as work was completed to assess how it could have been laid out, that is shown here. Ultimately, only the west site will be further analyzed.

The following figure shows the conceptual design of the ground floor of the West (Vecino) Site.

Figure 2

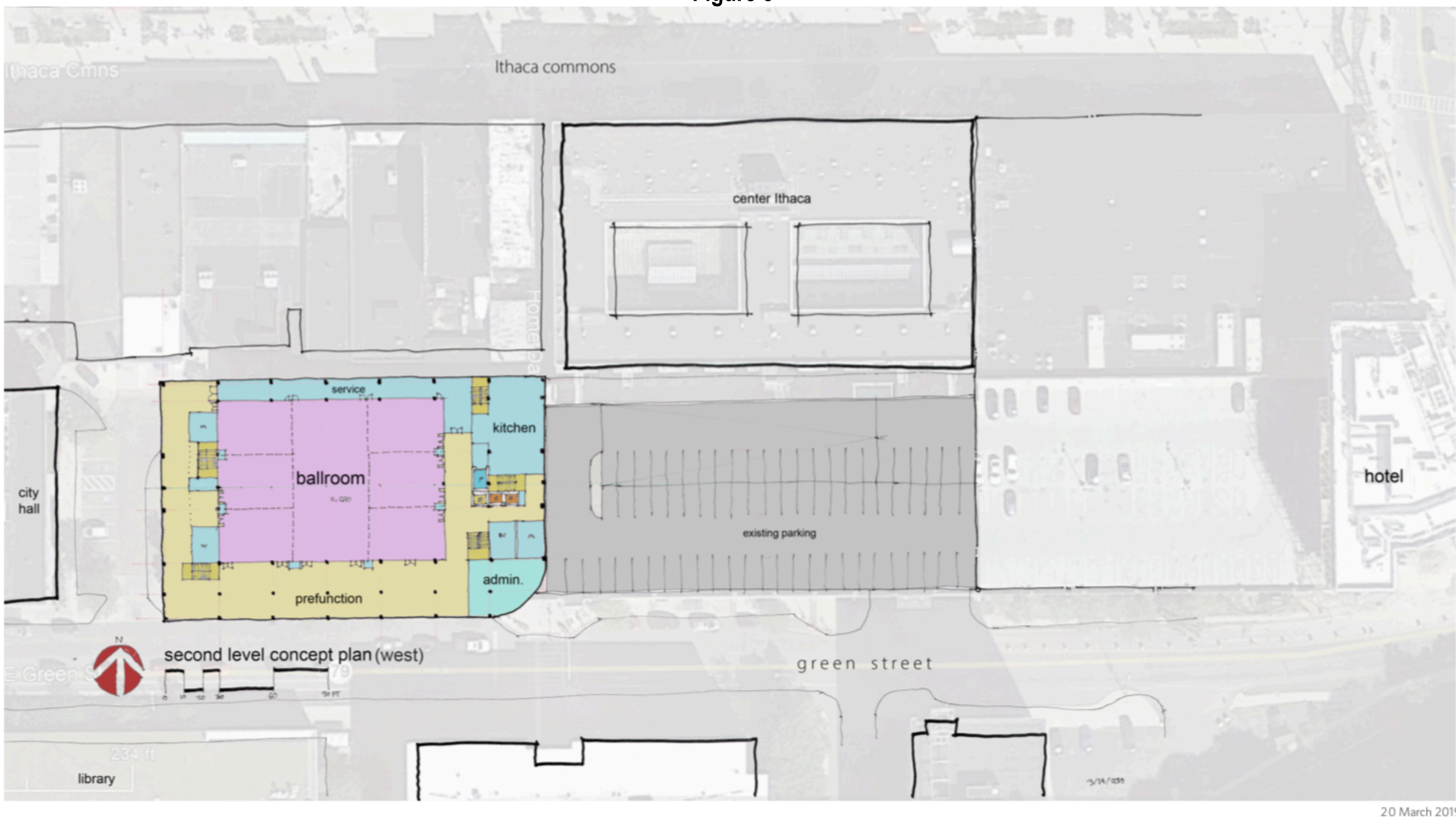


West Option						
Conference Center Building Area:	Ground Flr.		Upper Lvl.		Total	
Conference Center Sellable Space	6,500	SF	11,250	SF	17,750	SF
Conference Center Support Space	17,760	SF	17,079	SF	34,839	SF
Retail/Other	3,010	SF	-	SF	3,010	SF
Total Area	27,270	SF	28,329	SF	55,599	SF

The ground floor includes a 6,500-square foot set of divisible breakout meeting rooms that can also be combined for a small ballroom. In addition, there is retail designed into the west side of the space.

The following figure shows the conceptual design of the second floor of the West (Vecino) Site.

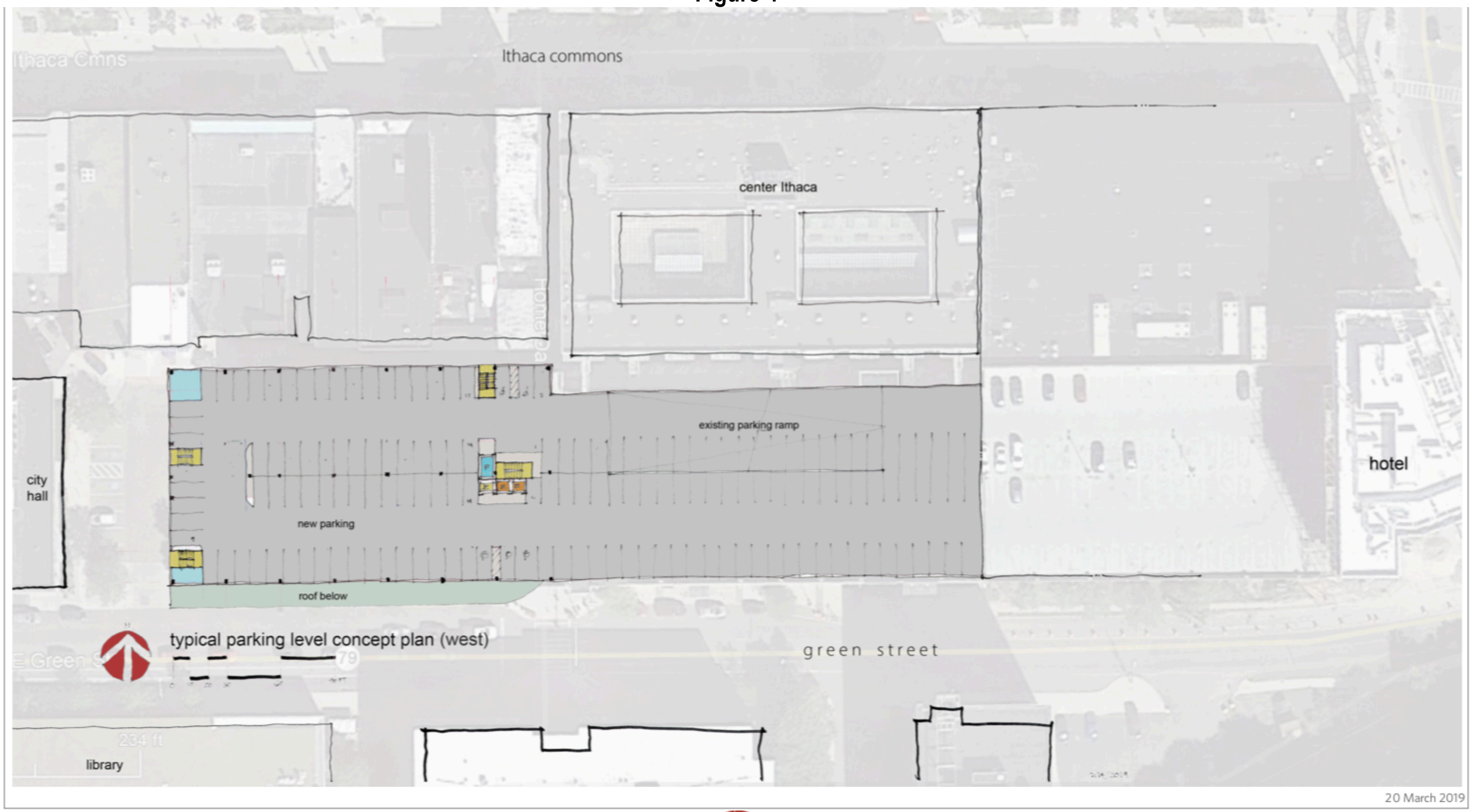
Figure 3



The ballroom takes up the majority of the second level and is 11,250 square feet. The ballroom is proposed by the HSP Team to be divisible into seven sections. Ultimately, the conference center can have as many as 12 divisible breakouts or as few as two ballrooms, which will give it flexibility to host a number of event types and sizes.

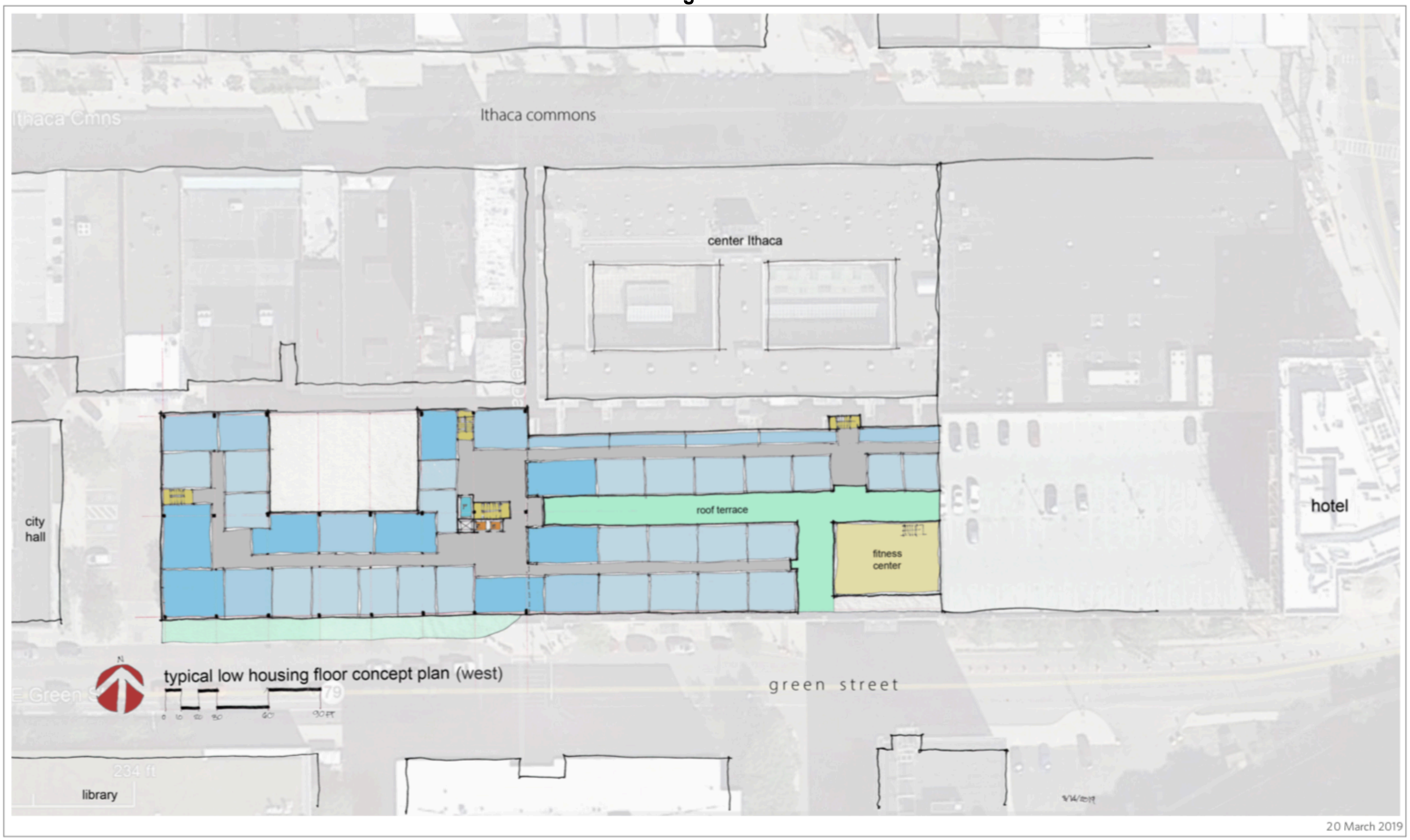
The following figure shows the typical parking level concept plan of the West (Vecino) Site.

Figure 4



The following figure shows the conceptual design of a housing unit floor.

Figure 5



Cost Estimates (Convergence)

Convergence also provided cost estimates for both the West (Vecino) and East (Rimland) sites given the programs that were outlined above. The following table outlines the cost estimates from Convergence Design.

Table 2

Conference Center Cost Estimate

Building Area		**SF**	**% of Total**
Ground Level		20,152	42%
Second Level		27,608	58%
Total Conference Center and Related		47,760	100%
Hard Costs			
Demolition	$	500,000	2%
Structure, Core & Shell	$	10,800,000	43%
Partitions, Equipment, Finishes**	$	8,400,000	33%
Total	$	19,700,000	78%
Soft Costs			
Furniture, Fixtures & Equipment	$	1,500,000	6%
Project Contingency	$	2,000,000	8%
Design Fees	$	1,900,000	8%
Total	$	5,400,000	22%
Totals			
Hard Costs	$	19,700,000	78%
Soft Costs	$	5,400,000	22%
Total Development Cost - Conference Center Area	$	25,100,000	100%
Overall Cost per SF	$	526	

* Including residential & retail core

** Excludes retail buildout

Source: Convergence Design

In total, the project cost estimate includes nearly 48,000 square feet. Hard costs are estimated at $19.7 million, while soft costs (including $1.5 million in FF&E), total $5.4 million. The overall development cost for this component, absent retail buildout, is $25.1 million, or $526 per square foot.

While Vecino has a solid plan for funding the nearly $70 million in residential componentry, the focus of the HSP and City effort at this point is the $25.1 million in conference components, plus any ongoing support.

In the remaining vignettes, an updated market analysis is presented, financial and impact projections provided, and funding/governance options discussed.

ITHACA DOWNTOWN CONFERENCE CENTER

Updated Feasibility Analysis, Comparable Developments, Revised Pro Forma and Economic Impact Analysis

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The items covered in this section include an updated market and financial analysis, a high-level look at additional comparable facilities (with a deeper dive provided in an appendix) and an updated impact analysis. HSP has also included a state impact analysis, which only looks at impacts net-new to the State of New York.

Updated Feasibility

HSP reanalyzed the local meeting and event market in Ithaca in order to better understand if market conditions have changed since Phase I of the analysis was completed. As a part of the updated analysis, HSP confirmed the local and regional meeting and event venues, had conversations with community stakeholders and received Tompkins County lost business report.

Local and Regional Competitive Meeting and Event Facilities

The following table outlines the current local meeting and event venue supply.

Table 1

Venue Name	Total Function Space (SF)	Total Meeting (SF)	Total Ballroom (SF)	Hotel Rooms	Function SF per Key
Cornell University Conference Services	14,085	10,778	3,307	–	–
Ithaca College*	11,766	5,550	6,216	–	–
Clarion Hotel	10,620	5,854	4,766	121	88
The Statler Hotel	9,739	5,599	4,140	153	64
The Hotel Ithaca	6,276	276	6,000	180	35
Coltivare*	3,000	0	3,000	–	–
La Tourelle Hotel	3,000	3,000	0	54	56
Ithaca Marriott Downtown on the Commons	2,320	336	1,984	159	15
Country Inn & Suites by Carlson of Ithaca	1,600	1,600	0	58	28
Hilton Garden Inn Ithaca	1,250	1,250	0	104	12
Homewood Suites by Hilton - Ithaca	676	676	0	91	7
Average	**5,848**	**3,174**	**2,674**	**115**	**38**
Total	**64,332**	**34,919**	**29,413**	**920**	**-**

Ithaca Local Competitive Meeting Facilities

*Function SF estimated based on capacity
Source: CVENT, Hunden Strategic Partners

The local competitive meeting facilities in Ithaca largely remained unchanged. The Hotel Ithaca underwent a renovation to add ballroom function space (~3,000 SF) at the end of 2017, as well as improve existing space. The Statler Hotel is currently renovating and modernizing its ballroom. The renovation at the Statler Hotel will not significantly change ballroom space, but the hotel is reducing the size of its columns to increase function space slightly and visibility. As proposed, the conference center would not directly compete with existing supply, as it would have a larger ballroom than any existing space and more overall space. Overall, the improvements should benefit Ithaca, the county and the conference center's viability.

The following table outlines the regionally competitive supply.

Table 2

Ithaca Conference Center - Regional Supply

Venue Name	City	Distance from Ithaca (miles)	Total Function Space (SF)	Total Meeting (SF)	Total Ballroom (SF)	Hotel Rooms	Function SF per Key
Turning Stone Resort & Casino	Verona	79	69,941	11,720	28,353	268	261.0
Saratoga Springs City Center	Saratoga Springs	190	33,004	13,000	20,004	242	136.4
Hilton Albany	Albany	166	17,553	4,283	13,270	385	45.6
Albany Marriott	Albany	162	15,796	2,560	13,236	359	44.0
Radisson Hotel Rochester Riverside	Rochester	90	17,544	4,561	12,983	460	38.1
Diplomat Banquet Center	Rochester	95	12,392	–	12,392	–	–
Hyatt Regency - Rochester	Rochester	90	14,022	2,739	11,283	338	41.5
DoubleTree by Hilton Hotel - Binghamton	Binghamton	48	22,985	12,320	10,665	207	111.0
Crowne Plaza	Lake Placid	251	15,736	5,476	10,260	245	64.2
Radisson Hotel Albany	Albany	161	11,805	2,120	9,685	312	37.8
Holiday Inn Binghamton Downtown	Binghamton	50	15,066	5,398	9,668	237	63.6
R.I.T Inn & Conference Center	Rochester	89	11,250	2,050	9,200	304	37.0
The Desmond Albany Hotel	Albany	161	14,650	5,840	8,810	322	45.5
The Strathallan Rochester	Rochester	89	10,319	2,620	7,699	155	66.6
Lake Ontario Event and Conference	Oswego	77	10,640	3,940	6,700	203	52.4
Holiday Inn Auburn-Finger Lakes Region	Auburn	37	8,406	2,142	6,264	165	50.9
Gideon Putnam	Saratoga Springs	188	12,413	6,581	5,832	124	100.1
Sheraton at the Falls	Niagara Falls	166	5,508	648	4,860	392	14.1
Holiday Inn Elmira Riverview	Elmira	33	6,410	1,610	4,800	149	43.0
The Otesaga Resort Hotel	Cooperstown	101	11,734	7,484	4,250	135	86.9
Average		**116**	**16,859**	**5,110**	**10,511**	**263**	**71**

Source: Various Sources, Hunden Strategic Partners

The regionally competitive facilities include ballrooms that range from 4,000 square feet to more than 20,000 at the Saratoga Springs City Center. About half of the regionally competitive facilities (11) have ballrooms with less than 10,000 square feet. While the market includes many facilities with modest function space, most will be smaller than that suggested for Ithaca.

If Ithaca is able to develop a conference center with a ballroom of 10,000 SF or larger, it would be amongst the largest facilities in the state outside of the New York City metropolitan area.

Stakeholder Feedback & Meetings Market Update

HSP had additional conversations with market participants to understand all relevant market updates for the conference center in Ithaca. The following highlights the key takeaways from HSP's conversations:

- The same problems in the meetings market exist today that did when HSP completed the Phase I analysis – demand outpaces supply of function space in the local market. Now with more hotel rooms, there is now a need for additional space to accommodate meetings.
- Ithaca Marriott had just recently opened when HSP completed Phase I – Hilton Canopy is now in the development pipeline (due to open June 1st – 131 guest rooms with very limited function space). The influx of rooms has put pressure on performance. Inducing group demand will help support the new and existing hotel product. The downtown market will have essentially doubled in supply since the original study was conducted. This moves the conversation about a conference center from one of opportunity to one of necessity.
- Marriott is said to be underpricing themselves in the market. It *should* almost always be the first or second highest rate in the market, due to age/quality/location, but is often times not. This is hurting the market.
- Ithaca Tompkins Regional Airport recently started a direct flight to Washington D.C. (Dulles) and will soon begin service to Charlotte, North Carolina. The airport is undergoing a major renovation and expansion that will include a customs office, allowing for improved and expanded service.
- The Statler Hotel is currently renovating their ballroom space – shaving down columns, adding lights and modernizing the space. This will not significantly increase their function space offering.
- There is concern about oversupply of limited or select-service hotels that do not increase demand. A conference center is needed to grow demand and help with severe seasonality.

Visit Ithaca Lost Business Report

HSP received the lost business report from Visit Ithaca to better understand the size and number of events that Ithaca is currently turning away. The report helps HSP estimate the potential impact of a conference center development in Ithaca.

The following table outlines the lost business tracked from Visit Ithaca from 2015 through YTD February 2019.

Table 3

Meeting Sales Events, 2015 - 2019 - Total Lost Business				
Lead Name	**Meeting Start Date**	**Room Attendees**	**Room Nights**	**Economic Impact**
2018 Summit	9/30/18	300	1,212	$315,120
NY State Leadership Conference 2018 NY State Leadership Conference	4/6/18	50	100	$26,000
Fall 2018 UIC Meeting	10/16/18	40	110	$28,600
2019 Annual Conference	4/4/19	165	165	$42,900
2018 Corporate Retreat	5/17/18	20	60	$15,600
2019 Fall Meeting	10/19/19	90	180	$46,800
28th Annual Conference - March 2019	3/13/19	40	135	$35,100
GGM 2018 Conference	6/24/18	120	480	$124,800
2018 Board of Directors Retreat	8/15/18	25	25	$6,500
2019 Workshop	4/10/19	5	5	$1,300
2019 Annual Conference	6/4/19	300	300	$78,000
2019 Summer Conference	6/17/19	125	379	$98,540
2019 Annual Conference	9/28/19	125	384	$99,840
2018 Women's Basketball - Umass Lowell @ Cornell	11/16/18	23	13	$3,250
2019 Honors Conference	11/1/19	80	84	$21,840
2016 Conference, NYSAFP	1/8/15	--	320	$83,200
Rotary International	1/21/15	--	400	$104,000
Professional Development Conference	9/25/15	--	150	$39,000
NYS DOH Regional Meeting	1/6/16	--	30	$7,800
Fall 2016 Leadership Institute	2/29/16	--	90	$23,400
2016 Learning "DOG" Conference	3/2/16	--	75	$19,500
KFOCI National 2018 Convention	6/29/16	--	500	$130,000
2017 LIFE Regional Meeting	10/12/16	--	10	$2,600
NY Six Consortium Retreat	3/29/17	--	50	$13,000
Upstate Masonry Institute	8/8/17	--	20	$5,200
			5,277	**$1,371,890**

Nearly 5,300 room nights were lost and $1.4 million in estimated local spending. While this list does not include all events that could come to a conference center (the CVB and hotels are not chasing events they cannot accommodate), it is indicative of a market for groups that want to be in Ithaca.

The following table outlines the lost business, organized by loss reason.

Table 4

Meeting Sales Events, 2015 - 2019 - Summary by Loss Reason

Lost Reason	Estimated Economic Impact	Rooms	Lost Count
Rates too high AND insufficient facilities	$271,180	--	8
Insufficient meeting facilities - too small	$655,460	--	5
Geographic location and/or accessibility	$143,000	--	3
Unknown / No Response	$166,400	--	3
Hotel rates too high	$22,750	--	2
Availability	$78,000	--	1
Board Decision	$6,500	--	1
Insufficient meeting facilities - poor quality	$28,600	--	1
Total	**$1,371,890**	**5277**	**24**

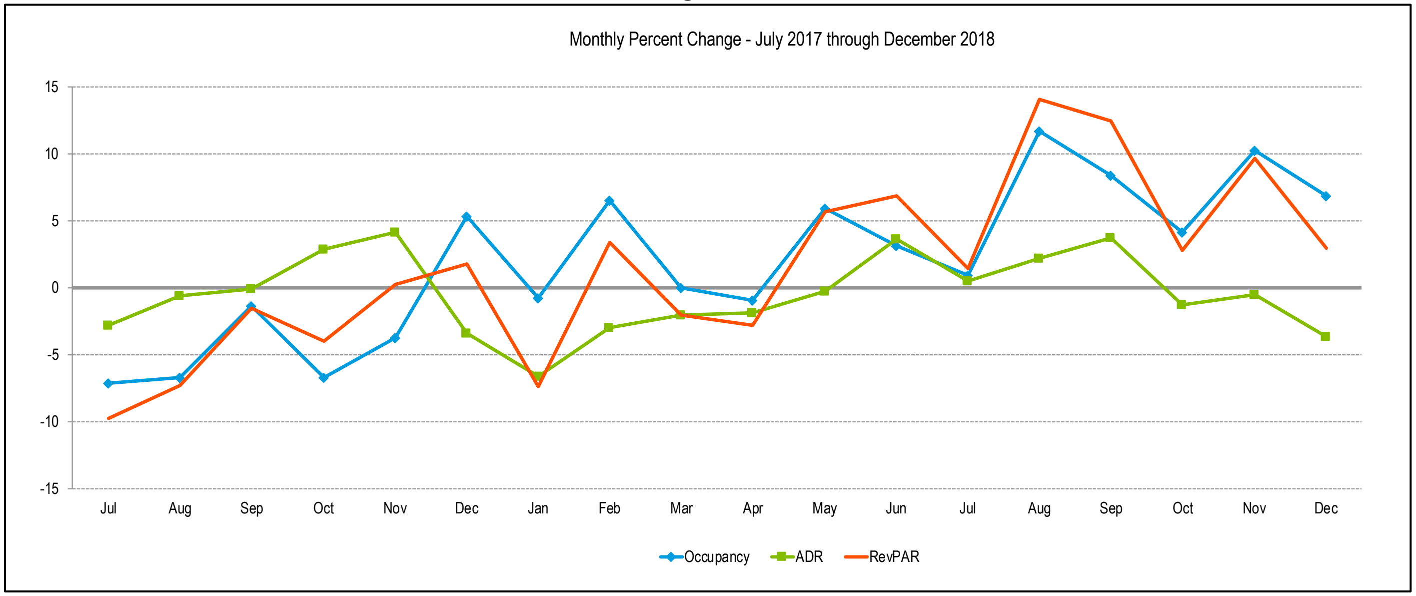
Source: Visit Ithaca

The two most common lost business reasons, which account for over 50 percent of the lost business, are due to insufficient facilities and rate premiums. Just over half of 24 groups could not be physically accommodated.

Tompkins County Smith Travel Research (Hotel) Data

Visit Ithaca's STR report tracks the Occupancy, ADR and RevPAR for every hotel that reports to STR in Tompkins County. The following chart outlines the monthly percent changes in average daily rate, occupancy and RevPAR (revenue per available room).

Figure 1



As shown in the figure below, Occupancy and RevPAR increased every month between March 2018 and December of 2018. ADR fluctuated but also saw increases throughout 2018 before seeing slight decreases near the end of the year. RevPAR is the best measure of performance, as it combines ADR and occupancy and showed a stronger end of 2018 than over the prior 18 months.

Ithaca Hotels

HSP analyzed the supply of hotels both downtown and throughout Ithaca in order to better understand the impact of a new conference center. The following table outlines the hotel supply in Ithaca.

Table 5

Ithaca Hotels - By Distance From Green Street Garage

Name	Distance From Site	Rooms	Chainscale	Open Date
Marriott Ithaca Downtown On The Commons	0.1	159	Upper Upsc	Dec-16
Hilton Garden Inn Ithaca	0.1	104	Upscale	Aug-05
Hotel Ithaca	0.2	170	Indep	Jun-72
Hilton Canopy	--	131	Upper Upscale	U/C*
Hillside Inn	0.5	41	Indep	Jun-47
Meadow Court Inn	0.6	75	Indep	May-60
Super 8 Ithaca	0.7	63	Economy	Oct-85
Statler Hotel	0.9	153	Indep	Jun-87
Hampton Inn Ithaca	1.3	66	Upper Mid	Apr-04
Quality Inn Ithaca	1.5	80	Midscale	Sep-88
Fairfield Inn & Suites Ithaca	1.5	106	Upper Mid	Aug-13
Holiday Inn Express & Suites Ithaca	1.6	79	Upper Mid	Oct-16
Best Western University Inn	1.8	101	Midscale	Apr-87
Country Inn & Suites Ithaca	2.2	58	Upper Mid	May-08
La Tourelle Country Inn	2.6	54	Indep	May-86
Trip Hotel	2.9	106	Indep	Jun-65
Rodeway Inn & Suites Ithaca	3	44	Economy	Jun-60
Homewood Suites by Hilton Ithaca	3	91	Upscale	May-07
Econo Lodge Ithaca	3.1	72	Economy	Sep-87
Grayhaven Motel	3.1	17	Indep	Jun-75
Clarion Inn Ithaca	3.1	121	Upper Mid	Dec-71
Courtyard Ithaca Airport University	3.5	107	Upscale	Dec-00
Embassy Inn	3.8	25	Indep	Jun-83
Total / Average	**1.87**	**2,023**	**--**	**Nov-87**

*Under Construction

Source: Smith Travel Research

Highlighted in the table above are the three hotels that are proximate and walkable to the potential new development at either the Vecino or Rimland site. The Hotel Ithaca, Hilton Garden Inn Ithaca and the Marriott Ithaca Downtown are the hotels that will see the largest impact in business from a potential conference center development. Also included in the downtown hotels is the Hilton Canopy that is currently under construction. The downtown hotel supply has more than doubled since 2015 with the additions of the Hilton Canopy and the Marriot Ithaca Downtown moving from 274 hotel rooms in 2015 to 564 after the new Canopy opens. The new hotel rooms will benefit from the addition of a potential conference center downtown. A conference center will help to drive hotel demand which could become crucial for the viability of the new hotel rooms. The hotels outside of walkable proximity to the potential new development will see a slight increase in business but not as significant as those within three blocks.

Market Feasibility Implications

Based on changes in the market and realities of the Green Street site, HSP offers the following implications:

- The size of the conference center should be enlarged to include as large of a ballroom as is possible on the site, given the number of quality walkable hotel rooms. Breakout meeting meetings should be increased in size in a similar manner to accommodate breakouts. Based on the number of hotel rooms that will exist downtown, as much as 38,000 square feet of ballroom and meeting room space could be supported amongst the hotels (assuming approximately 15 rooms per 1,000 square feet of function space).
- The overall project size and cost will increase, but this should have three primary benefits: it is better sized to the changing market, it will have more synergy with the additional hotel package and is more likely to receive funding from certain state-based grant mechanisms like the URI (Upstate Revitalization Initiative).

Comparable Developments Summary

HSP analyzed various comparable developments across the United States in order to better understand how a potential facility in Ithaca may be designed, operate and perform. HSP analyzed eight different facilities to better understand how the facilities performed financially on a per square basis to project how a development in Ithaca will perform. The full profile and analysis of each comparable facility can be found in Appendix A. For brevity this section focuses on the summary of these comparable facilities' characteristics and performance.

The following table outlines the comparable facility revenue and expenses per square foot of function space.

Table 6

Venue Name	Bridge View Center	Chesapeake Conference Center	Davenport River Center	Three Rivers Convention Center	Vicksburg Convention Center	Saratoga Springs City Center	Two Rivers Convention Center	Monroe County Convention Center	Average PSF
Location	**Ottumwa, IA**	**Chesapeake, VA**	**Davenport, IA**	**Kennewick, WA**	**Vicksburg, MS**	**Saratoga Springs, NY**	**Grand Junction, CO**	**Bloomington, IN**	**–**
Reporting Date	6/30/18	6/30/18	6/30/18	12/31/18	9/30/18	3/7/18	12/31/18	2/8/19	–
Total Function Space (SF)	37,000	23,183	53,386	32,574	25,555	31,000	23,120	25,095	31,364
Exhibition Space	*30,000*	*–*	*45,130*	*21,600*	*17,000*	*20,000*	*–*	*–*	26,746
Ballroom Space	*–*	*20,000*	*–*	*–*	*6,111*	*–*	*18,600*	*12,285*	14,249
Meeting Space	*7,000*	*3,183*	*8,256*	*10,974*	*2,444*	*11,000*	*4,520*	*12,810*	7,523
Number of Events	536	336	259	208	112	175	556	514	337
Total Attendance	153,513	35,899	126,913	104,634	51,838	166,626	131,437	76,107	105,871
Year Opened	2009	1997	1983	2004	1997	1984	1975	1991	1993
Full-Time Equivalents (FTE's)	9	14	11	12	6	16	–	–	11
Catering Operator	In-House	In-House	In-House	In-House	Local Operator	Third-Party	In-House	In-House	
INCOME									
Rental Income	$6.12	$9.41	$7.91	$11.49	$5.18	$21.79	$21.40	$13.69	$12.13
Building Rent Income	**$6.12**	**$9.41**	**$7.91**	**$11.49**	**$5.18**	**$21.79**	**$21.40**	**$13.69**	**$12.13**
Food & Beverage	$15.06	$44.08	$25.57	$69.21	$4.37	$5.76	$47.41	$38.23	$31.21
Reimbursed Expenses	$2.50	$9.85	$5.72	$1.01	$1.58	$2.38	–	–	$3.84
Equipment Rental	$0.74	$4.72	$2.75	$9.15	$0.86	–	$0.79	$14.05	$4.72
Event Income	$5.07	–	$16.41	$5.12	$0.37	$2.14	$4.20	–	$5.55
Other Ancillary Income	$2.32	$1.05	$6.20	$1.08	$1.71	$0.01	$2.07	$0.56	$1.87
Ancillary Income	**$25.69**	**$59.71**	**$56.65**	**$85.57**	**$8.89**	**$10.30**	**$54.46**	**$52.84**	**$44.26**
TOTAL OPERATING INCOME	**$31.81**	**$69.12**	**$64.56**	**$97.06**	**$14.08**	**$32.08**	**$75.87**	**$66.53**	**$56.39**
EXPENSES									
Full-Time Salaries	$10.00	$32.36	$16.58	$25.98	$12.43	$23.65	$12.96	$14.23	$18.53
Part-Time Salaries	$5.65	$17.79	$17.65	$16.86	$2.68	–	–	–	$12.13
Employer Paid Taxes & Benefits	$3.64	$10.41	$4.69	$10.98	$3.93	$12.11	–	$1.80	$6.80
General & Administrative	$0.86	$0.93	$1.80	$1.83	$0.57	$1.55	$5.69	$5.88	$2.39
Occupancy	$2.57	$6.29	$6.54	$5.80	$5.61	$2.77	$18.74	$5.60	$6.74
Utilities	$4.40	$5.15	$5.22	$4.37	$4.38	$5.04	–	$4.31	$4.69
Travel & Motor Vehicle	$0.27	$0.28	$0.09	$0.29	$0.33	$0.12	–	$0.40	$0.25
Food & Beverage*	$4.70	$12.92	$9.22	$17.44	$1.00	–	$13.23	$32.89	$13.06
Services & Operations	$4.44	$7.25	$4.07	$15.46	$6.91	–	$8.70	$11.47	$8.33
Event Expenses	$5.86	$3.55	$8.85	$3.66	$0.36	$7.19	$10.72	$0.69	$5.11
TOTAL OPERATING EXPENSES	**$42.37**	**$96.93**	**$74.71**	**$102.67**	**$38.18**	**$52.43**	**$70.05**	**$77.27**	**$69.33**
NET OPERATING INCOME (LOSS)**	**-$10.56**	**-$27.81**	**-$10.15**	**-$5.61**	**-$24.11**	**-$20.35**	**$5.82**	**-$10.74**	**-$12.94**

Comparable Facility Revenues & Expenses Per Square Foot of Function Space

** Including Cost of Goods Sold*

*** Including Mgmt Fees, Excluding Debt Service*

Source: Various sources

The eight comparable facilities profiled and analyzed range between 23,000 and 54,000 square feet of function space, averaging 31,000. Typically, these facilities have either exhibit hall space or ballroom space, though all have meeting space. These facilities also averaged more than 330 events per year and averaged attendance of 106,000.

Rental revenue ranged between $5.18 and $21.79 per square foot for the eight comparable facilities shown, with an average of $12.13 per square foot. For most of the facilities, gross food and beverage revenues were considerably higher than the building rent per square foot, reaching as high as $69. Vicksburg and Saratoga Springs had the lowest food and beverage revenues of the group. Both of these facilities had third-party caterers operate their food and beverage service, and their food and beverage revenues are solely commission income from the caterers' sales. For the remaining facilities besides Monroe Convention Center (MCC), once the cost of goods sold (COGS) or food and beverage expenses are subtracted, they average nearly $36 per square foot of net food and beverage income/profit. MCC, on the other hand, includes the expense of its catering staff in the food and beverage expense line item, significantly decreasing the net food and beverage income.

Altogether, these facilities earned approximately $56 per square foot of function space in revenue. Three Rivers Convention Center was by far the leader in revenue generation of the group with nearly $100 per square foot of function space, most of which was attributable to food and beverage services. Vicksburg performed the worst on building rental revenue and food and beverage revenue out of the group.

Staffing and food and beverage expenses are the largest items for each facility shown. These expenses account for more than 60 percent of total operational costs for this group of facilities on average. Total operational expenses per square foot range between $38 and $102. After subtracting these expenses from revenues, seven of the eight facilities sustained an operational loss for the year shown. Two Rivers Convention Center was marginally profitable, producing a budgetary surplus of $135,000 or $5.28 per square foot of function space. Chesapeake, Vicksburg and Saratoga Springs each lost more than $600,000 for the year or $20 per square foot of function space.

Even from this small sample set of comparable facilities, it is easy to see that operating a conference or convention center for a profit is not typically expected or attainable. The best-case scenario is usually considered to be minimizing operational losses or operating at breakeven and generating significant spending and impacts beyond the walls of the facility to offset the operational losses.

The following table shows the total number of events, event days and attendance for a selection of comparable facilities.

Table 7

2018 Event Breakdown VenuWorks Facilities	River City Center - Davenport, IA			BrideView Center - Ottumwa, IA			Chesapeake Conference Center			Three Rivers Convention Center			Vicksburg Convention Center			Average		
Event Type	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**
Banquets	11	14	2,350	57	57	5,911	77	77	13,998	72	72	23,744	37	38	5,744	51	52	10,349
Concert	1	1	300	13	13	10,970	--	--	--	--	--	--	2	2	1,580	5.3	5.3	4,283
Broadway/Theatrical-Commercial	--	--	--	10	10	3,055	--	--	--	--	--	--	1	5	10,300	5.5	7.5	6,678
Community/Educational Theatrical	1	2	325	18	31	17,001	10	10	3,836	1	1	1,200	4	8	12,541	6.8	10	6,981
Family Shows	1	2	150	8	8	8,664	--	--	--	--	--	--	1	1	650	3.3	3.7	3,155
Convention	4	20	4,763	--	--	--	3	5	1,979	38	114	51,185	16	40	9,777	15	45	16,926
Meeting/Conf	87	237	13,238	212	219	14,797	168	171	28,535	38	42	10,475	32	41	2,737	107	142	13,956
Consumer Show	8	24	20,263	20	28	16,715	--	--	--	5	9	8,000	1	1	50	8.5	16	11,257
Trade Show	3	8	2,399	1	1	132	19	25	15,016	1	3	6,000	1	3	1,150	5.0	8.0	4,939
Wedding Reception	18	45	4,354	21	21	3,498	10	14	1,546	8	8	1,625	1	1	130	12	18	2,231
Community/Civic	30	86	64,954	67	71	65,968	16	19	9,445	--	--	--	6	9	6,809	30	46	36,794
Sporting	7	33	6,468	5	6	4,551	2	2	1,050	1	2	2,000	2	3	240	3.4	9.2	2,862
Recreational Sports	3	12	5,700	42	42	597	--	--	--	--	--	--	--	--	--	23	27	3,149
Internal Use	85	160	1,649	62	63	1,654	31	31	1,209	44	44	405	8	8	130	46	61	1,009
Total for Year	**259**	**644**	**126,913**	**536**	**570**	**153,513**	**336**	**354**	**76,614**	**208**	**295**	**104,634**	**112**	**160**	**51,838**	**290**	**405**	**102,702**

Source: VenuWorks

The five facilities shown in the table above have an annual number of events that range between 112 and 536 with an average of 290. These events produced event days between 160 and 644 in 2018 (405 on average) with an average of 1.3 event days per event. Attendance at these facilities ranged between nearly 52,000 and154,000 in 2018 averaging 103,000 for the year and 354 attendees per event.

HSP also considered the number of events and attendance for the Saratoga Springs facility, whose data is not kept in the same manner as those presented above. In total Saratoga Springs hosted nearly 175,000 in 2018, generating 21,500 room nights and 150,000 daytrips. The number of *paid* events included:

- Conferences/Conventions: 64
- Trade Shows: 7
- Gate/Consumer Shows: 29
- Banquets: 27
- Special Events: 29
- Total: 156

In addition, there were 47 City Hall events, which are not considered per se when making projections for the revenue model for Ithaca.

The following table show the number of events, event days and attendance per 1,000 square feet of function space for a selection of comparable facilities.

Table 8

2018 Event Breakdown VenuWorks Facilities Per 1,000 SF of Function Space

	River City Center - Davenport, IA			BrideView Center - Ottumwa, IA			Chesapeake Conference Center			Three Rivers Convention Center			Vicksburg Convention Center			Average		
Event Type	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**	**Events**	**Event Days**	**Attendance**
Banquets	0.2	0.3	44	1.5	1.5	160	3.3	3.3	604	2.2	2.2	729	1.4	1.5	225	1.7	1.8	352
Concert	0.0	0.0	6	0.4	0.4	296	--	--	--	--	--	--	0.1	0.1	62	0.1	0.1	121
Broadway/Theatrical-Commercial	--	--	--	0.3	0.3	83	--	--	--	--	--	--	0.0	0.2	403	0.2	0.2	243
Community/Educational Theatrical	0.0	0.0	6	0.5	0.8	459	0.4	0.4	165	0.0	0.0	37	0.2	0.3	491	0.2	0.3	232
Family Shows	0.0	0.0	3	0.2	0.2	234	--	--	--	--	--	--	0.0	0.0	25	0.1	0.1	87
Convention	0.1	0.4	89	--	--	--	0.1	0.2	85	1.2	3.5	1,571	0.6	1.6	383	0.5	1.4	532
Meeting/Conf	1.6	4.4	248	5.7	5.9	400	7.2	7.4	1,231	1.2	1.3	322	1.3	1.6	107	3.4	4.1	461
Consumer Show	0.1	0.4	380	0.5	0.8	452	--	--	--	0.2	0.3	246	0.0	0.0	2	0.2	0.4	270
Trade Show	0.1	0.1	45	0.0	0.0	4	0.8	1.1	648	0.0	0.1	184	0.0	0.1	45	0.2	0.3	185
Wedding Reception	0.3	0.8	82	0.6	0.6	95	0.4	0.6	67	0.2	0.2	50	0.0	0.0	5	0.3	0.5	60
Community/Civic	0.6	1.6	1,217	1.8	1.9	1,783	0.7	0.8	407	--	--	--	0.2	0.4	266	0.8	1.2	918
Sporting	0.1	0.6	121	0.1	0.2	123	0.1	0.1	45	0.0	0.1	61	0.1	0.1	9	0.1	0.2	72
Recreational Sports	0.1	0.2	107	1.1	1.1	16	--	--	--	--	--	--	--	--	--	0.6	0.7	61
Internal Use	1.6	3.0	31	1.7	1.7	45	1.3	1.3	52	1.4	1.4	12	0.3	0.3	5	1.3	1.5	29
Total for Year	**0.1**	**0.2**	**45**	**0.4**	**0.4**	**112**	**0.6**	**0.7**	**143**	**0.2**	**0.3**	**99**	**0.2**	**0.2**	**79**	**0.3**	**0.4**	**95**

Source: VenuWorks

For these five comparable facilities, the number of events in 2018 per 1,000 square feet of function space ranged between 0.1 and 0.6 and averaged 0.3. Event days per 1,000 square feet of function space was very similar for these facilities, averaging 0.4 event days. Attendance per 1,000 square feet ranged between 45 and 143 and averaged nearly 100 in 2018.

Saratoga Springs City Center Conversation Takeaways

HSP reached out to management at the Saratoga Springs City Center and other comparable facilities to better understand what is driving business at the facility and understand the perspective on new development in Ithaca. The following bullet points highlight the takeaways from the conversation.

- Mid-sized conference center in Ithaca (~20,000 to 25,000 square feet of function space) will not steal business from Saratoga. Ithaca and Saratoga markets are similar in that both downtown areas are known to be clean / friendly and have walkable amenities.
- Facility development in Ithaca would help put upstate New York on the map for hosting meetings and events. Do not see a potential development in Ithaca as a threat but rather an opportunity.

- A downtown conference center will help facilitate further commercial development downtown.
- The majority of the business hosted at the Saratoga Springs City Center is repeat business or clientele (75 percent). A bulk of the events hosted at the facility are rotating state association meetings. The facility hosts a few industrial tradeshows and other ticketed events as well.
- Summer is the slow period for the Saratoga Springs City Center due to the focus of the community being on the local racetrack. The City Center does not host musical events with the presence of Saratoga Performing Arts Center.

Demand and Financials

HSP recast the demand, financial and impact projections for the conference center based on updated market and physical development assumptions. The following table shows the update demand projections for events by type.

Table 9

Projected Events at the Ithaca Conference Center

Event Type	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Conventions, Conferences	16	20	24	26	26	26
Consumer Shows	2	4	5	5	5	5
Corporate Events	9	12	15	18	18	18
Special Events	8	12	16	20	20	20
Banquets	24	28	32	37	37	37
Meetings Room Events	33	40	48	57	68	68
Total	**92**	**115**	**139**	**163**	**174**	**174**

Source: HSP

HSP projects that the total number of paying events will stabilize at 174, with significant numbers of banquets, meetings and conferences. The number of conferences and conventions is expected to be fairly strong based on new information gathered from comparable facilities, especially the level of activity in Saratoga Springs.

The next table shows the expected attendance by event type.

Table 10

Projected Attendance - Ithaca Conference Center						
Event Type	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 10**
Conventions, Conferences and Trade Shows	4,300	5,400	6,400	7,000	7,000	7,000
Consumer Shows	1,500	3,000	3,800	3,800	3,800	3,800
Corporate Events	1,800	2,400	3,000	3,500	3,500	3,500
Special Events	5,000	7,400	10,000	12,400	12,400	12,400
Banquets/Receptions	10,300	12,000	13,800	15,500	15,500	15,500
Meetings Room Events	6,800	8,000	9,800	11,700	14,100	14,100
Total	29,700	38,200	46,800	53,900	56,300	56,300

Source: HSP

Total attendance is expected to stabilize at nearly 55,000 per year, with significant contributions from banquets, meetings and special events. However, convention, corporate and conference events will have the most impact per attendee, as most of those participants will be from out of town. The next table shows the expected average attendance by event type.

Table 11

Projected Average Attendance by Event Type - Ithaca Conference Center	
	Year 5
Exhibit Events	
Conventions, Conferences and Trade Shows	270
Consumer Shows	760
Corporate Events	190
Special Events	620
Banquets/Receptions	420
Meetings Room Events	210
Average	320

Source: HSP

Average attendance by event type ranges from 190 for corporate events to 760 for consumer shows. Many meetings will be as small as 10 people, but can be as large as several hundred. It is important to note that the tables do not include any non-paying events, such as city or other meetings that may not generate revenue.

Based on the results of comparable facilities and the expectations for the local marketplace, and an assumption of third-party management, the following is the projection of revenues and expenses for the Ithaca Conference Center.

The projections include only the operating revenue and expense. They do not include any costs to build or pay for the facility, like debt service. These items will be addressed in the third vignette/section of this analysis.

Table 12

Pro Forma Operating Statement of Revenue and Expenses ($000's, Inflated)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue										
Event Revenue										
Space Rental	$106	$140	$174	$200	$208	$214	$219	$224	$230	$236
Equipment Rental	17	22	28	32	33	34	35	36	37	38
Net Food and Beverage	353	432	520	605	644	660	677	694	711	729
Event Services Income	29	38	47	54	56	58	59	61	62	64
Sub-total	$505	$633	$768	$890	$942	$966	$990	$1,014	$1,040	$1,066
Other Revenue										
Advertising and Sponsorships	10	10	11	11	11	11	12	12	12	12
Other Revenue	15	19	23	27	28	29	30	30	31	32
Total Operating Revenue	**$530**	**$662**	**$801**	**$928**	**$981**	**$1,006**	**$1,031**	**$1,057**	**$1,083**	**$1,110**
Expenses										
Salaries and Wages	465	477	489	501	513	526	539	553	567	581
Employee Benefits	149	153	156	160	164	168	173	177	181	186
Passthrough Labor	23	30	37	42	43	44	45	46	47	48
Maintenance & Repairs	39	51	64	74	86	88	90	92	94	97
Cleaning	19	25	31	37	40	41	42	43	44	45
Utilities	68	72	77	81	83	84	85	85	86	87
Sales and Marketing	25	26	26	27	28	28	29	30	30	31
General and Administrative	44	45	47	48	49	50	51	53	54	55
Insurance	27	27	28	29	29	30	31	32	32	33
Other Operating Expenses	36	38	40	42	43	44	45	46	47	48
Management Fee	61	69	84	97	103	105	108	110	113	116
Reserve For Replacement	9	11	14	16	17	17	18	18	19	19
Total Expenses	**$965**	**$1,024**	**$1,092**	**$1,153**	**$1,198**	**$1,226**	**$1,255**	**$1,285**	**$1,315**	**$1,347**
Net Operating Income	**($435)**	**($363)**	**($291)**	**($225)**	**($216)**	**($220)**	**($224)**	**($228)**	**($232)**	**($237)**

Source: HSP

As shown in the table, HSP projects approximately $1 million in operating revenue by stabilization and $1.2 million of expense, leading to a relatively modest operating loss of $225,000+/- on an annual basis. Deficits typically begin at a higher level as the facility ramps up. The results presented here track with the results of the comparable facilities shown in this vignette.

Impact – New York State

Based on a number of assumptions shown in the table below, the number of new daytrippers and overnighters to New York State are shown below in the stabilized year. Because most of the business coming to the conference center will be from New York, the impact to the State will be less than to the City or County.

Table 13

Net New Visitors and Room Nights - New York State

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Total
New Daytrip Visitor Days	873	1,139	1,396	1,603	1,644	1,644	1,644	31,313
New Overnighter Days	2,366	2,916	3,521	4,051	4,295	4,295	4,295	81,580
New Room Nights	1,647	2,021	2,443	2,819	3,023	3,023	3,023	57,296

Source: Hunden Strategic Partners

HSP expects a total of 3,000 new hotel room nights per year to be generated by the conference center that will be new to New York.

The next table shows the estimated net new direct spending due to the new visitors.

Table 14

Direct Net New/Recaptured Spending to New York State (000s)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Total
Food & Beverage	$160	$204	$254	$299	$325	$368	$471	**$7,223**
Lodging	$268	$339	$422	$501	$554	$642	$822	**$12,485**
Retail	$28	$36	$45	$53	$57	$64	$82	**$1,259**
Transportation	$30	$39	$48	$57	$61	$69	$89	**$1,361**
Other	$23	$30	$37	$43	$47	$53	$67	**$1,035**
Total	**$509**	**$647**	**$805**	**$953**	**$1,044**	**$1,196**	**$1,531**	**$23,362**

Source: Hunden Strategic Partners

Total new direct spending is expected to total nearly $23 million over the 20-year period, with largest categories in lodging spending and restaurants.

The next table shows the indirect and induced spending that will spin off from the direct spending.

Table 15

Direct, Indirect & Induced Net New Spending to New York State (000s)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Total
Net New Spending								
Direct	$509	$647	$805	$953	$1,044	$1,196	$1,531	**$23,362**
Indirect	$171	$217	$270	$320	$351	$402	$514	**$7,844**
Induced	$199	$253	$315	$373	$409	$468	$599	**$9,144**
Total	**$879**	**$1,118**	**$1,390**	**$1,647**	**$1,803**	**$2,066**	**$2,645**	**$40,350**

Source: Hunden Strategic Partners

After all impacts from spending are counted, the annual total by year five is more than $1.8 million and totals more than $40 million over 20 years.

The next table shows the expected supported ongoing earnings that will support full-time equivalent positions in the community from the new spending. This is not just onsite jobs, but jobs in hotels, restaurants, retailers and elsewhere. These are net new earnings to New York State.

Table 16

Net New York Earnings from Direct, Indirect & Induced Spending (000s)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Total
Net New Earnings								
From Direct	$160	$203	$252	$299	$327	$375	$480	**$7,319**
From Indirect	$56	$71	$88	$104	$114	$131	$167	**$2,554**
From Induced	$60	$76	$95	$113	$123	$141	$181	**$2,760**
Total	**$275**	**$350**	**$435**	**$516**	**$564**	**$647**	**$828**	**$12,633**

Source: Hunden Strategic Partners

Total earnings from the new economic activity is expected to total $12.6 million over the period.

Table 17

Net New York Full-Time Equivalent Jobs from Direct, Indirect & Induced Earnings (000s)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
Net New FTE Jobs							
From Direct	9	11	13	15	16	16	16
From Indirect	3	4	4	5	5	5	5
From Induced	3	4	5	6	6	6	6
Total	15	19	23	26	28	28	28

Source: Hunden Strategic Partners

Total new jobs to the state are expected to stabilize at 28.

The following table shows the expected local hotel and sales taxes.

Table 18

Fiscal Impact - Net New York Tax Impacts from New Spending (000s)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Total
Taxes Collected								
State Income Tax (weighted)	$17	$21	$26	$31	$34	$39	$50	$758
State Sales Tax (portion to State)	$11	$15	$18	$21	$23	$27	$34	$526
Total	**$28**	**$36**	**$44**	**$52**	**$57**	**$66**	**$84**	**$1,284**

Source: Hunden Strategic Partners

Total new state taxes are expected to be nearly $1.3 million over the 20-year period.

Table 19

Summary of 20-Year Estimated New York Impacts	
Net New Spending	**(millions)**
Direct	$23
Indirect	$8
Induced	$9
Total	**$40**
Net New Earnings	**(millions)**
From Direct	$7
From Indirect	$3
From Induced	$3
Total	**$13**
Net New FTE Jobs	**Actual**
From Direct	16
From Indirect	5
From Induced	6
Total	**28**
Taxes Collected	**(millions)**
State Income Tax (weighted)	$0.8
State Sales Tax (portion to State)	$0.5
Total	**$1.3**
Construction Impact	**One-Time**
New Materials Spending	$10.0
New Labor Spending	$15.1
Job-Years, Actual	**278**

Source: Hunden Strategic Partners

Construction impacts from the development of the conference center will increase overall impact from the project.

Impact

Based on a number of assumptions shown in the table below, the number of new daytrippers and overnighters to Tompkins County (and Ithaca) are shown below in the stabilized year.

Table 20

Metrics and Assumptions Used to Determine Net New Vistors to Ithaca at the New Conference Center

	Percent of Visitors Non-Tompkins County	Percent of Non-County Visitors Who Stay Overnight	Percent of Total Visitors Staying Overnight	Percent of Non-County Visitors Making a Daytrip	Stabilized Number of Non-County Visitors Staying Overnight	Visitors per Room Night	Stabilized Net New Room Nights to Tompkins County	Stabilized Net New Day Trips to Tompkins County
Conventions, Conferences	95%	90%	86%	10%	5,985	1.6	3,741	665
Consumer Shows	50%	15%	8%	85%	285	1.9	150	1,615
Corporate Events	90%	75%	68%	25%	2,363	1.2	1,969	788
Special Events	60%	40%	24%	60%	2,976	1.8	1,653	4,464
Banquets/Receptions	60%	80%	48%	70%	7,440	1.6	4,650	6,510
Meetings Room Events	85%	80%	68%	20%	9,588	1.2	7,990	2,397
Total	**72%**	**74%**	**51%**	**49%**	**28,637**	**1.42**	**20,153**	**16,439**

Source: HSP

HSP expects a total of 20,000 new hotel room nights per year to be generated by the conference center

The next table shows the estimated net new direct spending due to the new visitors.

Table 21

Direct Net New/Recaptured Spending to Tompkins County (000s)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Total
Food & Beverage	$1,137	$1,457	$1,813	$2,142	$2,321	$2,626	$3,361	**$51,530**
Lodging	$1,554	$1,964	$2,445	$2,907	$3,210	$3,722	$4,764	**$72,374**
Retail	$185	$238	$296	$348	$375	$424	$543	**$8,336**
Transportation	$205	$263	$327	$386	$415	$469	$601	**$9,217**
Other	$157	$202	$251	$296	$318	$360	$461	**$7,076**
Total	**$3,238**	**$4,125**	**$5,133**	**$6,078**	**$6,639**	**$7,601**	**$9,730**	**$148,533**

Source: Hunden Strategic Partners

Total new direct spending is expected to total nearly $150 million over the 20-year period, with largest categories in lodging spending and restaurants.

The next table shows the indirect and induced spending that will spin off from the direct spending.

Table 22

Direct, Indirect & Induced Net New Spending to Tompkins County (000s)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Total
Net New Spending								
Direct	$3,238	$4,125	$5,133	$6,078	$6,639	$7,601	$9,730	**$148,533**
Indirect	$1,092	$1,391	$1,731	$2,050	$2,238	$2,562	$3,279	**$50,063**
Induced	$1,269	$1,617	$2,013	$2,383	$2,602	$2,979	$3,813	**$58,208**
Total	**$5,599**	**$7,133**	**$8,877**	**$10,512**	**$11,480**	**$13,141**	**$16,822**	**$256,804**

Source: Hunden Strategic Partners

After all impacts from spending are counted, the annual total by year five is more than $11 million and totals more than $250 million over 20 years.

The next table shows the expected supported ongoing earnings that will support full-time equivalent positions in the community from the new spending. This is not just onsite jobs, but jobs in hotels, restaurants, retailers and elsewhere.

Table 23

Net New Earnings from Direct, Indirect & Induced Spending (000s)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Total
Net New Earnings								
From Direct	$1,019	$1,299	$1,617	$1,914	$2,089	$2,390	$3,059	**$46,717**
From Indirect	$353	$450	$560	$663	$724	$829	$1,062	**$16,205**
From Induced	$383	$488	$607	$719	$785	$898	$1,150	**$17,557**
Total	**$1,755**	**$2,237**	**$2,783**	**$3,296**	**$3,598**	**$4,118**	**$5,271**	**$80,479**

Source: Hunden Strategic Partners

Total earnings from the new economic activity is expected to total $80 million over the period.

Table 24

Net New Full-Time Equivalent Jobs from Direct, Indirect & Induced Earnings (000s)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
Net New FTE Jobs							
From Direct	56	70	85	98	104	105	105
From Indirect	19	24	29	33	35	36	36
From Induced	22	28	33	39	41	41	41
Total	97	121	147	170	181	182	182

Source: Hunden Strategic Partners

Total jobs are expected to stabilize at 182.

The following table shows the expected local hotel and sales taxes.

Table 25

Fiscal Impact - City and County Tax Impacts from Net New Spending (000s)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Total
Taxes Collected								
County Hotel Tax (5%)	$78	$98	$122	$145	$161	$186	$238	$3,619
Local Portion of Sales Tax (4%)								
Portion to County (2.25%)	$73	$93	$115	$137	$149	$171	$219	$3,342
Portion to City (1.75%)	$57	$72	$90	$106	$116	$133	$170	$2,599
Total	**$207**	**$263**	**$328**	**$388**	**$426**	**$490**	**$627**	**$9,560**

Source: Hunden Strategic Partners

Total local taxes are expected to be nearly $10 million over the 20-year period. If hotel tax rates increase, the fiscal impact will increase as well.

Table 26

Summary of 20-Year Estimated Impacts	
Net New Spending	**(millions)**
Direct	$149
Indirect	$50
Induced	$58
Total	**$257**
Net New Earnings	**(millions)**
From Direct	$47
From Indirect	$16
From Induced	$18
Total	**$80**
Net New FTE Jobs	**Actual**
From Direct	105
From Indirect	36
From Induced	41
Total	**182**
Taxes Collected	**(millions)**
County Hotel Tax (5%)	$3.6
Local Portion of Sales Tax (4%)	
Portion to County (2.25%)	$3.3
Portion to City (1.75%)	$2.6
Total	**$9.6**
Construction Impact	**(millions)**
New Materials Spending	$17.3
New Labor Spending	$15.1
Job-Years, Actual	**278**

Source: Hunden Strategic Partners

Construction impacts from the development of the conference center will increase overall impact from the project.

Conclusions

Based on the updated analysis, there is a stronger expectation for performance and impact compared to HSP's original study.