LEON COUNTY

Tourist Development Council

Thursday November 3, 2022, 9:00 a.m.
County Commission Chambers - Leon County Courthouse, Fifth Floor
301 South Monroe Street, Tallahassee FL 32301

MEETING AGENDA

I. Call to Order – **Michelle Personette, Chairperson**

II. Welcome new TDC Member Emily Johnson – Truitt – **Michelle Personette**

III. Request for Additional Agenda Items – **Michelle Personette**

IV. Public Comment

V. Items for Consent Approval – **Michelle Personette**
- September 16, 2022 Meeting Minutes (T1)
- Financial Reports: Division Budget FY 2022 End-of-Year Tourism Development Tax Collections and Smith Travel Report (T2)
- Advertising/PR Activity Report/Digital Activity (T3)
- Marketing Communications, Visitor Services, Sales & Sports Staff Reports (T3)

VI. General Business – **Michelle Personette**
- Presentation on SoMo Walls - Bugra Demirel
- Downs & St. Germain Research – FY22 4th Quarter & Year-End Visitor Study (T4)
- Meeting Space Inventory & Group Business Needs Update/Presentation (T5)
- Nominations for FY23 TDC Chair
- Proposed FY23 TDC Meeting Dates (T6)
- Concert Update
- Tallahassee Sports Council
- COCA Update

VII. Executive Director's Report – **Kerri Post**
- FY22 Destinations Florida Chairman of the Board & Annual Industry Meeting
- New COCA Agreement to Administer Remaining CFMG Funds
- Launched new Mountain Biking Website: MBTallahassee.com
- 2024 Tallahassee/Leon County Bicentennial BOCC Agenda Item, December 13, 2022
- Anticipate Moving into Amtrak Building in January 2023

VIII. Additional Business: "For the Good of the Cause" – **Michelle Personette**

Next TDC Meeting:
TBD
County Commission Chambers

LEON COUNTY TOURIST DEVELOPMENT COUNCIL
REGULAR MEETING
SEPTEMBER 16, 2022
County Commission Chambers – Leon County Courthouse, Fifth Floor
301 South Monroe Street, Tallahassee, FL 32301

The Leon County Tourist Development Council met for a regular meeting with Chairperson Michelle Personette presiding. Council members present were City Commissioner Curtis Richardson, Sharon Priester, Sam Patel, Carolanne Savage, Russell Daws, Kathleen Spehar, Amanda Heidecker and Commissioner Dianne Williams-Cox (telephonically).
Council Members absent were Matt Thompson and Commissioner Bill Proctor.

Tourism Staff present: Kerri Post, Dionte Gavin, Ryan Zornes, Katie Kole, Scott Lindeman, Aundra Bryant, Janet Roach, Renee Jones, Taylor Walker, Alissa Losauro and Shelby Bishop.

Guests present:

I. **CALL TO ORDER:** Chairperson Michelle Personette called the meeting to order at 9:00 a.m.

II. **WELCOME NEW COUNCIL MEMBERS:** Chairperson Personette welcomed new council member Russell Daws. Mr. Daws stated that tourism was his passion and he was grateful to share it with the community. Chairperson Personette then expressed "farewell wishes" to Sharon Priester and turned the presentation over to Kerri Post. Kerri Post gave highlights of Ms. Priester's five years of service with the TDC and thanked her for her leadership. Ms. Post then presented Ms. Priester with a plaque on behalf of the TDC. Chairperson Personette then announced and introduced new staff hires Shelby Bishop, Taylor Walker and Alissa Losauro.

III. **REQUEST FOR ADDITIONAL AGENDA ITEMS:** Chairperson Personette confirmed there were no request for additional agenda items.

IV. **PUBLIC COMMENT:** Chairperson Personette confirmed there were no public comments submitted.

V. **ITEMS FOR CONSENT APPROVAL:**
- Approval of the May 5, 2022 Meeting Minutes
- Approval of the Financial Reports: Division Budget 2022 Year-to-Date, Tourism Development Tax Collections and Smith Travel Report
- Approval of the Advertising/PR Activity Report/Digital Activity
- Approval of the Marketing Communications, Visitor Services, Sales & Sports Staff Reports

Commissioner Richardson moved, duly seconded by Sharon Priester, approval of the Items for Consent. The motion passed 7-0, with Commissioner Proctor and Matt Thompson absent.

VI. General Business:

Presentation by Downs & St. Germain Research – Spring Events & 3rd Quarter Visitor Tracking Report

Joseph St. Germain and Isiah Thomas of Downs & Germain Research presented the FY 2022 3rd Quarter Spring Report and Visitor Tracking Report. The presentation included Pre-Visit, Travel Party Profile, Trip Experience, Post Trip Evaluation & Economic Impact on Destination. Sam Patel requested clarification from Downs & St. Germain regarding the aggregated economic impact as it relates to the number of hotel rooms for spring events.

Presentation by the Zimmerman Agency FY 22/2023 Advertising/ Marketing/PR Plan Presentation

Jessica Harris representing the Zimmerman Agency presented the FY 22/2023 Marketing and PR Plan. She highlighted the Top-Level Initiatives, Objective - Media Strategy, Media Tactics, Media Segments, Paid Media Initiative, Public Relations, and additional FY 22/2023 Goals and Tactics. Chairperson Personette confirmed with the Zimmerman Agency it continues its targeting efforts marketing to the African American segment/market.

Presentation by the Tourist Development Council Grant Review Committee FY 2023 - Special Event Grants

On behalf of FY 2023 Tourist Development Council Grant Review Committee (TDCGRC) Chair Matt Thompson, Russell Daws presented the FY 2023 Special Event Grant Funding Recommendations for the TDC's consideration and approval. After carefully considering 30 event applications and their ability to generate room nights for our community, especially during non-peak times and shoulder seasons, the TDCGR is recommending funding for 30 events for a total amount of $131,493. This includes the $110,000 allocated in the Special Events Category plus the remaining $21,493 reallocated from Signature/Emerging Signature Grant Budget.

Sharon Priester moved, duly seconded by Commissioner Richardson, approval of the Special Events Grants. The motion passed 7-0, with Commissioner Proctor and Matt Thompson absent.

Presentation by the Tourist Development Council Grant Review Committee FY 22/2023 - Emerging and Signature Event Grants

Mr. Daws presented funding recommendations for five (5) Signature/Emerging Signature Events in the amount of $118,407 of the $140,000 allocated to the Signature/Emerging Signature Event Grant Budget. The remaining $21,493 was reallocated toe the Special Event Grant Budget.

Commissioner Richardson moved, duly seconded by Sharon Priester, approval of the FY 22/2023 Emerging and Signature Events Grants. The motion passed 7-0, with Commissioner Proctor and Matt Thompson.

<u>Appointment of the Tourist Development Tax Funding for Arts & Culture (CRA/TDT) Arts Grants Review Committee</u>

Chairperson Personette recognized Kerri Post to provide an overview and history of the CRA/Tourist Development Tax Funding for Arts and Culture Grants process. Ms. Post stated that per an interlocal agreement the CRA administers the TDT funds. The current fund balance is approximately $2,000,000. She also noted the TDT funds are subject to the following criteria: 1) must be used in support of culture, visual arts, and heritage programs, 2) must be for projects, programs, and expenses authorized under section 125.0104 of the Florida Statutes, and 3) must be utilized in the Downtown District CRA or the Greater Frenchtown/Southside CRA area. She stated the need to nominate a TDC member to be a member on the CRA/TDT Arts Grants Review Committee.

Commissioner Richardson moved, duly seconded by Michelle Personette the appointment of Russell Daws to the CRA/TDT Arts Grants Review Committee. The motion passed 7-0, with Commissioner Proctor and Matt Thompson absent.

<u>Concert Update</u>

On behalf of Scott Carswell, Kerri Post provided an update on the fall lineup for upcoming concerts which include Earth, Wind and Fire, JJ Grey and Mofro, Govt Mule with special guests Mike Campbell and the Dirty Knobs, and Trombone Shorty with special guest Big Freedia. Ms. Post Kerri spoke of her excitement in successfully using the Amphitheater Support Space (Parkview at Cascades) for what it was designed for and as it was envisioned to operate.

<u>Tallahassee Sports Council – Sports Grant Recommendations and Update</u>

Amanda Heidecker provided updates on behalf to the Tallahassee Sports Council. She first thanked the Tallahassee Sport Council Grant Review Committee (TSCGRC) for their service on the committee. After carefully considering 34 event applications and their ability to generate room nights and economic impact for the community, the TSCGRC presented 34 events at a total of $97,085 from the allocated $110,000.

Russell Daws moved, duly seconded by Sam Patel, approval of the FY 22/2023 Sports Grant Recommendations in the amount of $97,085. The motion passed 7-0, with Commissioner Proctor and Matt Thompson absent.

Mrs. Heidecker noted that there is $12,915 remaining in the FY 2022/23 Sports Grant Budget which will be used for a 2nd Cycle Sports grants.

<u>COCA FY 2023 Cultural & Marketing Grants Recommendations and Update</u>

Kathleen Spehar presented updates on COCA. Ms. Spehar shared highlights from the arts and culture community and announced three new staff members at COCA: Sarah Painter, Samantha Sumler and Sahara Lyon and thanked previous staff for their dedication to the arts in the community.

Ms. Spehar then presented the COCA FY 2023 Cultural Grant Program recommendations for approval: Twenty – five (25) totaling $822,638.

Commissioner Richardson moved, duly seconded by Sharon Priester, approval of the COCA FY 2023 Cultural Grant Program Recommendations. The motion passed 6-0, with Russell Daws abstaining, and Commissioner Proctor and Matt Thompson absent.

Ms. Spehar then presented the COCA FY 2023 Cultural Tourism Marketing Grant Recommendations: Twenty – three (23) totaling $60,250.

Commissioner Richardson moved, duly seconded by Sharon Priester, approval of the COCA FY 2023 Cultural Tourism Marketing Grants. The motion passed 6-0, with Russell Daws abstaining, and Commissioner Proctor and Matt Thompson absent.

VII. Executive Director's Report – Kerri Post

- Announced the renaming of the Capital City Amphitheater to the "Adderly Amphitheater"
- Provided an update on the 2024 Tallahassee/Leon County Bicentennial (200) Anniversary. She reported the Division of Tourism has been asked to take the lead and are working on a draft Management Plan to be presented to the BOCC for approval. Ms. Post stated this will be a joint-partnership between the County, City, and the entire community.
- Thanked Joe Piotrowski and the entire team for all of their efforts in securing the 2026 World Athletics Cross Country Championship to Leon County. Mr. Piotrowski thanked everyone that encouraged staff to bid on the championship and then provided a video presentation on the overall bid process.
- Provided an update on the Amtrak Renovation/future home of the Welcome Center and Tourism offices. Recognized Dionte Gavin and Ryan Zornes who have been the project leads working with the contractors and county staff. She reported an anticipated grand opening in early 2023.

VIII. Additional Business: "For the Good of the Cause" – Chairperson Personette confirmed there was no additional business "for the good of the cause".

ADJOURN

There being no further business to come before the Council, the meeting was adjourned at 10:15 a.m.

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Attest: Michelle Personette,
Chairperson

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Attest: Shelby Bishop,
Visitor Services Specialist

Leon County Tourist Development Council
Statement of Cash Flow
Period Ending September 30, 2022

4-Cents Collections

Acct #	REVENUES		YTD Actuals	September Actuals	FY 2021/22 Budget	% Revenue Received	Variance
312100	Local Option Tax (4-cents)	[1]	$ 6,119,987.08	$ 572,267.07	$ 4,060,129	73%	(1,078,521)
361320	Tax Collector FS 219.075		$ 1,538.06	$ -	$ -		1,538
361111	Pooled Interest Allocation		$ 21,361.00	$ -	$ 56,973		
365000	Merchandise Sales		$ 5,658.00	$ -	$ 5,730		
366500	Special Event Grant Reimbursements		$ -	$ -	$ 12,500		
366930	Other Contributions/Partnerships		$ -	$ -	$ -		
361300	Interest Inc/FMV Adjustment		$ -	$ -	$ -		
369900	Miscellaneous Revenue	[3]	$ 40,615.18	$ -	$ 31,396		
399900	Appropriated Fund Balance		$ -	$ -	$ 172,657		
	Total Estimated Receipts				4,339,385		
					-		
			$ 6,189,159.32	$ 572,267.07			

Acct #	EXPENDITURES	YTD Actuals	September Actuals	FY 2021/22 Adopt. Budget	FY 2021/22 Adj. Budget	% Budget Spent	Under/ (Over)
	Administration (301)/Marketing (303)						
51200	Salaries & Wages	$ 725,501.28	$ 66,189.01	$ 733,627	$ 733,627	99%	$ 8,126
51250	Regular OPS Salaries & Wages	$ 38,284.81	$ 4,553.63	$ 34,694	$ 34,694	110%	(3,591)
51500	Special Pay	$ -	$ -	$ 3,100	$ 3,100	0%	3,100
52100	FICA	$ 55,994.50	$ 5,255.65	$ 60,643	$ 60,643	92%	4,649
52200	Retirement Contributions	$ 110,018.90	$ 10,850.36	$ 109,239	$ 109,239	101%	(780)
52210	Deferred Compensation	$ 1,225.51	$ 117.08	$ 766	$ 766	160%	(460)
52300	Life & Health Insurance	$ 104,391.45	$ 5,808.27	$ 96,582	$ 96,582	108%	(7,809)
52400	Workers Compensation	$ 1,722.75	$ 156.77	$ 3,395	$ 3,395	51%	1,672
53400	Other Contractual Services	$ 212,131.93	$ 35,258.27	$ 289,000	$ 289,000	73%	76,868
54000	Travel & Per Diem	$ 46,471.06	$ 2,482.11	$ 52,500	$ 52,500	89%	6,029
54100	Communications Services	$ 5,508.90	$ 518.13	$ 9,600	$ 9,600	57%	4,091
54101	Communications - Phone System	$ 1,455.00	$ 1,455.00	$ 1,455	$ 1,455	100%	-
54400	Rental & Leases	$ 15,529.41	$ 7,641.00	$ 15,925	$ 15,925	98%	396
54505	Vehicle Coverage	$ 492.00	$ -	$ 492	$ 492	100%	-
54600	Repair & Maintenance	$ 5,000.00	$ -	$ 15,000	$ 15,000	33%	10,000
54601	Vehicle Repair	$ 32.14	$ 32.14	$ 720	$ 720	4%	688
54700	Printing	$ 1,018.04	$ 32.00	$ 2,000	$ 2,000	51%	982
54800	Promotional Activities	$ 2,585.04	$ 487.82	$ 1,500	$ 1,500	172%	(1,085)
54860	TDC Direct Sales Promotions	$ 116.74	$ -	$ 3,000	$ 3,000	4%	2,883
54861	TDC Community Relations	$ 197.26	$ 91.50	$ 345	$ 345	57%	148
54862	TDC Merchandise	$ 1,984.95	$ 425.00	$ 3,000	$ 3,000	66%	1,015
54900	Other Current Charges	$ 475,645.48	$ 19,591.75	$ 537,000	$ 947,000	50%	471,355
55100	Office Supplies	$ 223.35	$ -	$ 6,700	$ 6,700	3%	6,477
55200	Operating Supplies	$ 2,845.37	$ -	$ 8,000	$ 8,000	36%	5,155
55210	Fuel & Oil	$ 197.26	$ 91.50	$ 345	$ 345	57%	148
52250	Uniforms	$ 1,914.25	$ -	$ 3,500	$ 3,500	55%	1,586
55400	Publications, Memberships	$ 27,758.64	$ 6,163.99	$ 27,000	$ 27,000	103%	(759)
55401	Training	$ 7,974.00	$ -	$ 13,000	$ 13,000	61%	5,026
56400	Machinery & Equipment	$ -	$ -	$ -	$ -		-
58160	TDC Local T&E	$ 679.51	$ 39.38	$ 2,000	$ 2,000	34%	1,320
58320	Sponsorship & Contributions	$ 84,323.60	$ 54,000.00	$ 32,155	$ 82,155	103%	(2,169)
	Advertising/Public Relations (302)						
53400	Other Contractual Services	$ 1,251,358.22	$ 187,185.17	$ 965,865	$ 1,485,865	84%	$ 234,507
	Special Events/Grants (304)						
58300	Grants & Aids	$ 326,580.14	$ 33,450.00	600,000	600,000	54%	273,420
	Welcome Center CIP (086065)						
56200	Building	$ -	$ -	-	-		-
	Countywide Automation (470)						
54110	Com-net Communications	$ 5,940.00	$ 5,940.00	5,940	5,940	100%	-
54600	Repairs and Maintenance	$ 2,620.00	$ 2,620.00	2,620	2,620	100%	-

Acct #	Risk Allocations (495)	YTD Actuals	September Actuals	FY 2021/22 Adopt. Budget	FY 2021/22 Adj. Budget	% Budget Spent	Under/ (Over)
54500	Insurance	$ -	$ -	6,432	6,432	0%	6,432
	Indirect Cost (499)						
54900	Indirect Cost Charges	$ -	$ -	238,000	238,000	0%	238,000
	Line Item Funding - (888)						
58214	Cultural Facilities Grant Program	$ -	$ -	-	-		-
58215	Local Arts Agency Program	$ 1,529,996.78	$ 378,824.31	1,014,572	1,014,572	151%	(515,425)
	Transfers (950)						
591220	Transfer to Fund 220	$ -	$ -	-	-	0%	-
591220	Transfer to Fund 305	$ 249,999.96	$ 20,833.33	250,000	250,000	0%	0
	Salary Contingency (990)						
59900	Other Non-operating Uses	$ -	$ -	-	-		-
	Reserve for Fund Balance	$ -	$ -	-	-		-
	Total Expenditures	$ 5,297,718.23	$ 850,093.17	$ 5,149,712	$ 6,129,712		

1-Cent Collections

Acct #	REVENUES	YTD Actuals	September Actuals	FY 2021/22 Adopt. Budget	FY 2021/22 Adj. Budget	% Revenue Received	Variance
312110	Local Option Resort (1 -cent) [2]	$ 1,529,996.78	$ 143,066.77	$ 1,014,572	$ 1,014,572	151%	(515,425)
361111	Pooled Interest	$ -	$ -	-	-		
361320	Tax Collector FS 219.075	$ -	$ -				
366930	Refund from Prior Years	$ -	$ -	-	-		
	Total Revenues	1,529,996.78	143,066.77	$ 1,014,572	$ 1,014,572		

Acct #	EXPENDITURES (305)	YTD Actuals	September Actuals	FY 2021/22 Adopt. Budget	FY 2020/21 Adj. Budget	% Budget Spent	Under/ (Over)
58100	Aids to Government Agencies	$ -	$ -	$ 1,982,298	$ 2,049,072	0%	2,049,072
	Total Expenditures	$ -	$ -	$ 1,982,298	$ 2,049,072	0%	2,049,072

NOTES TO THE FINANCIAL STATEMENT
As of September 30, 2022

REVENUES

[1] - Revenue for the 4-cent collections $ 572,267.07
[2] - Revenue for the 1-cent collections $ 143,066.77
[3] - Concert Sponsorship, Co-Op, FSU XC Invitational Apparel

EXPENSES

[4] - Expenses related to Fall XC and FHSAA football championships

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Leon County Tourist Development Council
Local Option Tourist Development Tax Collections
(Bed Tax Revenues)

	October	November	December	January	February	March	April	May	June	July	August	September	Totals
FY2017/2018 (3-cents)	**306,604.91**	**346,998.29**	**309,354.70**	**239,200.84**	**304,608.86**	**307,873.28**	**296,026.60**	**286,577.45**	**311,458.36**	**294,109.70**	**264,301.21**	**332,629.80**	**3,599,743.99**
(1-cent - 4th Penny)	102,201.64	115,666.10	103,118.23	79,733.61	101,536.29	102,624.43	98,675.53	95,525.82	103,819.45	98,036.57	88,100.40	110,876.60	1,199,914.66
(1-cent - 5th Penny)	102,201.64	115,666.10	103,118.23	79,733.61	101,536.29	102,624.43	98,675.53	95,525.82	103,819.45	98,036.57	88,100.40	110,876.60	1,199,914.66
Total	511,008.18	578,330.49	515,591.16	398,668.06	507,681.43	513,122.13	493,377.66	477,629.09	519,097.27	490,182.83	440,502.02	554,383.00	5,999,573.32
Gain/Loss - Month: 3 cent	10%	(14%)	8%	8%	33%	15%	(16%)	-8%	2%	11%	7%	12%	
Gain/Loss - YTD: 3 cent	10%	(4%)	(1%)	1%	6%	8%	3%	2%	2%	3%	3%	4%	
Year to date: 3-cent	306,604.91	653,603.20	962,957.90	1,202,158.73	1,506,767.59	1,814,640.87	2,110,667.47	2,397,244.92	2,708,703.28	3,002,812.98	3,267,114.19	3,599,743.99	
Year to date: 1-cent (4th)	102,201.64	217,867.73	320,985.97	400,719.58	502,255.86	604,880.29	703,555.82	799,081.64	902,901.09	1,000,937.66	1,089,038.06	1,199,914.66	
Year to date: 1-cent (5th)	102,201.64	217,867.73	320,985.97	400,719.58	502,255.86	604,880.29	703,555.82	799,081.64	902,901.09	1,000,937.66	1,089,038.06	1,199,914.66	
FY2018/2019 (3-cents)	**331,953.51**	**495,074.97**	**387,162.79**	**307,879.78**	**327,779.10**	**365,775.19**	**445,899.80**	**369,126.76**	**352,707.77**	**312,656.20**	**291,044.54**	**365,660.11**	**4,352,720.53**
(1-cent - 4th Penny)	110,651.17	165,024.99	129,054.26	102,626.59	109,259.70	121,925.06	148,633.27	123,042.25	117,569.26	104,218.73	97,014.85	121,886.70	1,450,906.84
(1-cent - 5th Penny)	110,651.17	165,024.99	129,054.26	102,626.59	109,259.70	121,925.06	148,633.27	123,042.25	117,569.26	104,218.73	97,014.85	121,886.70	1,450,906.84
Total	553,255.85	825,124.95	645,271.32	513,132.96	546,298.50	609,625.32	743,166.34	615,211.26	587,846.29	521,093.67	485,074.23	609,433.52	7,254,534.21
Gain/Loss - Month: 3 cent	8%	43%	25%	29%	8%	19%	51%	29%	13%	6%	10%	10%	
Gain/Loss - YTD: 3 cent	8%	27%	26%	27%	23%	22%	26%	26%	25%	23%	22%	21%	
Year to date: 3-cent	331,953.51	827,028.48	1,214,191.27	1,522,071.05	1,849,850.15	2,215,625.34	2,661,525.14	3,030,651.90	3,383,359.67	3,696,015.88	3,987,060.41	4,352,720.53	
Year to date: 1-cent (4th)	110,651.17	275,676.16	404,730.42	507,357.02	616,616.72	738,541.78	887,175.05	1,010,217.30	1,127,786.56	1,232,005.29	1,329,020.14	1,450,906.84	
Year to date: 1-cent (5th)	110,651.17	275,676.16	404,730.42	507,357.02	616,616.72	738,541.78	887,175.05	1,010,217.30	1,127,786.56	1,232,005.29	1,329,020.14	1,450,906.84	
FY2019/2020 (3-cents)	**363,217.88**	**348,125.77**	**323,679.36**	**255,150.76**	**331,287.48**	**331,867.65**	**198,333.52**	**90,098.91**	**117,764.12**	**156,843.67**	**168,940.46**	**236,674.52**	**2,921,984.08**
(1-cent - 4th Penny)	121,072.63	116,041.92	107,893.12	85,050.25	110,429.16	110,622.55	66,111.17	30,032.97	39,254.71	52,281.22	56,313.49	78,891.51	973,994.69
(1-cent - 5th Penny)	121,072.63	116,041.92	107,893.12	85,050.25	110,429.16	110,622.55	66,111.17	30,032.97	39,254.71	52,281.22	56,313.49	78,891.51	973,994.69
Total	605,363.13	580,209.61	539,465.60	425,251.26	552,145.80	553,112.75	330,555.87	150,164.85	196,273.53	261,406.11	281,567.43	394,457.53	4,869,973.47
Gain/Loss - Month: 3 cent	9%	(30%)	(16%)	-17%	1%	-9%	(56%)	-76%	(67%)	(50%)	-42%	-35%	
Gain/Loss - YTD: 3 cent	9%	(14%)	(15%)	-15%	-12%	-12%	-19%	-26%	-30%	-32%	-33%	-33%	
Year to date: 3-cent	363,217.88	711,343.64	1,035,023.00	1,290,173.76	1,621,461.24	1,953,328.89	2,151,662.41	2,241,761.32	2,359,525.44	2,516,369.11	2,685,309.56	2,921,984.08	
Year to date: 1-cent (4th)	121,072.63	237,114.55	345,007.67	430,057.92	540,487.08	651,109.63	717,220.80	747,253.77	786,508.48	838,789.70	895,103.19	973,994.69	
Year to date: 1-cent (5th)	121,072.63	237,114.55	345,007.67	430,057.92	540,487.08	651,109.63	717,220.80	747,253.77	786,508.48	838,789.70	895,103.19	973,994.69	
FY2020/2021 (3-cents)	**184,026.11**	**207,635.60**	**175,507.21**	**172,333.69**	**182,644.87**	**221,694.54**	**294,363.06**	**364,179.31**	**282,604.19**	**332,719.16**	**348,411.70**	**419,988.48**	**3,186,107.92**
(1-cent - 4th Penny)	61,342.04	69,211.87	58,502.40	57,444.56	60,881.62	73,898.18	98,121.02	121,393.10	94,201.40	110,906.39	116,137.23	139,996.16	1,062,035.97
(1-cent - 5th Penny)	61,342.04	69,211.87	58,502.40	57,444.56	60,881.62	73,898.18	98,121.02	121,393.10	94,201.40	110,906.39	116,137.23	139,996.16	1,062,035.97
Total	306,710.19	346,059.34	292,512.02	287,222.82	304,408.11	369,490.90	490,605.10	606,965.52	471,006.98	554,531.93	580,686.16	699,980.80	5,310,179.87
Gain/Loss - Month: 3 cent	(49%)	(40%)	(46%)	-32%	-45%	-33%	48%	304%	140%	112%	106%	77%	
Gain/Loss - YTD: 3 cent	(49%)	(45%)	(45%)	-43%	-43%	-41%	-33%	-20%	-12%	-4%	3%	9%	
Year to date: 3-cent	184,026.11	391,661.72	567,168.93	739,502.62	922,147.49	1,143,842.03	1,438,205.09	1,802,384.40	2,084,988.59	2,417,707.75	2,766,119.44	3,186,107.92	
Year to date: 1-cent (4th)	61,342.04	130,553.91	189,056.31	246,500.87	307,382.50	381,280.68	479,401.70	600,794.80	694,996.20	805,902.58	922,039.81	1,062,035.97	
Year to date: 1-cent (5th)	61,342.04	130,553.91	189,056.31	246,500.87	307,382.50	381,280.68	479,401.70	600,794.80	694,996.20	805,902.58	922,039.81	1,062,035.97	
FY2021/2022 (3-cents)	**369,226.11**	**476,937.04**	**389,494.17**	**296,423.63**	**364,996.61**	**408,289.23**	**424,815.31**	**480,785.08**	**349,360.01**	**359,333.87**	**369,813.17**	**442,474.54**	**4,731,948.78**
(1-cent - 4th Penny)	123,075.37	158,979.01	129,831.39	98,807.88	121,665.54	136,096.41	141,605.10	160,261.69	116,453.34	119,777.96	123,271.06	147,491.51	1,577,316.26
(1-cent - 5th Penny)	123,075.37	158,979.01	129,831.39	98,807.88	121,665.54	136,096.41	141,605.10	160,261.69	116,453.34	119,777.96	123,271.06	147,491.51	1,577,316.26
Total	615,376.85	794,895.07	649,156.95	494,039.39	608,327.68	680,482.05	708,025.51	801,308.46	582,266.69	598,889.79	616,355.29	737,457.57	7,886,581.30
Gain/Loss - Month: 3 cent	101%	130%	122%	72%	100%	84%	44%	32%	24%	8%	6%	5%	
Gain/Loss - YTD: 3 cent	101%	116%	118%	107%	106%	102%	90%	78%	71%	62%	55%	49%	
Year to date: 3-cent	369,226.11	846,163.15	1,235,657.32	1,532,080.96	1,897,077.56	2,305,366.79	2,730,182.10	3,210,967.18	3,560,327.19	3,919,661.06	4,289,474.24	4,731,948.78	
Year to date: 1-cent (4th)	123,075.37	282,054.38	411,885.77	510,693.65	632,359.19	768,455.60	910,060.70	1,070,322.39	1,186,775.73	1,306,553.69	1,429,824.75	1,577,316.26	
Year to date: 1-cent (5th)	123,075.37	282,054.38	411,885.77	510,693.65	632,359.19	768,455.60	910,060.70	1,070,322.39	1,186,775.73	1,306,553.69	1,429,824.75	1,577,316.26	

Notes:

(1) Gain/Loss for month and year-to-date are percentage change comparisons to the previous year.

(2) The collection of the 3rd Penny Bed Tax began January 1, 1994.

(3) These figures represent the total bed taxes collected. Of the total collections, 97% is actually deposited in the Tourist Development Trust Fund.

(4) The collection of the 4th Penny Bed Tax began November, 2004.

(5) Collection of 5th Penny began May, 2009.

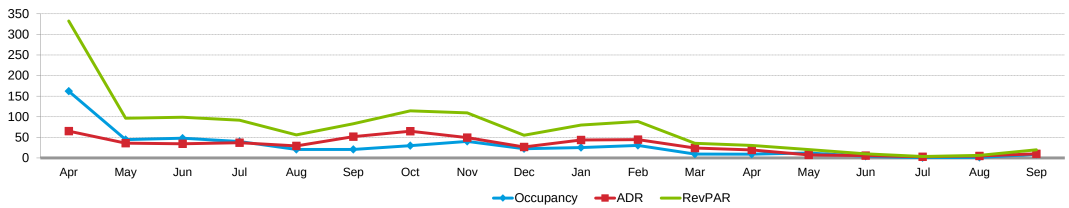
Tab 2 - Trend Leon County, FL

Currency: USD - US Dollar

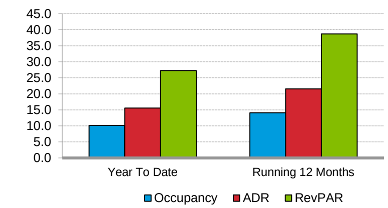
Visit Tallahassee

For the Month of September 2022

Monthly Percent Change



Overall Percent Change



Occupancy (%)	2021									2022									Year To Date			Running 12 Months		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	2020	2021	2022	2020	2021	2022
This Year	62.1	51.8	60.9	60.2	62.3	55.2	60.1	59.1	51.8	56.4	67.0	67.1	67.7	58.0	63.3	60.6	63.1	60.0	45.9	56.8	62.5	49.2	53.6	61.1
Last Year	23.7	35.8	41.2	43.1	51.7	45.7	46.3	42.1	42.3	45.1	51.4	61.4	62.1	51.8	60.9	60.2	62.3	55.2	71.6	45.9	56.8	73.4	49.2	53.6
Percent Change	161.9	44.5	47.9	39.8	20.6	20.6	29.9	40.3	22.4	25.3	30.3	9.4	9.0	12.0	4.0	0.6	1.3	8.8	-35.9	23.7	10.1	-33.0	9.0	14.1

ADR	2021									2022									Year To Date			Running 12 Months		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	2020	2021	2022	2020	2021	2022
This Year	109.75	94.41	97.04	99.42	112.38	121.29	141.61	125.19	98.15	112.70	118.78	110.47	131.17	101.42	102.62	102.28	117.92	133.45	90.69	99.17	114.63	96.77	95.86	116.54
Last Year	66.47	69.44	72.18	72.54	86.93	79.94	85.85	83.80	77.50	78.49	82.17	89.04	109.75	94.41	97.04	99.42	112.38	121.29	111.21	90.69	99.17	113.02	96.77	95.86
Percent Change	65.1	35.9	34.4	37.1	29.3	51.7	65.0	49.4	26.7	43.6	44.5	24.1	19.5	7.4	5.8	2.9	4.9	10.0	-18.5	9.4	15.6	-14.4	-0.9	21.6

RevPAR	2021									2022									Year To Date			Running 12 Months		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	2020	2021	2022	2020	2021	2022
This Year	68.19	48.89	59.08	59.85	70.02	66.89	85.18	74.01	50.84	63.61	79.58	74.17	88.85	58.82	65.00	61.94	74.43	80.10	41.63	56.32	71.68	47.59	51.36	71.25
Last Year	15.77	24.89	29.71	31.23	44.92	36.56	39.74	35.31	32.80	35.37	42.25	54.66	68.19	48.89	59.08	59.85	70.02	66.89	79.65	41.63	56.32	82.97	47.59	51.36
Percent Change	332.5	96.4	98.9	91.6	55.9	83.0	114.3	109.6	55.0	79.8	88.4	35.7	30.3	20.3	10.0	3.5	6.3	19.7	-47.7	35.3	27.3	-42.6	7.9	38.7

Supply	2021									2022									Year To Date			Running 12 Months		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	2020	2021	2022	2020	2021	2022
This Year	191,820	202,988	196,440	202,988	202,988	193,920	200,415	193,950	200,415	200,415	180,992	200,384	193,920	200,384	193,920	200,384	200,384	193,920	1,629,219	1,757,841	1,764,703	2,169,291	2,322,181	2,359,483
Last Year	178,440	184,388	178,440	184,388	188,821	182,730	188,821	182,730	192,789	192,789	177,492	196,416	191,820	202,988	196,440	202,988	202,988	193,920	1,586,797	1,629,219	1,757,841	2,114,038	2,169,291	2,322,181
Percent Change	7.5	10.1	10.1	10.1	7.5	6.1	6.1	6.1	4.0	4.0	2.0	2.0	1.1	-1.3	-1.3	-1.3	-1.3	0.0	2.7	7.9	0.4	2.6	7.0	1.6

Demand	2021									2022									Year To Date			Running 12 Months		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	2020	2021	2022	2020	2021	2022
This Year	119,175	105,118	119,605	122,194	126,474	106,948	120,542	114,669	103,798	113,108	121,262	134,527	131,356	116,221	122,824	121,353	126,486	116,389	747,849	998,211	1,103,526	1,066,775	1,244,220	1,442,535
Last Year	42,327	66,083	73,448	79,393	97,574	83,564	87,415	77,006	81,588	86,869	91,255	120,573	119,175	105,118	119,605	122,194	126,474	106,948	1,136,454	747,849	998,211	1,551,993	1,066,775	1,244,220
Percent Change	181.6	59.1	62.8	53.9	29.6	28.0	37.9	48.9	27.2	30.2	32.9	11.6	10.2	10.6	2.7	-0.7	0.0	8.8	-34.2	33.5	10.6	-31.3	16.6	15.9

Revenue	2021									2022									Year To Date			Running 12 Months		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	2020	2021	2022	2020	2021	2022
This Year	13,079,855	9,923,821	11,606,372	12,148,252	14,212,816	12,972,140	17,070,496	14,355,035	10,188,265	12,747,507	14,403,054	14,861,621	17,229,709	11,786,692	12,604,311	12,411,957	14,915,419	15,532,514	67,824,511	98,996,318	126,492,784	103,227,075	119,276,192	168,106,580
Last Year	2,813,550	4,589,094	5,301,229	5,758,874	8,481,764	6,680,449	7,504,229	6,452,972	6,322,673	6,818,562	7,498,464	10,736,037	13,079,855	9,923,821	11,606,372	12,148,252	14,212,816	12,972,140	126,388,294	67,824,511	98,996,318	175,400,722	103,227,075	119,276,192
Percent Change	364.9	116.2	118.9	110.9	67.6	94.2	127.5	122.5	61.1	87.0	92.1	38.4	31.7	18.8	8.6	2.2	4.9	19.7	-46.3	46.0	27.8	-41.1	15.5	40.9

Census %	2021									2022								
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Census Props	66	67	67	67	67	66	66	66	66	66	66	66	66	66	66	66	66	66
Census Rooms	6394	6548	6548	6548	6548	6464	6465	6465	6465	6465	6464	6464	6464	6464	6464	6464	6464	6464
% Rooms Participants	91.6	91.8	91.8	91.8	94.7	94.7	93.3	93.3	93.3	93.3	93.3	93.3	93.3	93.3	93.3	93.3	93.3	93.3

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MARKETING COMMUNICATIONS

OCTOBER 2022

Katie Kole, Senior Marketing Director
Scott Lindeman, Marketing Communications Director
Renee Jones, PR/Marketing Specialist

AT A GLANCE

FY2022 Media Value Goal: $2 Million
$1.2 Million
Media Value for July/Aug/Sept = **$306,000**

FY2022 Earned Media Stories
123
Media Stories July/Aug/Sept = **18**

FY2022 Social Media Engagements
168,887

Mountain Bike Tallahassee

As part of Tourism's continued commitment to showcase mountain biking in the region, the MBTallahassee.com website and branded merchandise launched in October, targeting biking enthusiasts. This initiative is produced in collaboration with TMBA (Tallahassee Mountain Bike Association).

HIGHLIGHTS

- Completed the Summer Backyard Bucket List program in partnership with the Capital City Chamber of Commerce and Tallahassee Foodies. Over the three-month campaign, 87 different local businesses participated generating over 1.3 million social media impressions.
- Hosted **Happy Travels 305**, known for curating family, LGBTQ+ and pet-friendly itineraries. Hosted food writer **Mary Lou Janson** for a Taste of Tallahassee food tour, as well as **Cooking with Paula Deen** writer **Morgan Crawford Scott** and **Men's Journal** writer **Tom Lorenzo.**
- Assisted Visit Florida with a media visit for German journalist Ulrike Wirtz and Brazilian Influencer Thais Towersey.
- Successfully managed the administration of the tourism event grant program including hosting workshops, processing new applications, and reviewing post-event reports to facilitate payments to partners.
- Attended the Destinations International Annual Conference in Toronto, ON, Canada. Programs included discussions about diversity & inclusion, consumer confidence, underserved travelers, and trends within the industry.
- Attended the US Travel Association ESTO conference, the premier annual learning and knowledge-sharing forum for destination marketing professionals.
- Promoted and attended spectacular concerts at Capital City Amphitheater for JJ Grey & Mofro, Gov't Mule with Mike Campbell and Trombone Shorty with Big Freedia in October
- Announced Ben Folds with the Tallahassee Symphony Orchestra concert kicking off the 2023 Word of South Festival.
- Ongoing progress for hiring and onboarding new staff, including Visitor Services & Grants Director, Digital Marketing Manager and Visitor Center staff.

ON THE HORIZON

Working with The Zimmerman Agency to launch in October a comprehensive marketing plan and annual media plan for FY23.

OUT & ABOUT

In July, Renee Jones and Janie Henker from Zimmerman PR held face-to-face meetings in Birmingham with some of the most influential media outlets in the south including **Southern Living, Veranda, Southern Lady, Taste of the South**, and many more.

Renee Jones and Lauren Wicks, journalist with *Veranda Magazine*.

SPORTS MARKETING

JULY/AUGUST/SEPTEMBER 2022

Joseph Piotrowski, Director of Sports
Alyssa LoSauro, Sports and Events Intern

GOAL AT A GLANCE

FY 2022
Room Nights Goal:
40,705

YTD Room Nights: 29,409

ON THE HORIZON

Visit Tallahassee Sports kicked off the 2022 cross country season Labor Day weekend with the TCC Open and NJCAA Pre-National Meets.

OUT & ABOUT

The Sports Department proudly supported the AJGA Junior Championships as the title sponsor. The event saw a field of 78 of the best youth golfers compete at Southwood Golf Course.

MISSION STATEMENT

Maximize sporting events and business that have a positive impact on Leon County by supporting and strengthening existing events and expanding our capacity to host additional events.

HIGHLIGHTS

Awarded the 2026 World Athletics Cross Country Championships

- Hosted the first cross fit games at Apalachee Regional Park.
- Submitted a grant application for an IMBA Trail Accelerator Grant.
- Met representatives from FHSAA to discuss the upcoming State Football Championships.
- Participated in the Sports ETA College Town Community meeting.
- Hosted quarterly Tallahassee Sports Council Meeting in person at Tookes Recreation Complex on FAMU's main campus
- Met with new coordinator for FSU Club Sports.
- Took part in a division wide professional development training.
- Began final preparations for the upcoming NJCAA and NAIA XC National Championships.
- Hired and onboarded the new Sports Department Intern.
- Worked through final contract negotiations and began planning of the 2022 SWAC XC Conference Championships.

EVENTS HOSTED

- Cross Fit Games
- AJGA Junior Championships
- Babe Ruth Baseball Regional Championships
- FHSAA State Beach Volleyball Championships
- 11th Annual Capital City Classic Flag Football Tournament

MEETINGS & CONVENTIONS/LEISURE

JULY/AUGUST/SEPTEMBER 2022

Ryan Zornes, Senior Sales & Sports Director
Janet Roach, Meetings Director
Taylor Walker, Group Sales & Business Development Director

GOAL AT A GLANCE

Meetings FY2022 Room Nights Goal: 6,280

Meetings YTD Room Nights: 7,512

WELCOME TO THE TEAM

We are pleased to welcome **Taylor Walker** to the sales department as the Group Sales & Business Development Director. He brings over 10 years of hotel hospitality experience in Tallahassee to our organization.

MISSION STATEMENT

Meetings & Conventions: Promote meetings, conferences, and conventions for Leon County through direct contact with meeting planners, decision makers and coordinating efforts with the local industry to positively impact the local economy.
Groups Sales & Business Development: Increase visibility to specific audience segments, i.e., reunions or affinity groups, to generate visitation from leisure groups and assist industry partners with experiences for group customers.

HIGHLIGHTS

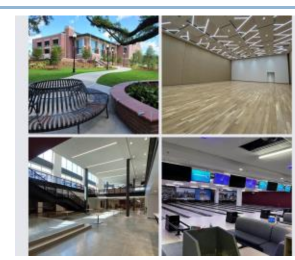
- Attended the **Florida Society of Association Executives (FSAE) Annual Conference** where Janet and Ryan made great connections with decision makers and participated in education sessions.
- Supported and sponsored the **Rock the Roost-Luke Bryan Concert presented by TCC.**
- Supported the **FY23 Grant Program** in preparation for the upcoming year.
- Planning support events and experiences for the busiest Cross County season to date at Apalachee Regional Park.
- Submitted a **Trail Accelerator Grant Application** with IMBA in pursuit of the IMBA ride center designation master plan.

ON THE HORIZON

- The sales team will be on the road in September exhibiting and attending a number of conferences and tradeshows including the **Southeast Tourism Society-Connections, Destination Southeast**, and **Meeting Professionals International North Florida EDUCon.**

OUT AND ABOUT

- Tourism staff toured the newly-reconstructed **FSU Student Union** with a 14,000 square foot ballroom, bowling alley, and other gathering spaces that expand the event spaces in Tallahassee for groups.



JULY–SEPTEMBER 2022 Highlights

- The 2022 Summer Backyard Bucket List Challenge took place over a 3 month period, May–July, and boasted a total of 87 partners! Multiple partners opted to participate for multiple months as well.
- Through a number of PR initiatives, Visit Tallahassee received a total of 73 million+ earned impressions, equating to $241,000+ at $0-cost.
- Visit Tallahassee's Twitter account reached a milestone of 15,000 followers showing continued growth through Q4.
- Paid social campaigns generated 4M impressions, 27,777 engagements, and 14,426 link clicks driving traffic and conversions to VisitTallahassee.com.
- Three original Instagram Reels were posted in July as part of our Summer Backyard Bucket List efforts, reaching 17,736 people and garnering 659 engagements.
- Users are spending more time on the site compared to the last quarter (+2 seconds) and there is a consistent growth in the number of users per month.
- We have seen a significant increase in traffic coming from upper-state users. This is likely because the site is being promoted as a family-friendly summer destination and, specifically, New York's population is so great that the traffic is being driven primarily from there.
- Visit Widget and the App have shown a continued growth of 23% in app users, and 20% on app sessions.

2022 GOALS	% REACHED	GROWTH	OVERALL GROWTH
Increase Traffic to VisitTallahassee.com by 14% (132,808)	94.2% of goal	27,105	125,138 Visitors
Increase Pageviews on VisitTallahassee.com by 10% (308,382)	122.6% of goal	58,739	377,980 Pageviews
Improve Email Open Rate by 6% (28%)	94.3% of goal	39%	26.4% Total Open Rate
Improve total click rate by 10%	45.5% of goal	7.88%	4.55% Total Click Rate
Increase total app users by 3,432	220% of goal	1,576	7,557 Total Users
Increase total app session by 3,469	226% of goal	1,682	7,846 Total Sessions
Increase total app pageviews by 28,161	217% of goal	12,630	61,046 Total Pageviews
Increase mobile app downloads by 10% to 1,404	136% of goal	271	1,904 Total Downloads
Increase Instagram engagements by 10% (128,220)	64% of goal	7,526	82,398 Engagements
Increase Instagram followers by 15% (24,197)	94% of goal	298	22,815 Followers
Increase Facebook engagements by 50% (707,784)	17% of goal	30,866	120,015 Engagements
Increase Facebook Impressions by 50% (34,857,243)	36% of goal	627,209	12,651,626 Impressions
Increase Twitter engagements by 10% (24,289)	37% of goal	1,088	8,988 Engagements
Increase Twitter followers by 5% (14,954)	100% of goal	135	15,020 Followers
Increase #iHeartTally impressions by 10% (45,600,000)	88% of goal	10,597,614	40,033,642 Impressions
Host 18 media and influencer experiences	100% of goal	6	18 Experiences
Secure 6 large-scale dedicated regional features in top two-tier markets	83% of goal	1	5 Regional Features
Land 5 radio promotions	100% of goal	1	5 Radio Promotions
Secure 3 articles within niche outlets	100% of goal	1	3 Niche Articles
Secure 3 large-scale dedicated national features	100% of goal	1	3 National Features
Lock in 2 in-book promotions	50% of goal	1	1 In-book Promotions
Land 1 national TV promotion	0% of goal	0	0 National TV Promotions

PUBLIC RELATIONS Highlights

- Visit Tallahassee received a total of **73 million+ impressions**, equating to **$241,000+ at $0-cost**.
- Earned 9+ media placements this quarter highlighting Tallahassee within ***MSN***, ***DRIFT Travel Magazine***, ***Emerald Coast***, ***Thomasville Times*** and more.
- Executed a successful media mission in Birmingham—securing a total of six appointments with ***Southern Living***, ***Garden & Gun***, ***Veranda***, ***Taste of the South***, ***Southern Lady*** and ***Birmingham Home & Garden***.
- Hosted Cooking with ***Paula Deen Magazine*** and landed a dedicated four-page spread slated for the January 2023 issue.
- Secured an individual visit opportunity with ***New Mobility Magazine*** - the award-winning lifestyle publication encouraging the integration of active wheelchair users into mainstream society, reaching nearly 50K readers.
- Executed a promotional opportunity with ***WYND-FM Gainesville/Ocala*** driving excitement for the Earth, Wind & Fire concert to thousands of listeners in a key drive market.
- Landed an upcoming in-book promotion with ***Blue Ridge Outdoors***—promoting Tallahassee's many outdoor offerings, resulting in a 10:1 ROI.

VISITTALLAHASSEE.COM Highlights

- Most of the traffic to the site came from Organic Searches (SEO), followed by Direct Searches.
    - *Last quarter 56.1% of the traffic came from SEO and from July 1st until August 21st, 66.6% of the traffic came from Organic searches (a 10% increase).*
- The bounce rate on the site is at 19.92% while the average industry site is between 55% and 65%.

Top Pages:
1. Things To Do
2. Homepage
3. Events
4. Eat & Drink
5. Stay

Top Markets:
1. New York
2. Tallahassee
3. Atlanta
4. Chicago
5. Orlando

SESSIONS: 27,105
AVERAGE PAGES VISITED: 2.17
AVERAGE SESSION DURATION: 3:15

TRAILAHASSEE.COM Highlights

- In Q4 we saw an average session duration of 2:33, 1 minute above the industry average.
- The most visited page under Trailahassee in the past 3 months was the main page, followed by Parks & Gardens, and the Walk-Run-Hike page.
- Most of the traffic came from Direct Searches (44.4%), followed by Organic Searches (40.7%), and Email Marketing (7.6%).

Top Viewed Trails:
1. Parks & Gardens
2. Lake Hall Trail
3. Dorothy B. Oven Garden Path

Top Markets:
1. Tallahassee
2. Atlanta
3. New York
4. Orlando
5. Jacksonville

SESSIONS: 275
AVERAGE PAGES VISITED: 1.80
AVERAGE SESSION DURATION: 2:33

DIGITAL MEDIA Highlights

- 1,658,116 total digital media impressions delivered.
- Paid Search continued to be the strongest performing medium in terms of click-through traffic generating just over 6% of VisitTallahassee.com's web traffic alone.
- The digital display ads operated at an average of 0.13% CTR, just above the industry average.
    - *Top-performing creative included Pretty Spirited, Pretty Historic with both achieving a .15% CTR.*
        - *Pretty Crafty, Pretty Unexpected, and Pretty Thrilling were second best performing group of creative in terms of CTR.*
- Paid search campaigns garnered a 11.27% CTR, which is well above the industry average of 4.68%.
    - *Paid Search also garnered a total of 891 conversions (clicks to secondary pages on the site i.e., Stay, Events, Seasonal, and Email sign-up pages), decrease of 22% QoQ.*
- The Brand campaign was the top-performing in terms of average cost per click, achieving efficiencies well below the industry average.
    - *The Brand campaign achieved an average cost per click of $1.05, 33% below average, allowing the campaign to drive higher clicks for the budget.*
- Sojern was the top-performing programmatic partner in terms of CTR, delivering 30% above the industry average.

VISIT WIDGET & MOBILE APP Highlights

- This quarter we continue seeing strong usage of the Visit Widget application.
- Over 57% of users this quarter are returning visitors, which shows a loyal user base who are getting value from the app. The top locations are Tallahassee, Orlando, and Miami.
- Most of the popular items are things to do around Tallahassee. This behavior shows users leveraging the app as a resource and discovery tool.
- The ad units have also driven awareness and actions. The Earth, Wind & Fire and the JJ Grey ad units saw 168 and 209 impressions, respectively, with a CTR close to 5%. Visit Widget shows to be a source of engaged users and quality traffic.

TOTAL USERS:
220% of our yearly goal

TOTAL APP SESSIONS:
226% of our yearly goal

APP PAGEVIEWS:
217% of our yearly goal

Top 10 Most Popular Items

1. Shape Shifting: 35 Years of Late Modernist Prints
2. Dinosaur Adventure
3. Edward Ball Wakulla Springs State Park
4. Luke Bryan in Concert
5. Earth Wind & Fire
6. Caribé – Palance in the Park
7. Downtown Heritage Trail
8. Banditos with Two Foot Level
9. The Grill & Chill Festival
10. First Fridays @ Railroad Square Art District

Visit Widget & App Performance

Total Users: **1,576**

Avg. Session: **2m 49s**

Total Sessions: **1,628**

Pageviews: **12,630**

iOS Downloads: **221**

Android Downloads: **50**

EMAIL Highlights

EMAIL MARKETING KPIS

AVERAGE TOTAL OPEN RATE
39%
AVERAGE TOTAL CLICK RATE
7.88%
AVERAGE BOUNCE RATE
0.19%
AVERAGE UNSUBSCRIBE RATE
0.32%
AVERAGE SPAM COMPLAINT
0.01%

- This quarter's email performance is very strong, buoyed by a well-performing Trails email. The Average Unsubscribe, Bounce, and Spam Complaint rates remain low, showing overall database health.
- The re-introduction of the Trails email was well received. The July Trails Email had a total open rate of 64%, almost triple the industry average. It also saw a total click rate above 11%, showing solid content.
- The updated layout was successful in that the primary CTA was the most clicked on link with a click rate of 19.5%. This link drove traffic to the Trailahassee section of the website and provided a strong traffic source.

SOCIAL MEDIA *Highlights*

- Visit Tallahassee's social media across Facebook, Twitter, and Instagram gained 931 followers.
- The July 8th IG Reel promoting our Summer Backyard Bucket List reached 9,958 people and earned 471 engagements.
- Paid social campaigns reached 213,587 people, gained 28,656 engagements, and earned 1,780 link clicks to VisitTallahassee.com.
- Top performing paid efforts included the July "cool down" campaign, the July Summer Backyard Bucket List campaigns, and the August "campus guides" campaign.

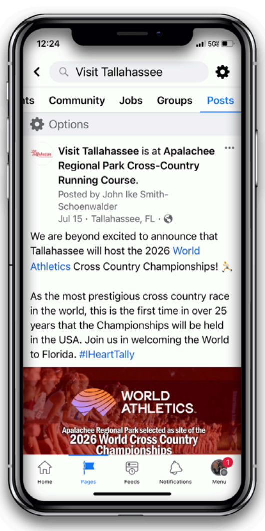
Snapshot

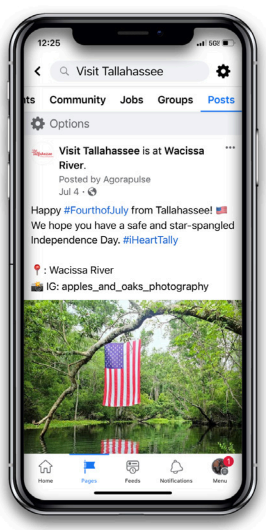
TOTAL FOLLOWERS	TOTAL REACHED	TOTAL ENGAGEMENTS	TOTAL IMPRESSIONS	TOTAL #IHEARTTALLY
106,926	301,328	39,480	810,413	10,597,614

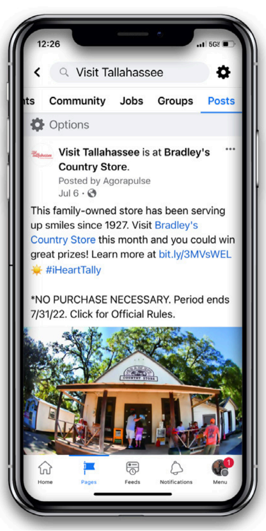
Facebook HIGHLIGHTS

- Top performing content featured 4th of July on the Wacissa River, the announcement of the 2026 World Athletics Cross Country Championships, and Bradley's Country Store as part of our Summer Backyard Bucket List efforts.
- Paid and organic Facebook efforts earned 627,209 impressions, 30,866 engagements and 498 new page likes.

- TOTAL PAGE LIKES: **69,091**
- ENGAGEMENTS: **30,866**



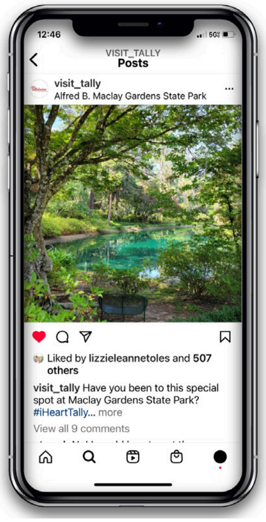




Instagram HIGHLIGHTS

- In Q4, the Instagram account gained 298 followers, over 7,500 engagements, and 183,204 impressions.
- Top performing content highlighted 4th of July on the Wacissa River, Maclay Gardens, and exploring St. Marks NWR with Harry Smith Outdoors as part of our Summer Backyard Bucket List efforts.

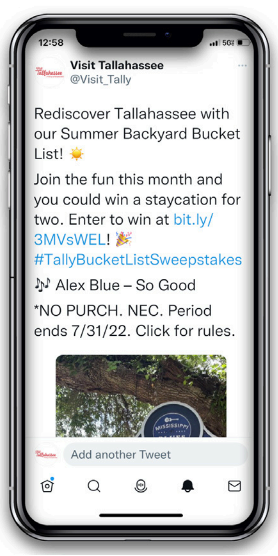
- **NEW FOLLOWERS:** 298
- **TOTAL FOLLOWERS:** 22,815
- **ENGAGEMENTS:** 7,526

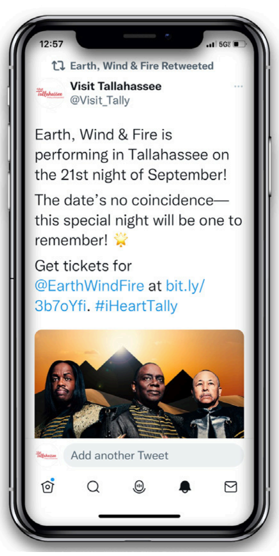


Twitter HIGHLIGHTS

- Top performing content featured the Earth, Wind & Fire concert, one of our July Reel videos as a tweet, and the announcement of the 2026 World Athletics Cross Country Championships.
- The July 21st tweet highlighting the September Earth, Wind & Fire concert was retweeted by the official Earth, Wind & Fire Twitter account to its audience of nearly 110,000 followers.

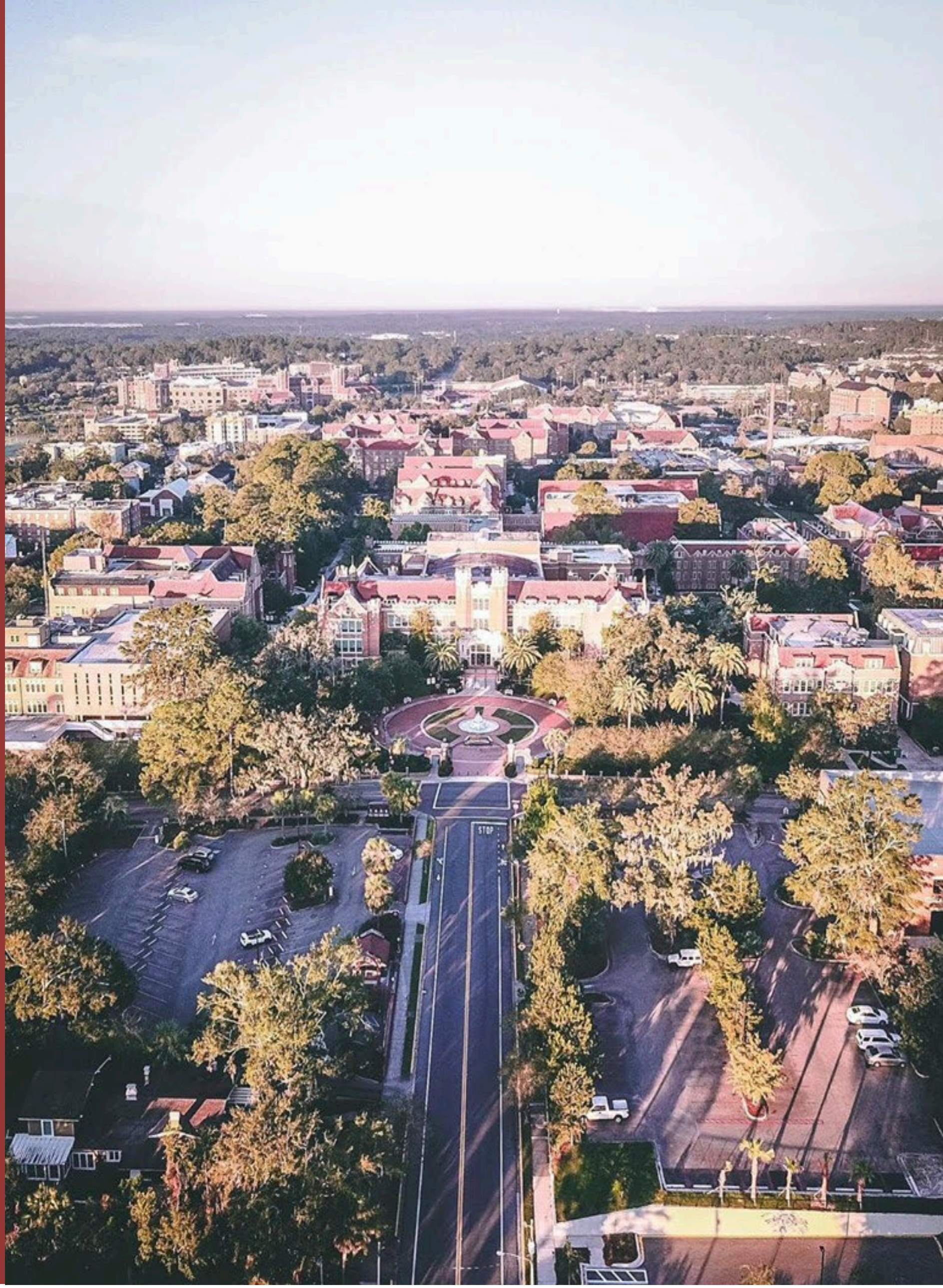
- **NEW FOLLOWERS:** 135
- **TOTAL FOLLOWERS:** 15,020
- **ENGAGEMENTS:** 1,088





LEON COUNTY DIVISION OF TOURISM – VISIT TALLAHASSEE

July-September 2022 Visitor Tracking Study



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STUDY OBJECTIVES: VISITOR JOURNEY

Pre-Visit
- Planning cycle
- Planning sources
- Reasons for visiting
- Exposure to Visitor Guide
- Mode of transportation

Travel Party Profile
- Visitor origin
- Party size
- Party composition
- Demographics

Trip Experience
- Accommodations
- Length of stay
- Number of times in destination
- Exposure to Visitor Center
- Activities in destination
- Visitor spending
- Mobile phone usage

Post Trip Evaluation
- Rating Leon County
- Likelihood of returning
- Evaluation of destination attributes
- Painting a picture for others

Economic Impact on Destination
- Number of visitors
- Expenditures
- Economic impact
- Room nights generated
- Occupancy, ADR, RevPAR

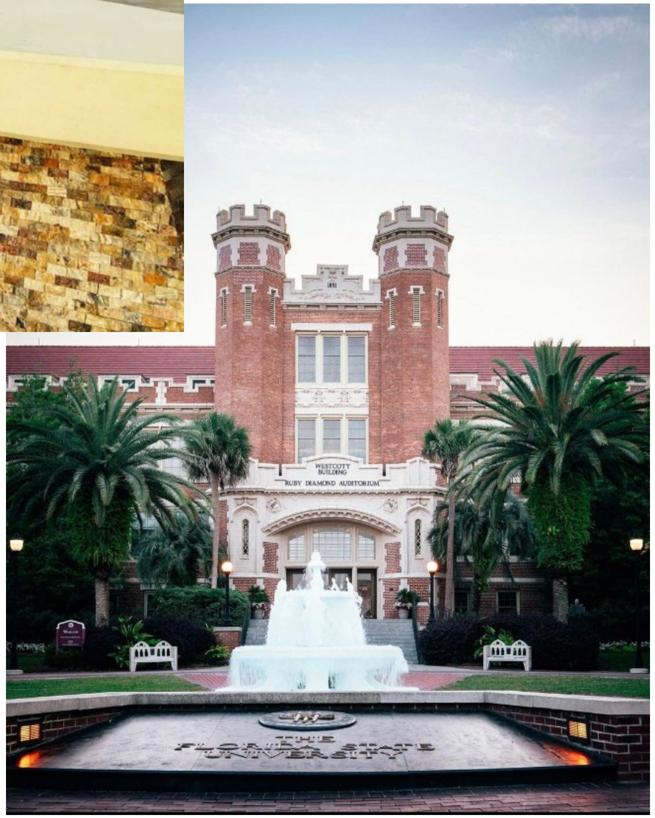
METHODOLOGY

Visitor Tracking Study

» Interviews were completed in person and online with **518 visitors** at local hotels, the Tallahassee International Airport, parks, attractions, and events between **July 1st 2022 and September 31st 2022**

WHAT HAPPENED IN TALLAHASSEE: JULY-SEPT 2022

- TCC Rock the Roost
- 2 Florida State home football games
- 2 FAMU home football games
- Frenchtown Getdown
- Downtown Getdown/ Friday Night Block Party
- Orientation and move-in for the universities



QUARTERLY SNAPSHOT

- Visitor sentiment towards Tallahassee increased compared to 2021
- Google and social media are growing as a trip planning source for Tallahassee
- Increase in number of visitors traveling for a day trip compared to 2021
- More visitors traveled with children compared to 2021

	61.2%	$117.88	$72.14
	OCCUPANCY RATE	AVERAGE DAILY RATE	REVENUE PER ROOM
Vs. 2021	↑ 3.9%	↑ 5.5%	↑ 9.6%

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EXECUTIVE SUMMARY

STUDY OBJECTIVES: VISITOR JOURNEY

- Pre-Visit
- Travel Party Profile
- Trip Experience
- Post Trip Evaluation
- Economic Impact on Destination

TOURISM SNAPSHOT: KEY METRICS 2022 vs 2021

	July-Sept 2021	July-Sept 2022	Percent Change
Visitors*	470,400	548,700	+16.6%
Direct Expenditures**	$158,806,900	$189,458,900	+19.3%
Total Economic Impact	$250,914,900	$299,345,100	+19.3%

	July-Sept 2021	July-Sept 2022	Percent Change
Occupancy***	58.9%	61.2%	+3.9%
Room Rates***	$111.78	$117.88	+5.5%
RevPAR***	$65.84	$72.14	+9.6%
Room Nights***	353,670	363,900	+2.9%
TDT Collections****	$1,835,199	$1,952,703	+6.4%

* Visitor percentage increase exceeds occupancy due to an increase in travel party size, a decrease in length of stay, and an increase in day trippers
** Includes spending for: accommodations, restaurants, entertainment, shopping, transportation, groceries, and "other" expenses.
***From STR Report
**** From Leon County Tax Collector

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TOURISM SNAPSHOT: KEY METRICS YEAR TO DATE

	FY21 YTD*	FY22 YTD*	Percent Change
Visitors	1,740,900	2,333,400	+33.0%
Direct Expenditures**	$559,099,200	$728,969,400	+30.4%
Total Economic Impact	$883,376,800	$1,151,771,800	+30.4%
Room Nights***	1,243,480	1,442,543	+16.0%
TDT Collections****	$5,310,178	$7,886,542	+48.5%

* Year to Date data includes from Oct-Sept of the given fiscal year respectively
** Includes spending for: accommodations, restaurants, entertainment, shopping, transportation, groceries, and “other” expenses.
***From STR Report
**** From Leon County Tax Collector

STUDY OBJECTIVES: VISITOR JOURNEY

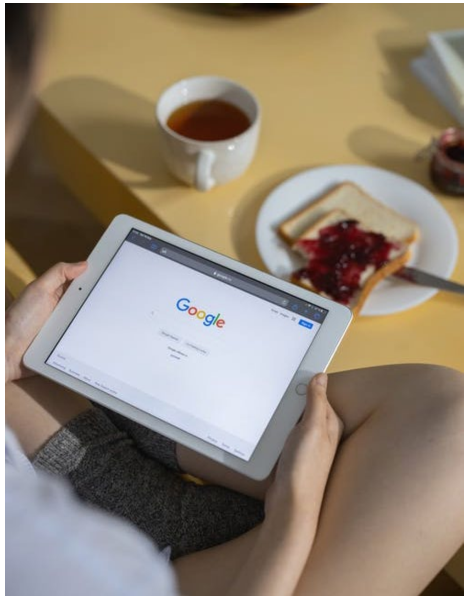
Pre-Visit → Travel Party Profile → Trip Experience → Post Trip Evaluation → Economic Impact on Destination

TRIP PLANNING CYCLE (FY22 4th Quarter)

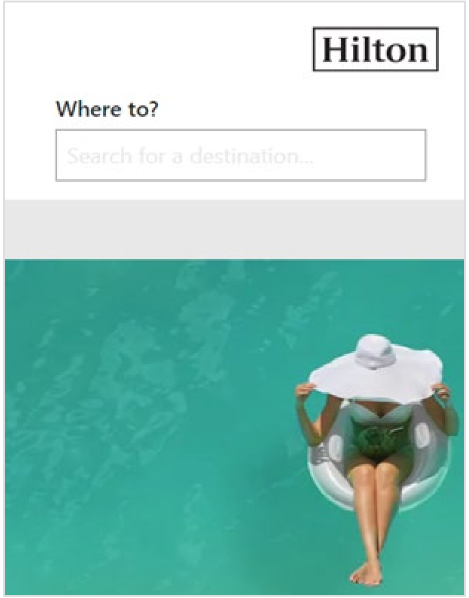
- **69%** of visitors planned their trip to Leon County a month or less in advance
- Tallahassee was **83%** of visitors' primary destination

TOP TRIP PLANNING SOURCES* (FY22 4th Quarter)

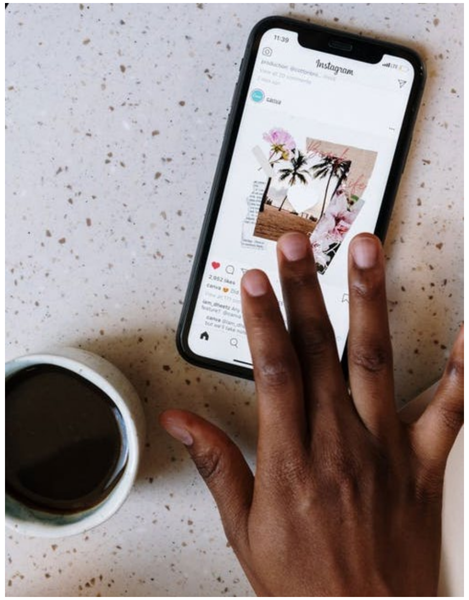
31% Talk to Friends/Family



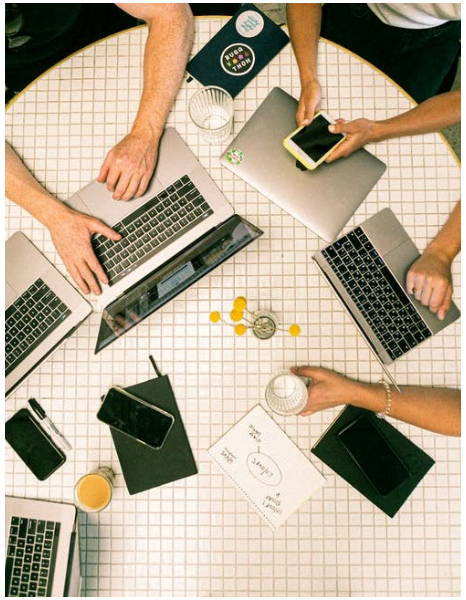
29% Search on Google



22% Hotel/Resort Website



18% Social media



16% Trip planning app

*Multiple responses permitted.

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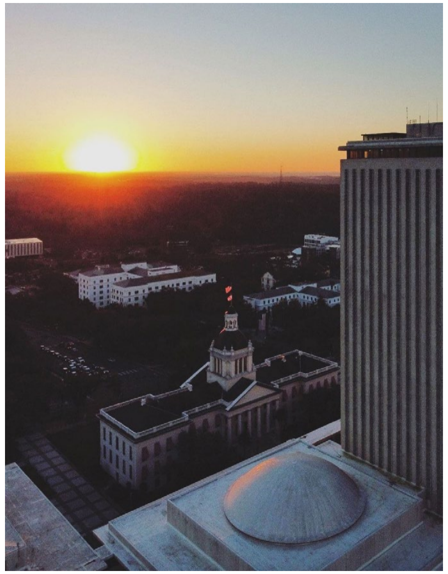
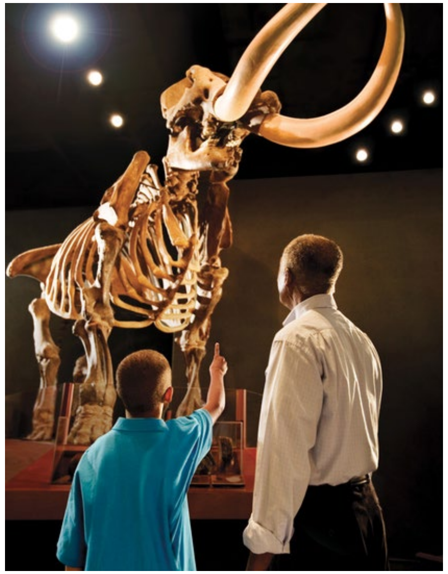
TOP REASONS FOR VISITING* (FY22 4th Quarter)

30% Visit Friends/Family



21% Business conference/meeting

18% Education related



17% Family vacation

17% Watch a sporting event

*Multiple responses permitted.

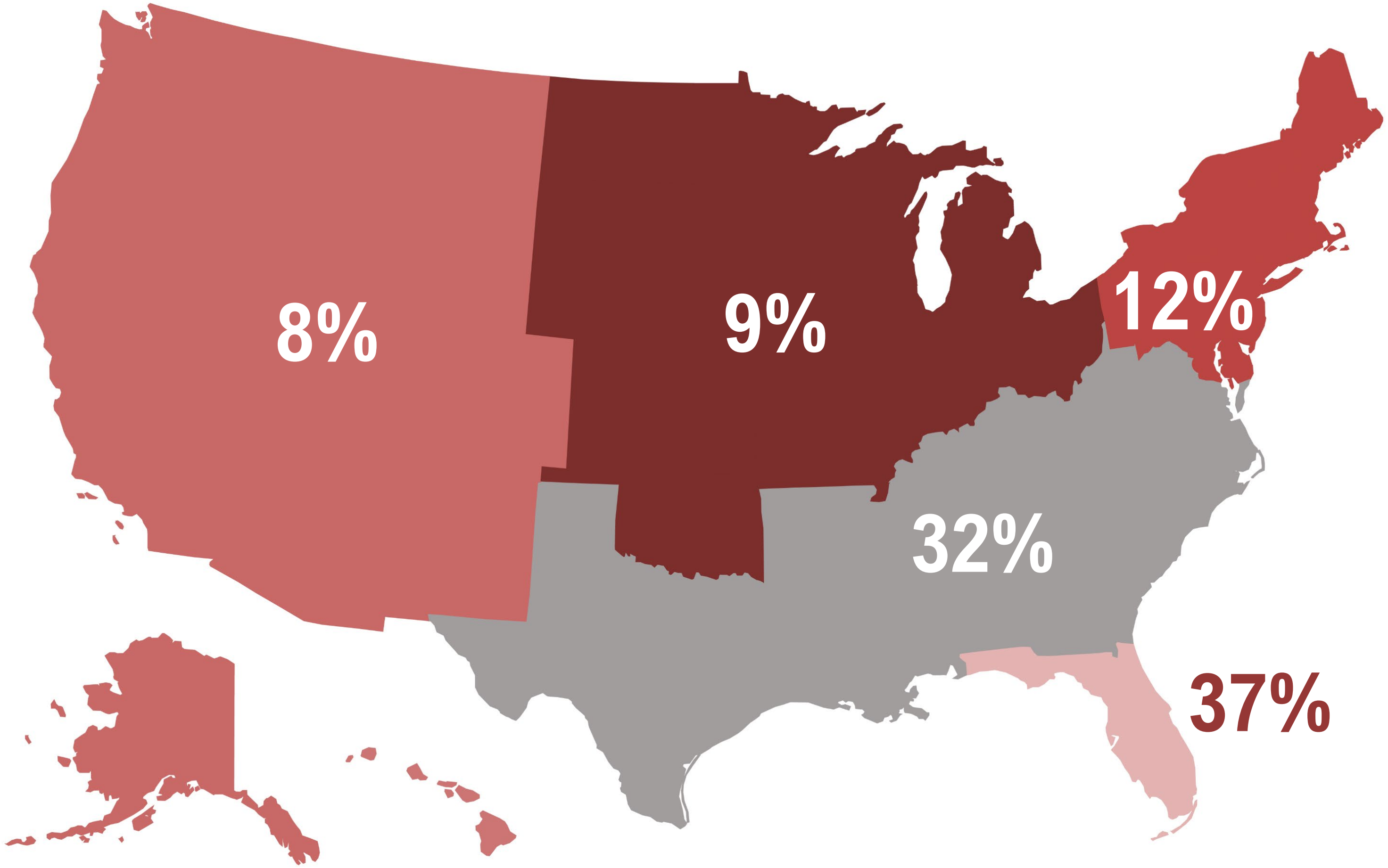
TRANSPORTATION (FY22 4th Quarter)

- **78%** of visitors drove to Leon County

STUDY OBJECTIVES: VISITOR JOURNEY

Pre-Visit → Travel Party Profile → Trip Experience → Post Trip Evaluation → Economic Impact on Destination

REGION OF ORIGIN (FY22 4th Quarter)



2% of visitors were from areas outside the U.S.

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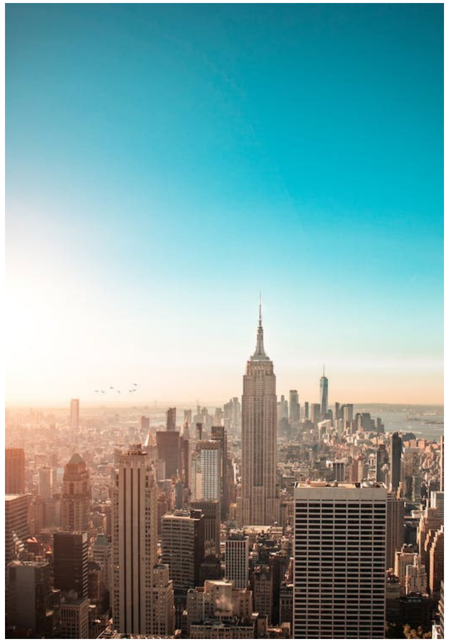
TOP MARKETS OF ORIGIN (FY22 4th Quarter)

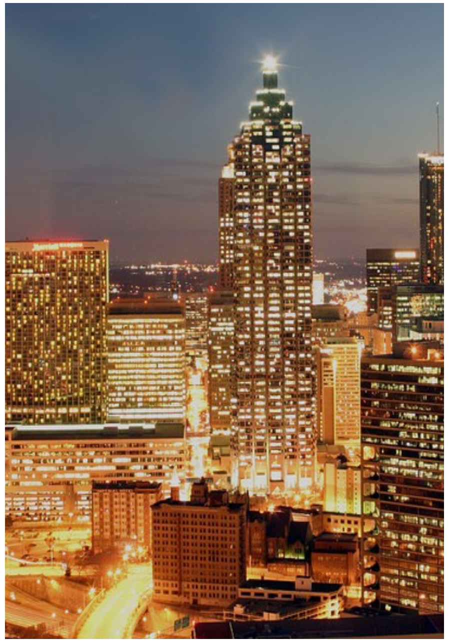
9% Surrounding areas

6% Tampa Bay area

6% Miami – Ft. Lauderdale



5% New York City



5% Atlanta

TRAVEL PARTIES (FY22 4th Quarter)

The typical visitor traveled in a party composed of **2.9** people

29% traveled with at least one person under the age of 20, while **16%** traveled with children aged 12 or younger

VISITOR PROFILE (FY22 4th Quarter)

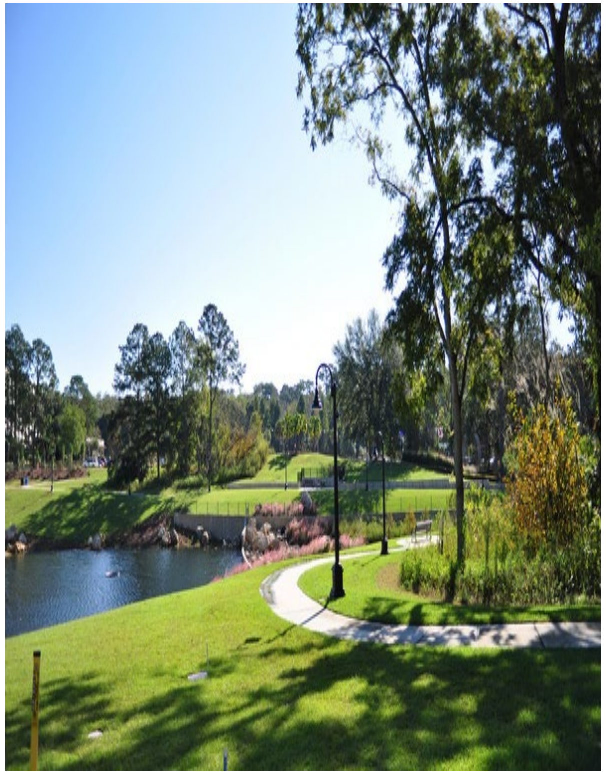
- Leon County Visitor Profile:
  - Is **42** years old
  - Has a median household income of **$95,700** per year
  - Gender breakdown
    - Female **(51%)**
    - Male **(49%)**
    - Non-binary **(1%)**
  - Has a college degree **(75%)**
  - Is married **(61%)**
  - Racial breakdown
    - Caucasian **(71%)**
    - African American **(16%)**
    - Hispanic **(8%)**
    - Asian **(3%)**
    - Other race/ethnicity **(2%)**

STUDY OBJECTIVES: VISITOR JOURNEY

TOP ACCOMMODATIONS (FY22 4th Quarter)

50% Hotel/Motel

20% Friends'/Family home



16% Day Tripper

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OVERNIGHT VISITORS (FY22 4th Quarter)

» Typical visitors spent **3.2** nights in Leon County

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VISITS TO TALLAHASSEE – LEON COUNTY (FY22 4th Quarter)

» **30%** were first time-visitors to Leon County

» **20%** had previously visited more than 10 times

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TOP ACTIVITIES DURING VISIT* (FY22 4th Quarter)

68% Restaurants

45% Relax and Unwind

42% Visit Friends/Family

31% Family time

29% Shopping

*Multiple responses permitted.

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TRAVEL PARTY SPENDING (FY22 4th Quarter)

- Travel parties spent **$352** per day in Leon County on lodging, dining, groceries, entertainment, transportation, and other expenditures
- Typical travel parties spent **$1,126** over the course of their trip

STUDY OBJECTIVES: VISITOR JOURNEY

1. Pre-Visit
2. Travel Party Profile
3. Trip Experience
4. Post Trip Evaluation
5. Economic Impact on Destination

VISITOR SATISFACTION (FY22 4th Quarter)

- Visitors gave Leon County a rating of **8.3** out of 10* as a place to visit
- **93%** of visitors will return to Leon County (**68%** will definitely return)

*Rated on a scale of 1 to 10, where 1 in the worst and 10 is the best.

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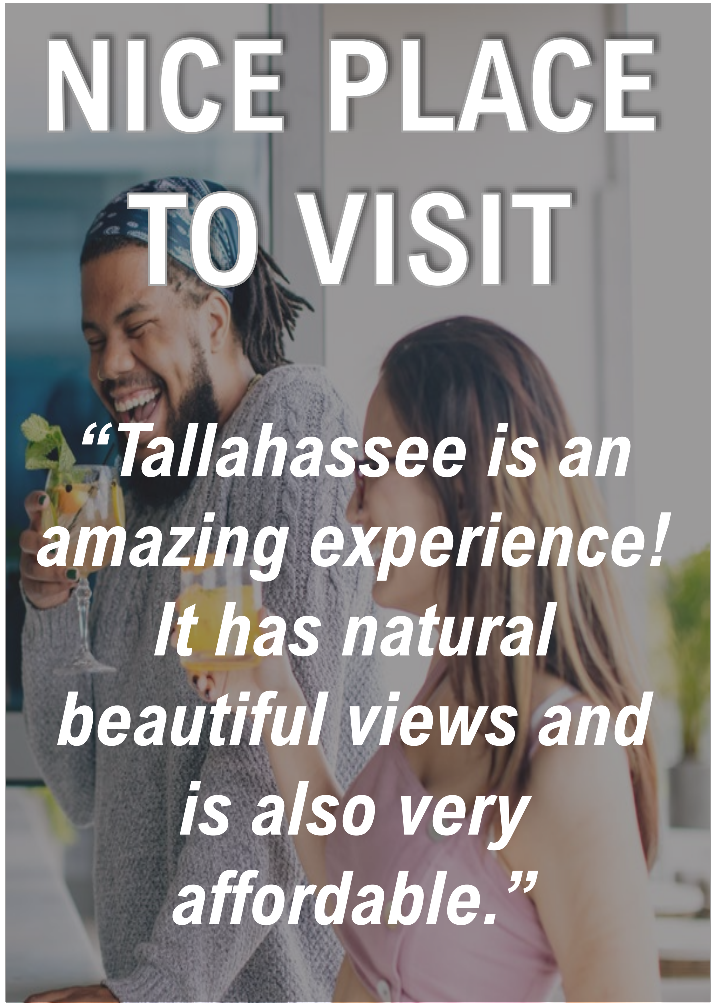
PERCEPTIONS OF TALLAHASSEE – LEON COUNTY



DETAILED FINDINGS

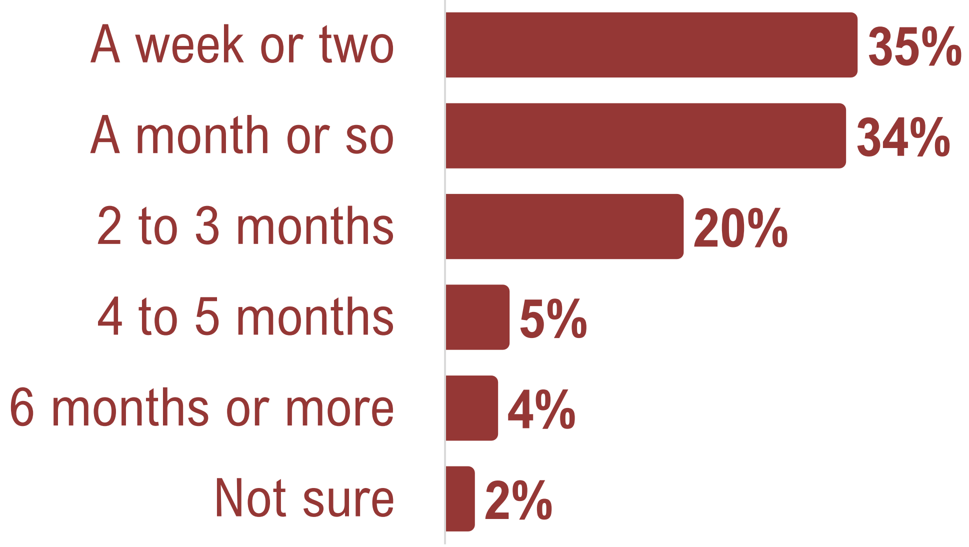
STUDY OBJECTIVES: VISITOR JOURNEY

Pre-Visit → Travel Party Profile → Trip Experience → Post Trip Evaluation → Economic Impact on Destination

TRIP PLANNING CYCLE (FY22 4th Quarter)

- Visitors to Tallahassee have a short planning window as **nearly 7 in 10** visitors plan their trip **less than a month in advance**

- **Nearly 1 in 10** visitors take **4 months or longer** to plan their trips to Tallahassee



TRIP PLANNING SOURCES* (FY22 4th Quarter)

3 in 10 visitors talked to friends and family or searched on Google to plan their trip

1 in 4 visitors planned their trip to Leon County by using a hotel website

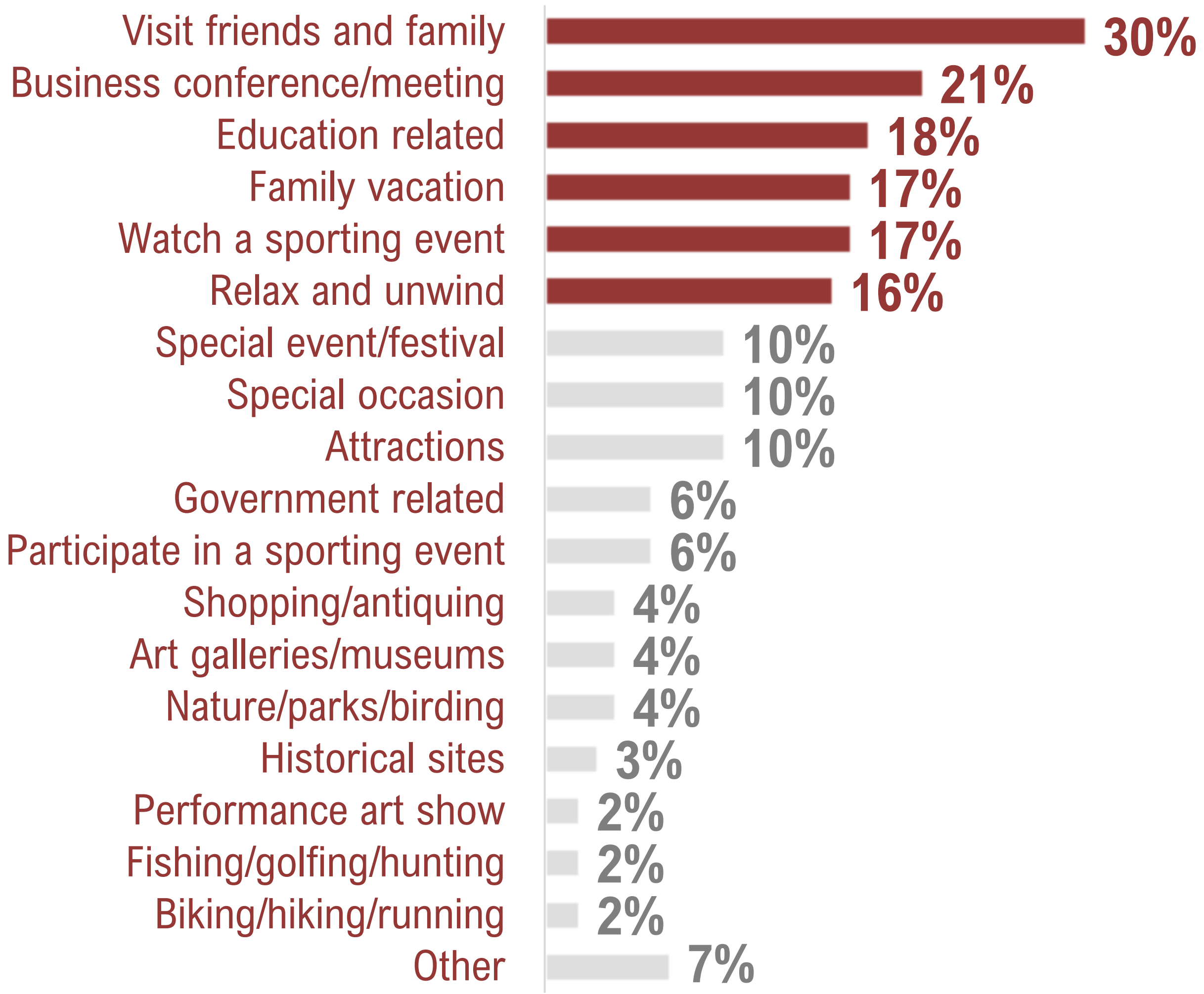
*Multiple responses permitted.

REASONS FOR VISITING* (FY22 4th Quarter)

3 in 10 visitors came to Leon County to visit friends and family

The portion of Tallahassee visitors coming to watch a sporting event increased in 2022

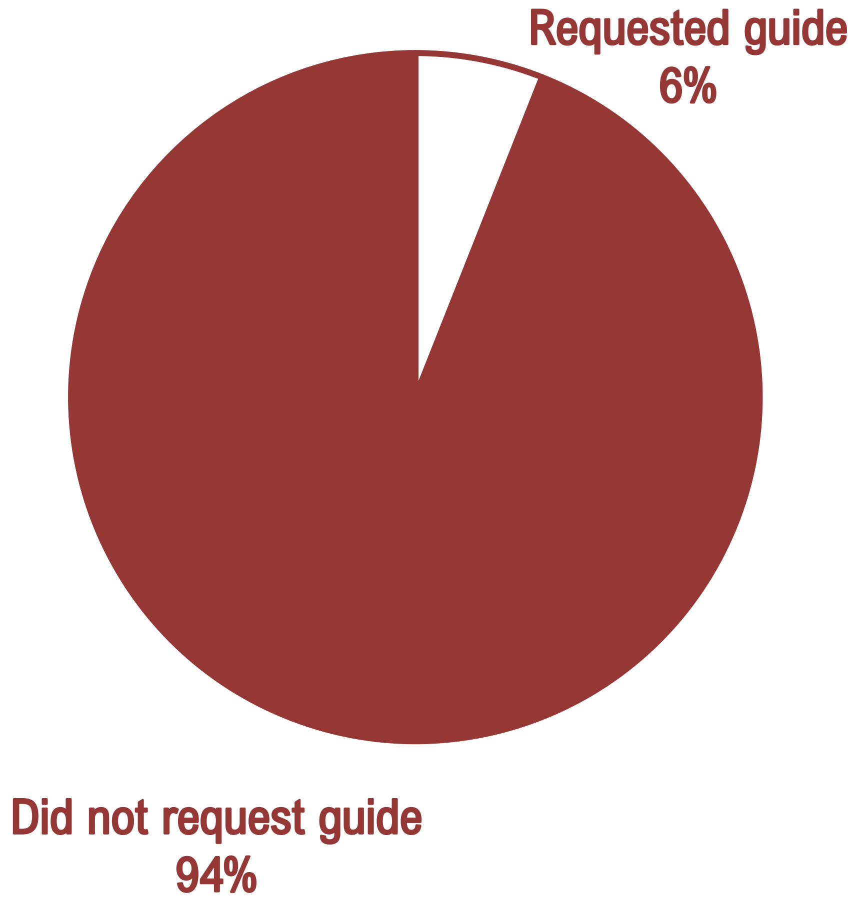
Visitors coming for educational purposes were **slightly more likely** to visit FSU



*Multiple responses permitted.

VISITORS GUIDE (FY22 4th Quarter)

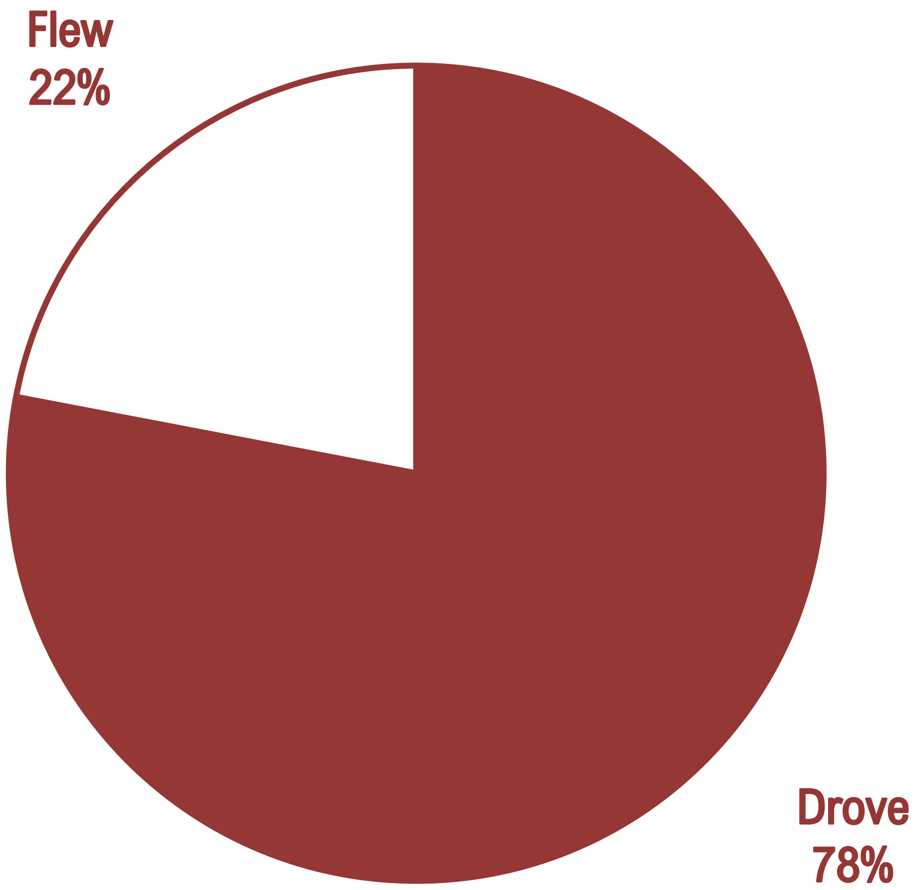
6% of visitors requested a Visitors Guide prior to their trip to Leon County



TRANSPORTATION (FY22 4th Quarter)

83% of visitors indicated that Leon County was the primary destination for their trip

78% of visitors drove to Leon County for their trip



STUDY OBJECTIVES: VISITOR JOURNEY

Pre-Visit

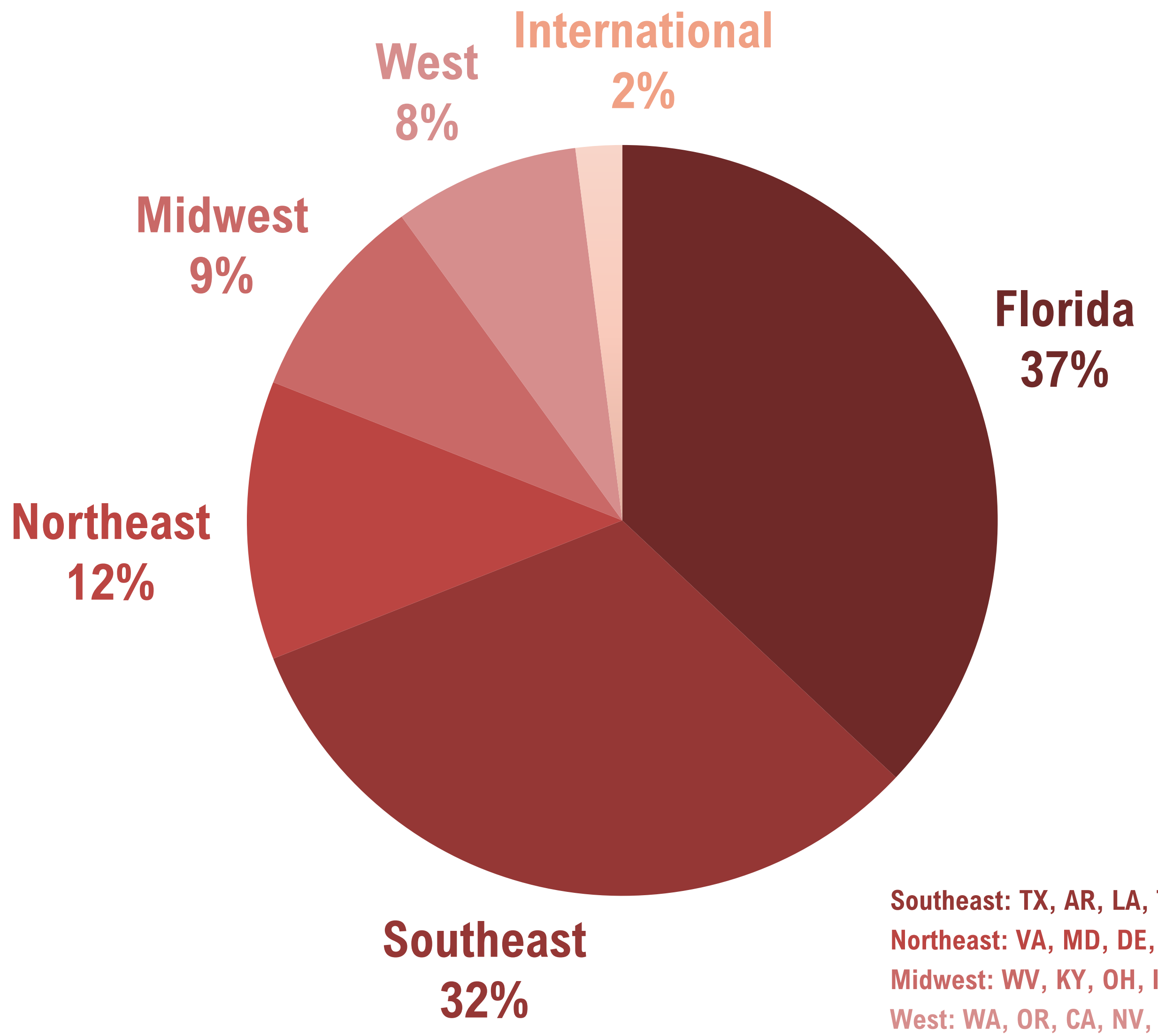
Travel Party Profile

Trip Experience

Post Trip Evaluation

Economic Impact on Destination

REGION OF ORIGIN (FY22 4th Quarter)



Southeast: TX, AR, LA, TN, MS, AL, NC, SC, GA
Northeast: VA, MD, DE, PA, NJ, NY, CT, RI, MA, VT, NH, ME
Midwest: WV, KY, OH, IN, MI, WI, IL, MN, IA, MO, ND, SD, NE, KS, OK
West: WA, OR, CA, NV, ID, MT, WY, CO, UT, AZ, NM, AK, HI

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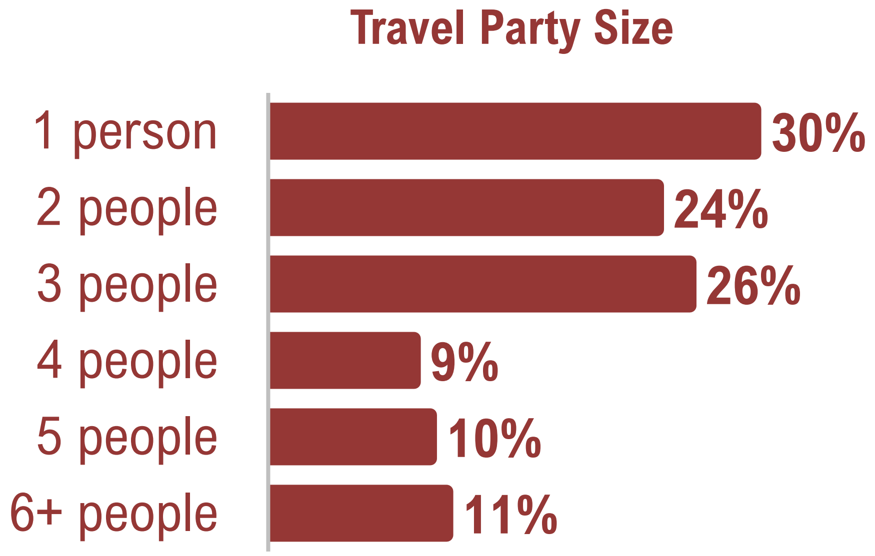
TOP MARKETS OF ORIGIN (FY22 4th Quarter)

45% of Leon County visitors lived in **9** markets

Market	July-Sept 2021	July-Sept 2022
Surrounding areas	4%	9%
Tampa Bay area	5%	6%
Miami - Ft. Lauderdale	6%	6%
New York City	2%	5%
Atlanta	5%	5%
Jacksonville	3%	4%
Panama City - Destin	1%	4%
Orlando area	3%	4%
Dallas - Ft. Worth	3%	3%

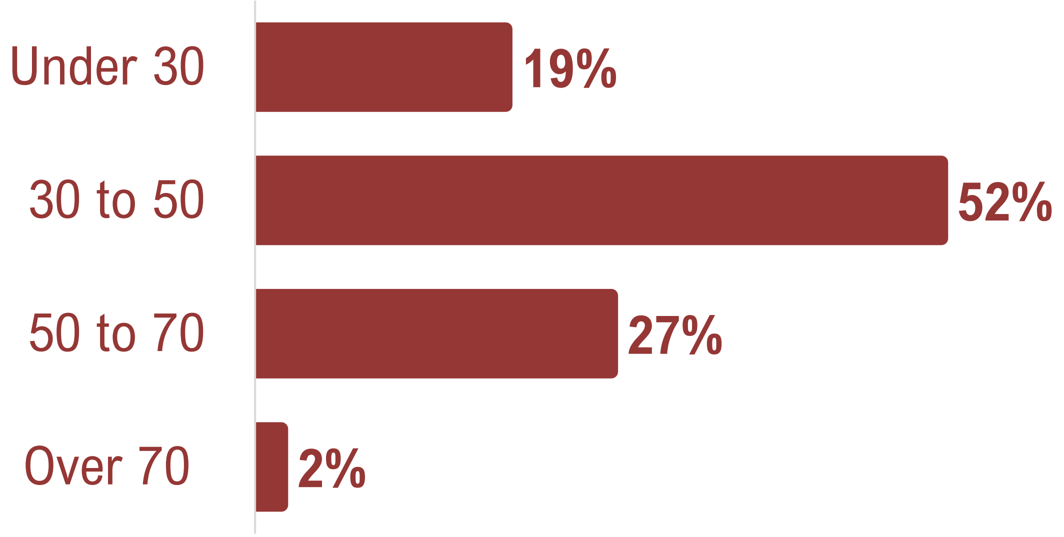
TRAVEL PARTIES (FY22 4th Quarter)

- Typical visitors traveled in a party of **2.9** people
- **29%** of visitors traveled with children aged 20 or younger, while **16%** traveled with children aged 12 or younger



AGE OF VISITORS (FY22 4th Quarter)

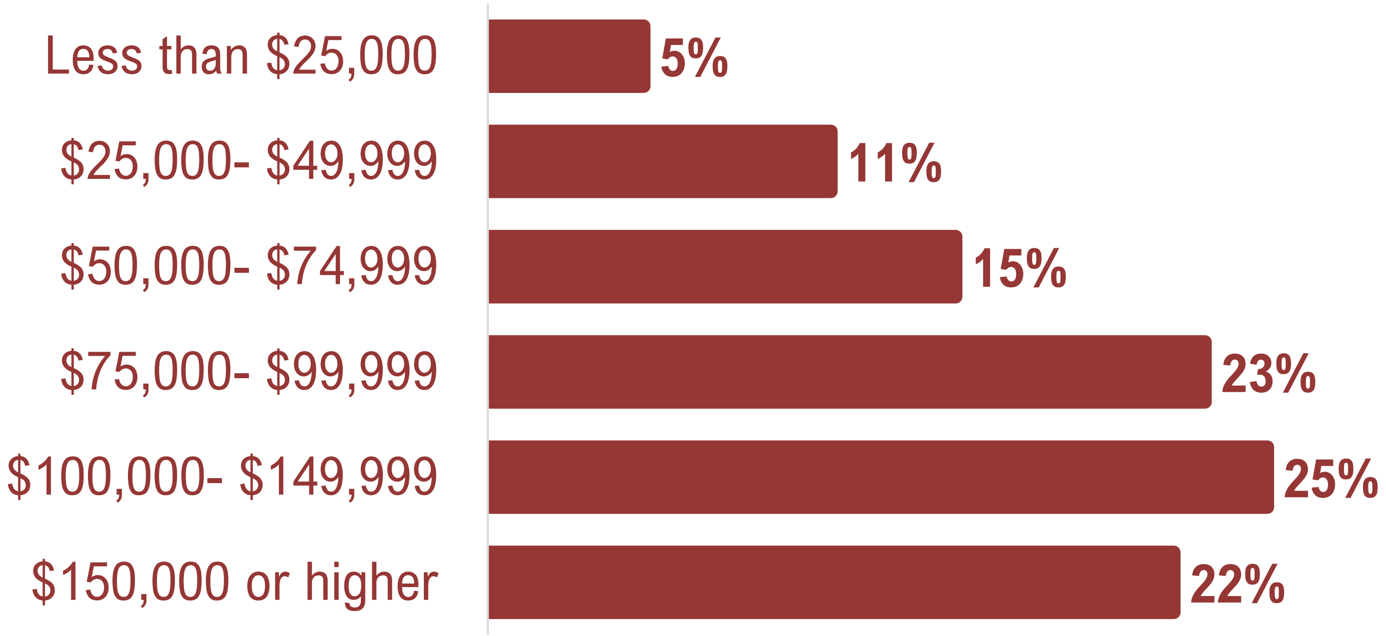
Typical visitors to Leon County were **42** years old



HOUSEHOLD INCOME OF VISITORS (FY22 4th Quarter)

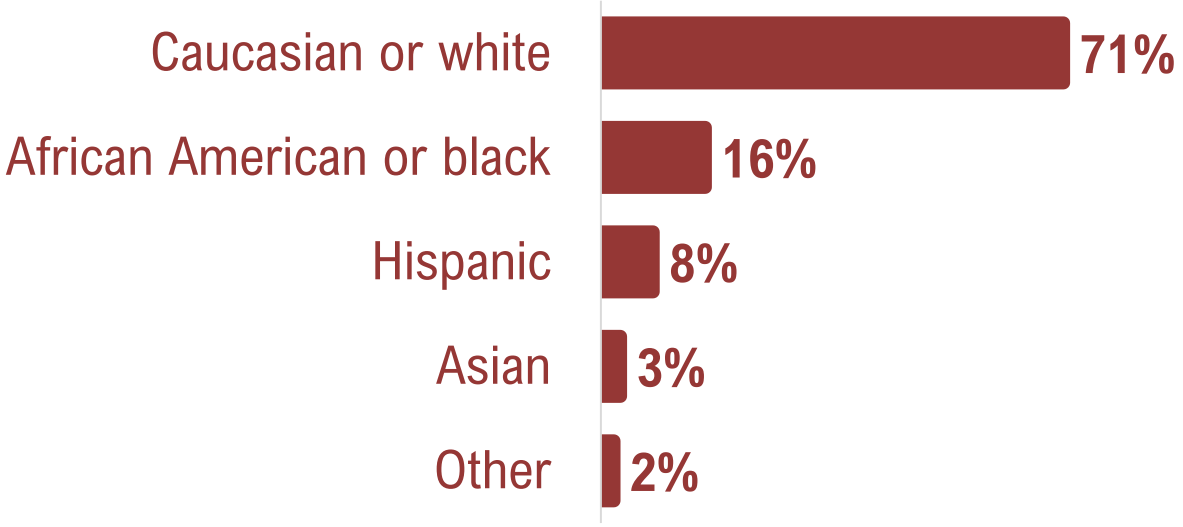
Typical visitors to Leon County had a median household income of **$95,700** per year

Over 1 in 5 visitors earn over $150,000



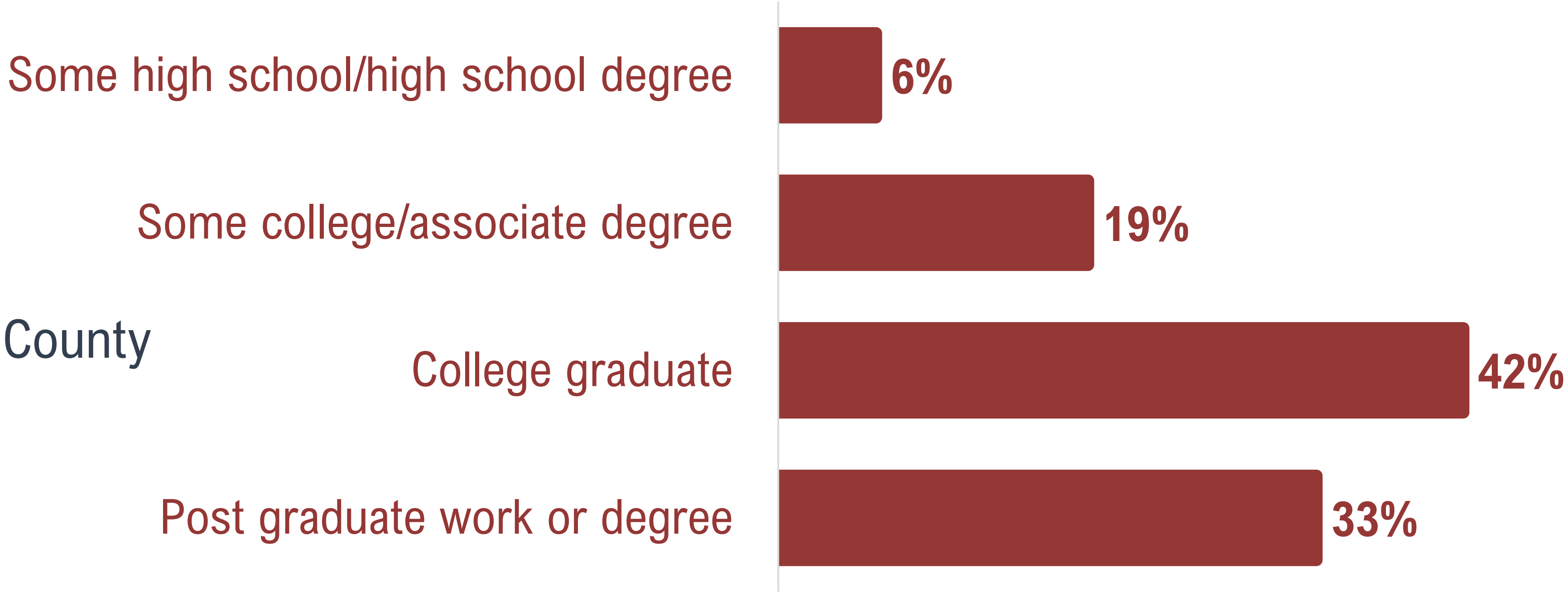
RACE/ETHNICITY OF VISITORS (FY22 4th Quarter)

7 in 10 visitors to Leon County were Caucasian or white



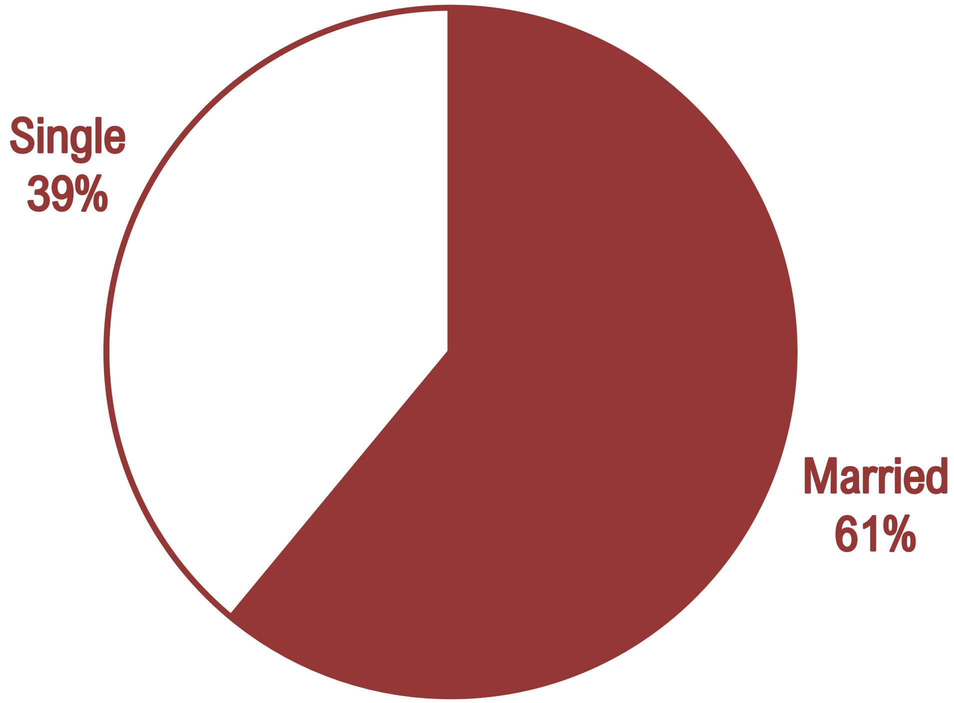
EDUCATIONAL ATTAINMENT OF VISITORS (FY22 4th Quarter)

3 in 4 visitors to Leon County had a college degree



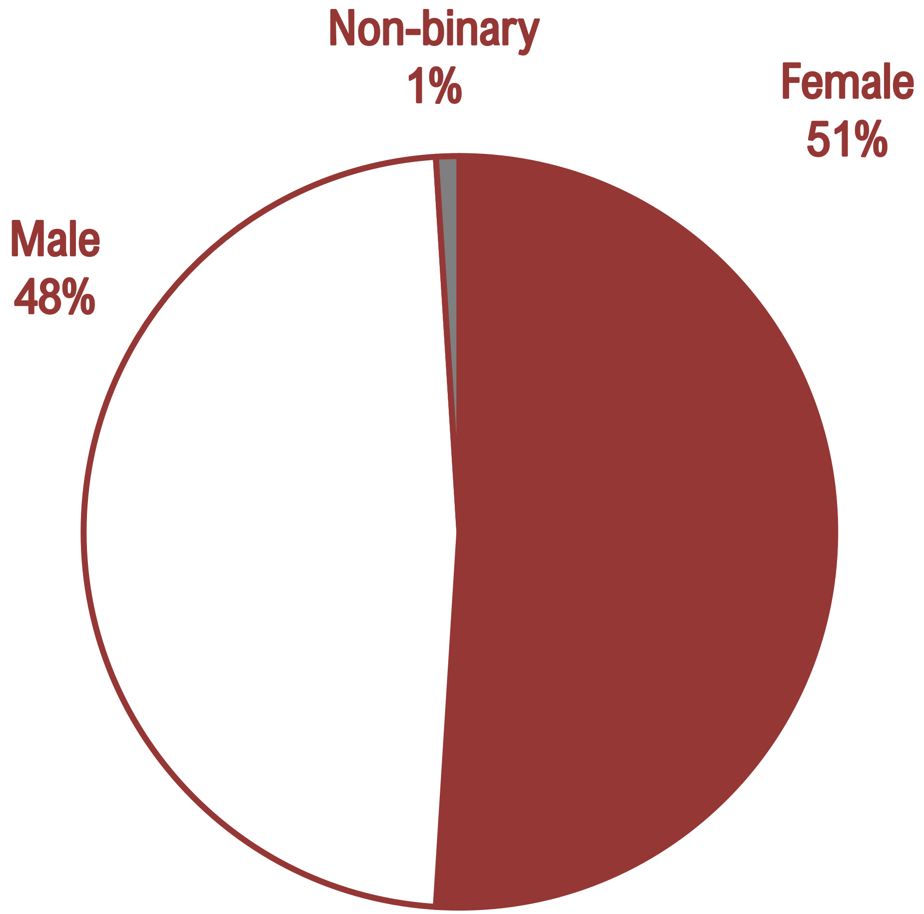
MARITAL STATUS OF VISITORS (FY22 4th Quarter)

Over 3 in 5 visitors to Leon County were married



GENDER OF VISITORS (FY22 4th Quarter)

51% of visitors to Leon County were female



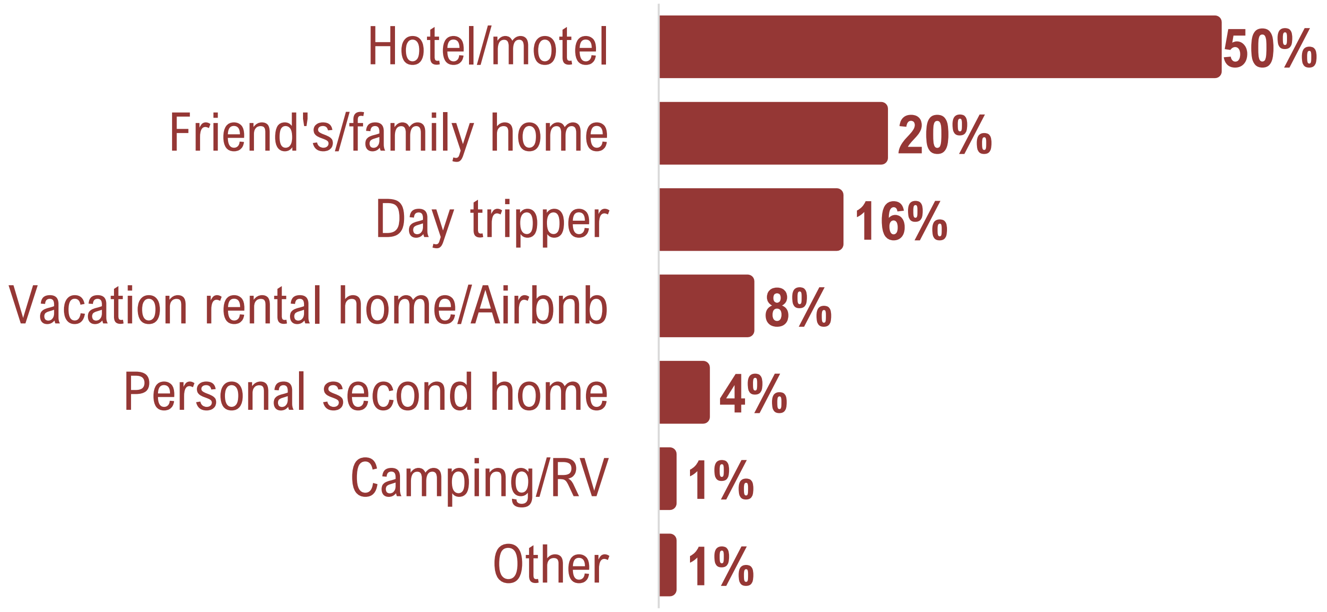
STUDY OBJECTIVES: VISITOR JOURNEY

Pre-Visit → Travel Party Profile → Trip Experience → Post Trip Evaluation → Economic Impact on Destination

ACCOMMODATIONS (FY22 4th Quarter)

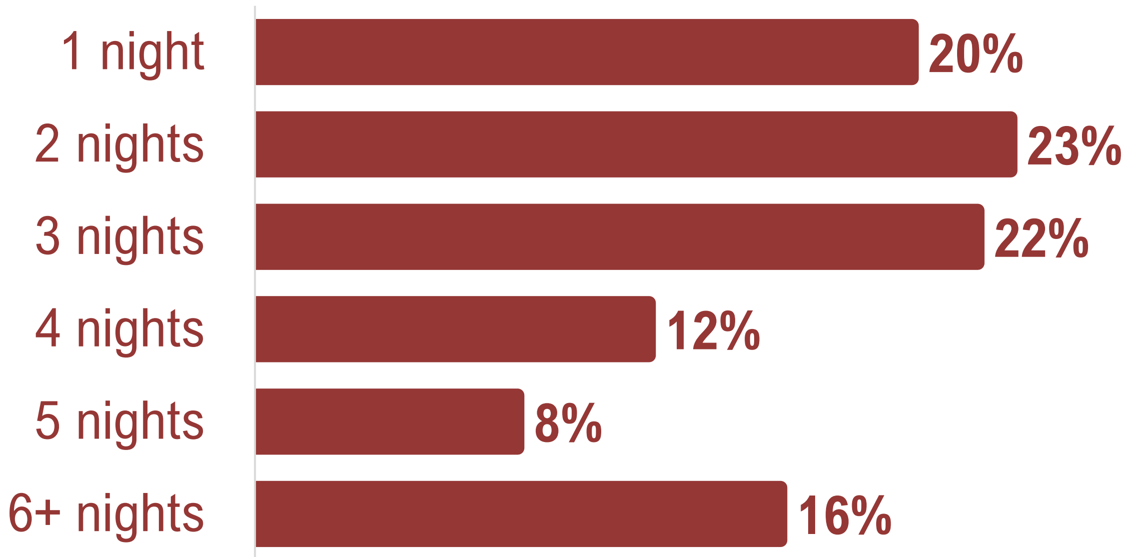
1 in 2 visitors stayed in a hotel/motel

Airbnb, VRBO, and other vacation rentals, which have a significant presence in other Florida destinations, have a smaller presence in Tallahassee



OVERNIGHT VISITORS (FY22 4th Quarter)

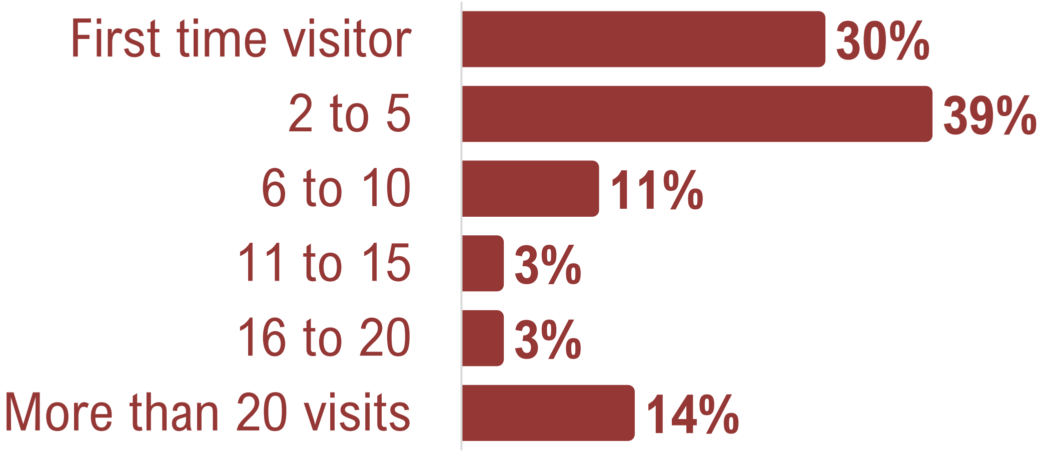
- Typical visitors stayed **3.2** nights in Leon County
- **43%** of visitors stayed 1 or 2 nights in Leon County



VISITS TO TALLAHASSEE – LEON COUNTY (FY22 4th Quarter)

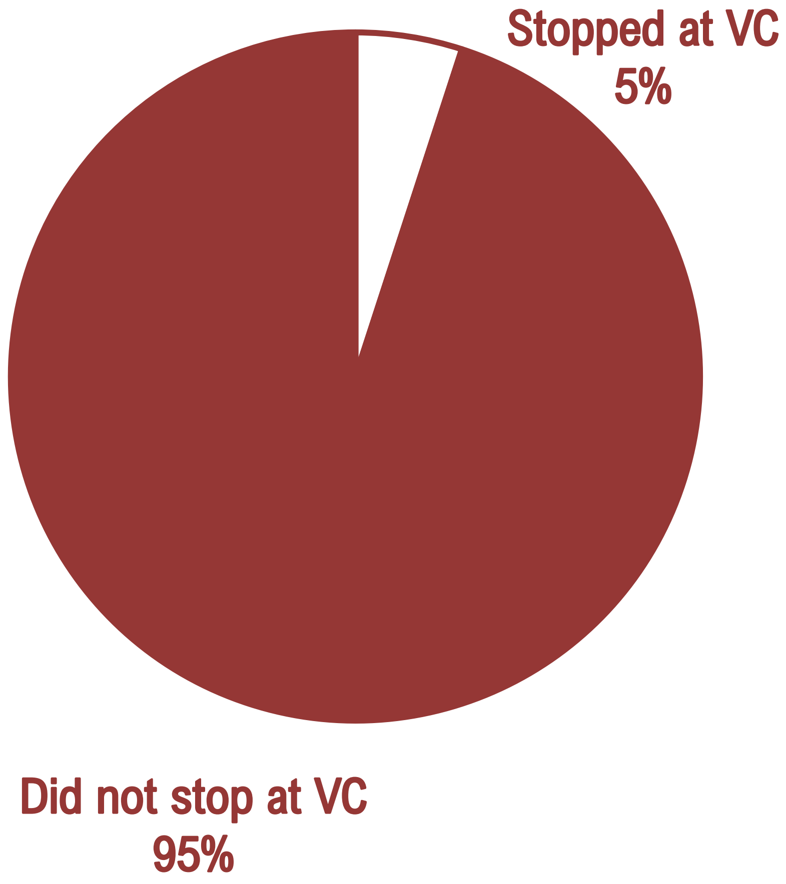
3 in 10 visitors were visiting Leon County for the first time

1 in 5 visitors had previously visited Leon County more than ten times



VISITORS CENTER AND VISITOR GUIDE (FY22 4th Quarter)

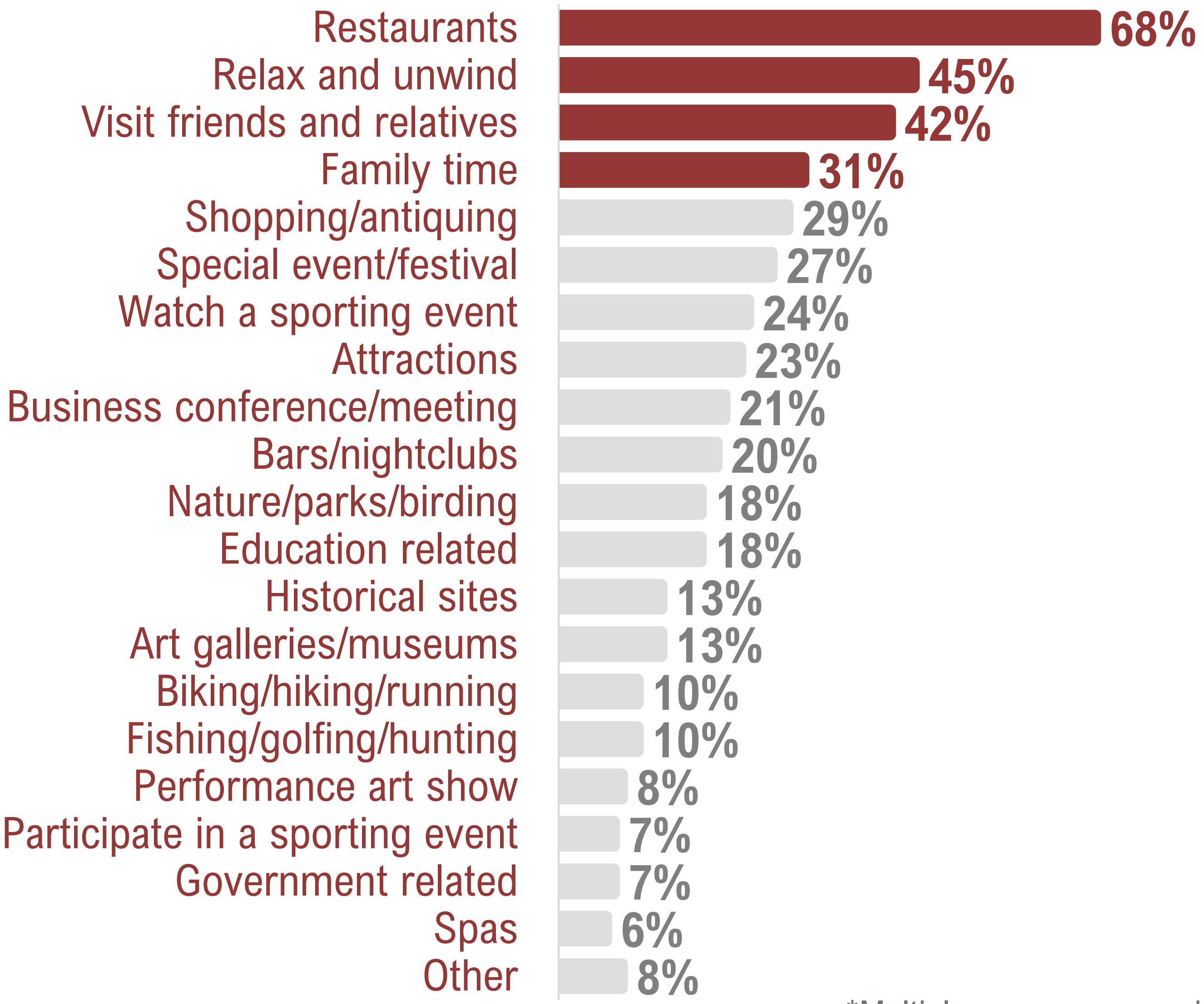
- **5%** of visitors stopped at the Visitors Center



ACTIVITIES DURING VISIT* (FY22 4th Quarter)

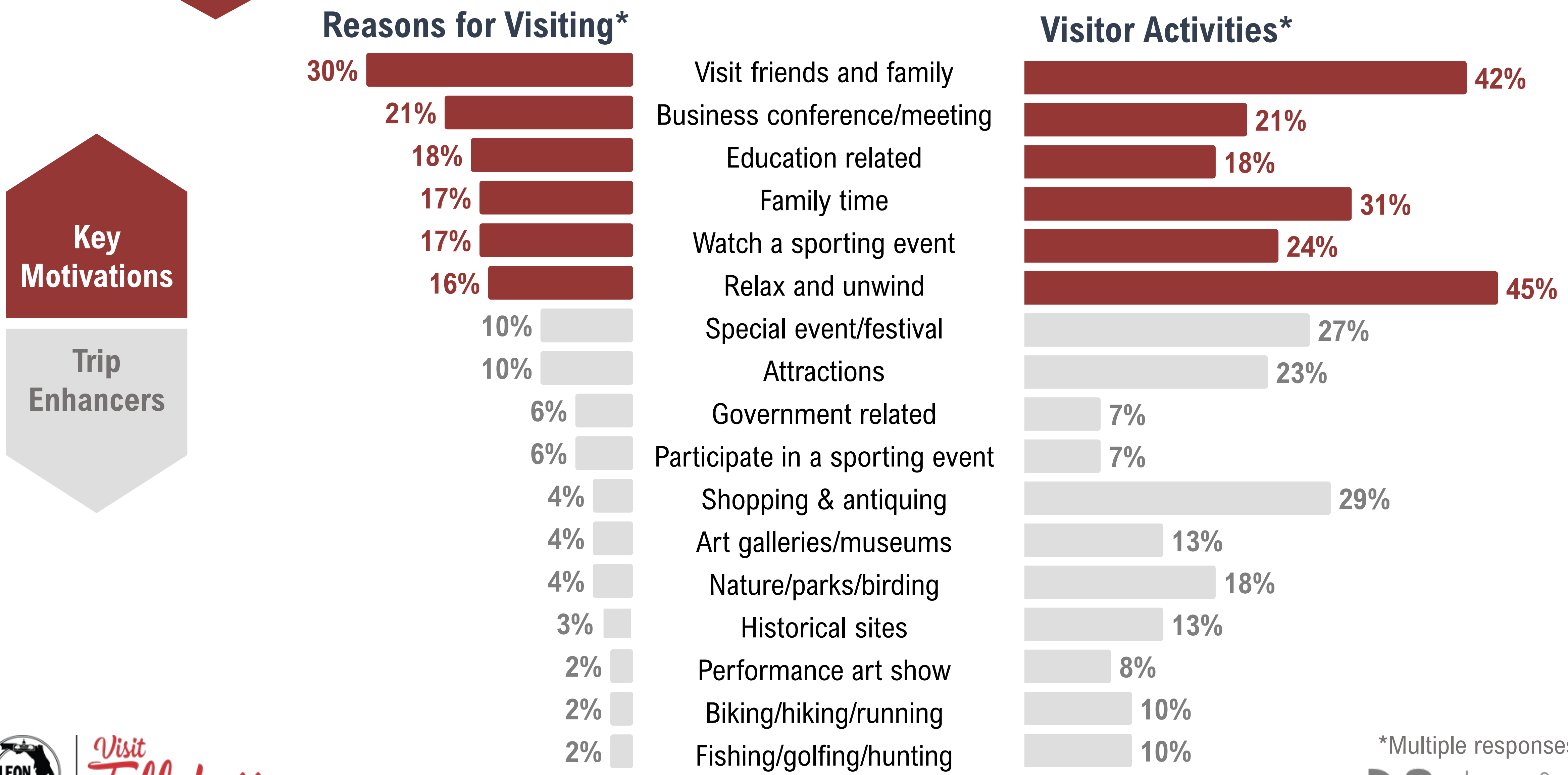
Over 2 in 3 visitors dined out at restaurants during their trip

Nearly half of visitors saw friends and family and relaxed while on their trip to Tallahassee



*Multiple responses permitted.

REASONS FOR VISITING VS. VISITOR ACTIVITIES (FY22 4th Quarter)



*Multiple responses permitted.

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VISITOR SPENDING (FY22 4th Quarter)

	Spending per Day	Spending per Trip
Lodging	$117	$374
Restaurants	$59	$189
Groceries	$26	$83
Shopping	$50	$160
Entertainment	$44	$141
Transportation	$35	$112
Other	$21	$67
Total	**$352**	**$1,126**

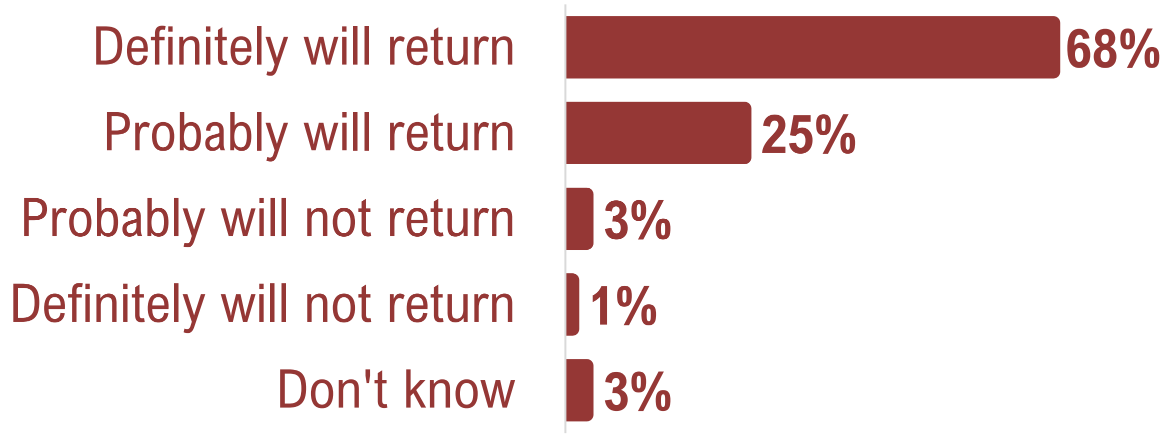
STUDY OBJECTIVES: VISITOR JOURNEY

Pre-Visit → Travel Party Profile → Trip Experience → Post Trip Evaluation → Economic Impact on Destination

VISITOR SATISFACTION (FY22 4th Quarter)

Visitors gave Leon County an average rating of **8.3**[1] as a place to visit

93% of visitors will return (**68%** will definitely return) to Leon County for a future visit or vacation*



*5% of visitors will not return for the following reasons:

1) Event/occasion for visit is over
2) Prefer other areas
3) Prefer variety in vacation spots
4) Not enough to do during the day

[1]Rated on a scale of 1 to 10, where 1 in the worst and 10 is the best.

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RATING EXPERIENCES IN TALLAHASSEE (FY22 4th Quarter)

- Leon County's hospitality exceeded the expectations of **over 1 in 2** visitors
- Hospitality, service and quality in hotels in Leon County were more likely than other experiences to exceed expectations
- Nightlife was most likely to not meet expectations

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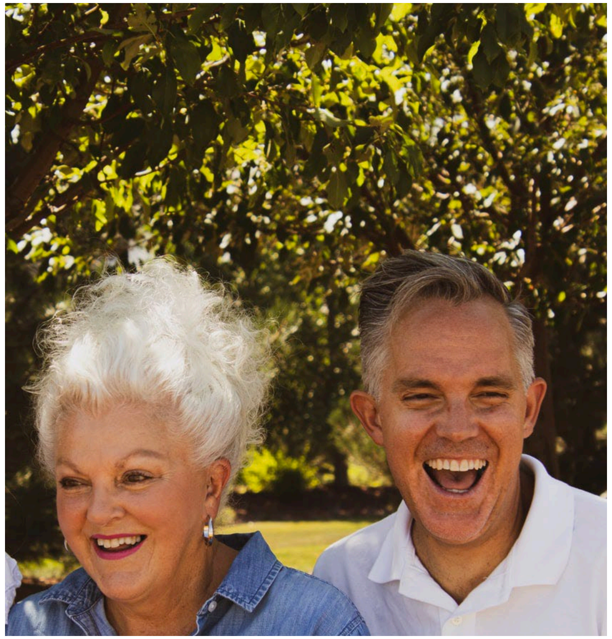
PERCEPTIONS: "NICE PLACE TO VISIT" (FY22 4th Quarter)

"Tallahassee is stunning. The scenery there is some of my favorite in all of Florida."



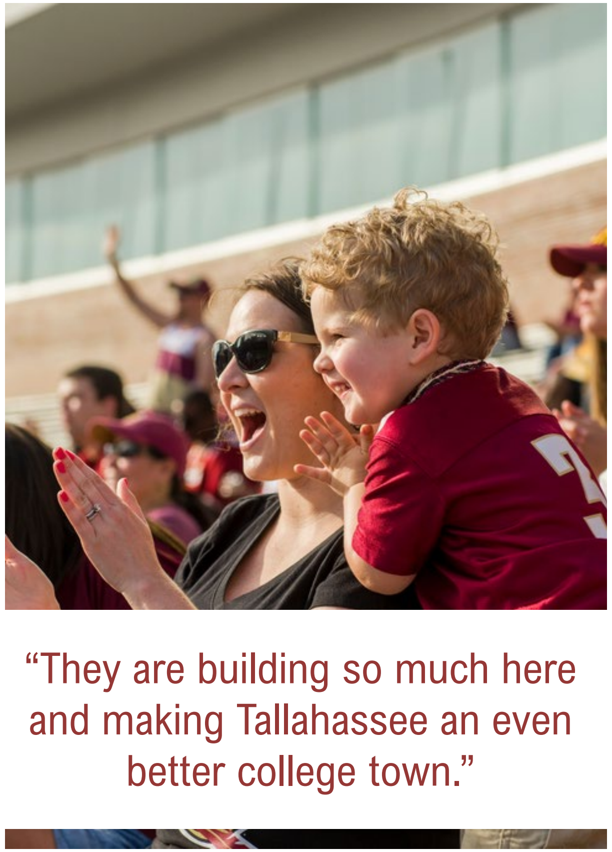
"Tallahassee is an amazing experience! It has natural beautiful views and is also very affordable."

"There's a bunch of new development all over college town. It's great to see!"

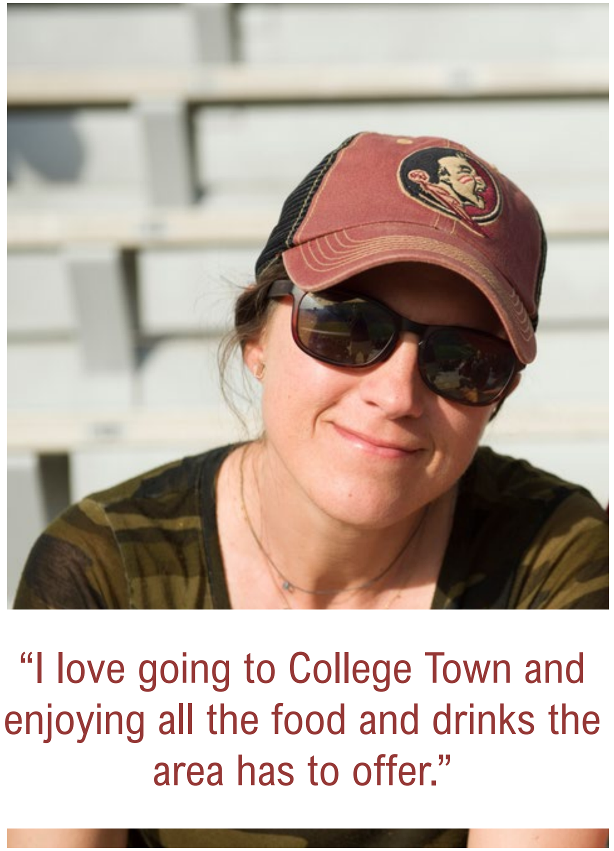
"It's a nice spot for a quick weekend getaway!"

PERCEPTIONS: “COLLEGE TOWN” (FY22 4th Quarter)

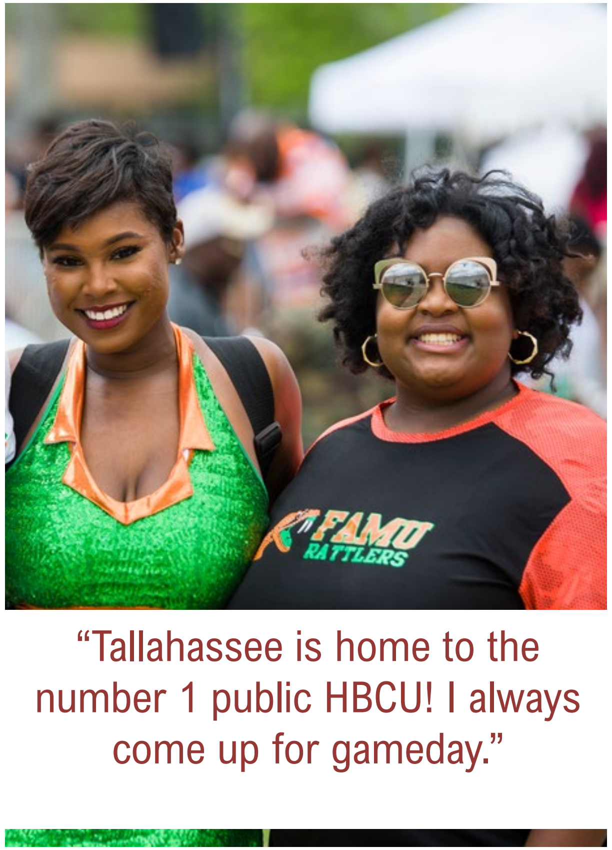
“We came for gameday, and Tallahassee is definitely a great college town.”



“They are building so much here and making Tallahassee an even better college town.”



“I love going to College Town and enjoying all the food and drinks the area has to offer.”



“Tallahassee is home to the number 1 public HBCU! I always come up for gameday.”

PERCEPTIONS: "BEAUTIFUL" (FY22 4th Quarter)

"Beautiful place to lots of good views of the wildlife in the area."

"Tallahassee has such a beautiful view with the canopy roads!"

"I had such a fun time kayaking in Tallahassee. I will definitely be back soon!"

"The natural scenery here is so beautiful it is a nice place to sit back and relax."

YEAR–TO–YEAR COMPARISONS

YEAR–TO–YEAR COMPARISONS (FY22 4th Quarter)

Trip Planning Cycle	July – Sept 2021	July – Sept 2022
Tallahassee was Primary Destination	84%	83%
A week or two in advance	40%	35%
A month or so in advance	31%	34%
2 to 3 months in advance	17%	20%
4 to 5 months in advance	5%	5%
6 months of more in advance	6%	4%

Top Trip Planning Sources	July – Sept 2021	July – Sept 2022
Talk to Family/Friends	24%	31%
Search on Google	17%	29%
Hotel/resort website	29%	22%
Social media	8%	18%

YEAR–TO–YEAR COMPARISONS (FY22 4th Quarter)

Top Reasons for Visiting	July – Sept 2021	July – Sept 2022
Visit friends and family	32%	30%
Business conference/meeting	27%	21%
Education related	20%	18%
Family vacation	15%	17%
Watch a sporting event	12%	17%
Relax and unwind	10%	16%

Pre-Visit	July – Sept 2021	July – Sept 2022
Requested a Visitors Guide	7%	6%
Drove to Leon County	81%	78%
Flew to Leon County	19%	22%

YEAR–TO–YEAR COMPARISONS (FY22 4th Quarter)

Market of Origin	July – Sept 2021	July – Sept 2022
Surrounding areas	4%	9%
Tampa Bay area	5%	6%
Miami – Ft. Lauderdale	6%	6%
New York City	2%	5%
Atlanta	5%	5%

Region of Origin	July – Sept 2021	July – Sept 2022
Southeast	75%	69%
Northeast	8%	12%
Midwest	9%	9%
West	7%	8%
International	1%	2%

YEAR–TO–YEAR COMPARISONS (FY22 4th Quarter)

Travel Parties	July – Sept 2021	July – Sept 2022
Travel Party Size	2.6	2.9
Traveled with Other Visitors	60%	70%
Traveled with Children under 20	34%	29%
Traveled with Children under 12	7%	16%

Visitor Profile	July – Sept 2021	July – Sept 2022
Median Age	44	42
Gender (Female)	54%	51%
Median Household Income	$112,500	$95,700
College Degree or Higher	70%	75%
White/Caucasian	68%	71%
African American	17%	16%
Married	64%	61%

YEAR–TO–YEAR COMPARISONS (FY22 4th Quarter)

Accommodations	July – Sept 2021	July – Sept 2022
Hotel/Motel	53%	50%
Friends/Family Home	20%	20%
Day Tripper	11%	16%
Vacation Rental Home/Airbnb	8%	8%
Personal Second Home	4%	4%
Camping/RV	2%	1%

Trips Experience	July – Sept 2021	July – Sept 2022
Average nights stayed	3.5	3.2
1st Time Visitor	29%	30%
10+ Prior Visits to Leon County	22%	20%
Stopped at Visitor Center	9%	5%

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YEAR–TO–YEAR COMPARISONS (FY22 4th Quarter)

Top Activities	July – Sept 2021	July – Sept 2022
Restaurants	74%	68%
Relax and unwind	51%	45%
Visit friends and relatives	36%	42%
Family time	29%	31%
Shopping/antiquing	30%	29%
Special event/festival	16%	27%
Watch a sporting event	12%	24%
Attractions	14%	23%
Business conference/meeting	28%	21%
Bars/nightclubs	17%	20%
Nature/parks/birding	20%	18%
Education related	22%	18%

YEAR–TO–YEAR COMPARISONS (FY22 4th Quarter)

Average Daily Spending	July – Sept 2021	July – Sept 2022
Accommodations	$131*	$117
Restaurants	$54	$59
Groceries	$22	$26
Shopping	$44	$50
Entertainment	$35	$44
Transportation	$28	$35
Other	$18	$21
Total	**$332**	**$352**

Average Total Trip Spending	July – Sept 2021	July – Sept 2022
Accommodations	$470	$374
Restaurants	$194	$189
Groceries	$81	$83
Shopping	$157	$160
Entertainment	$126	$141
Transportation	$100	$112
Other	$67	$67
Total	**$1,195**	**$1,126**

*Includes room rate, taxes, parking, and other services for which accommodations charge.

YEAR–TO–YEAR COMPARISONS (FY22 4th Quarter)

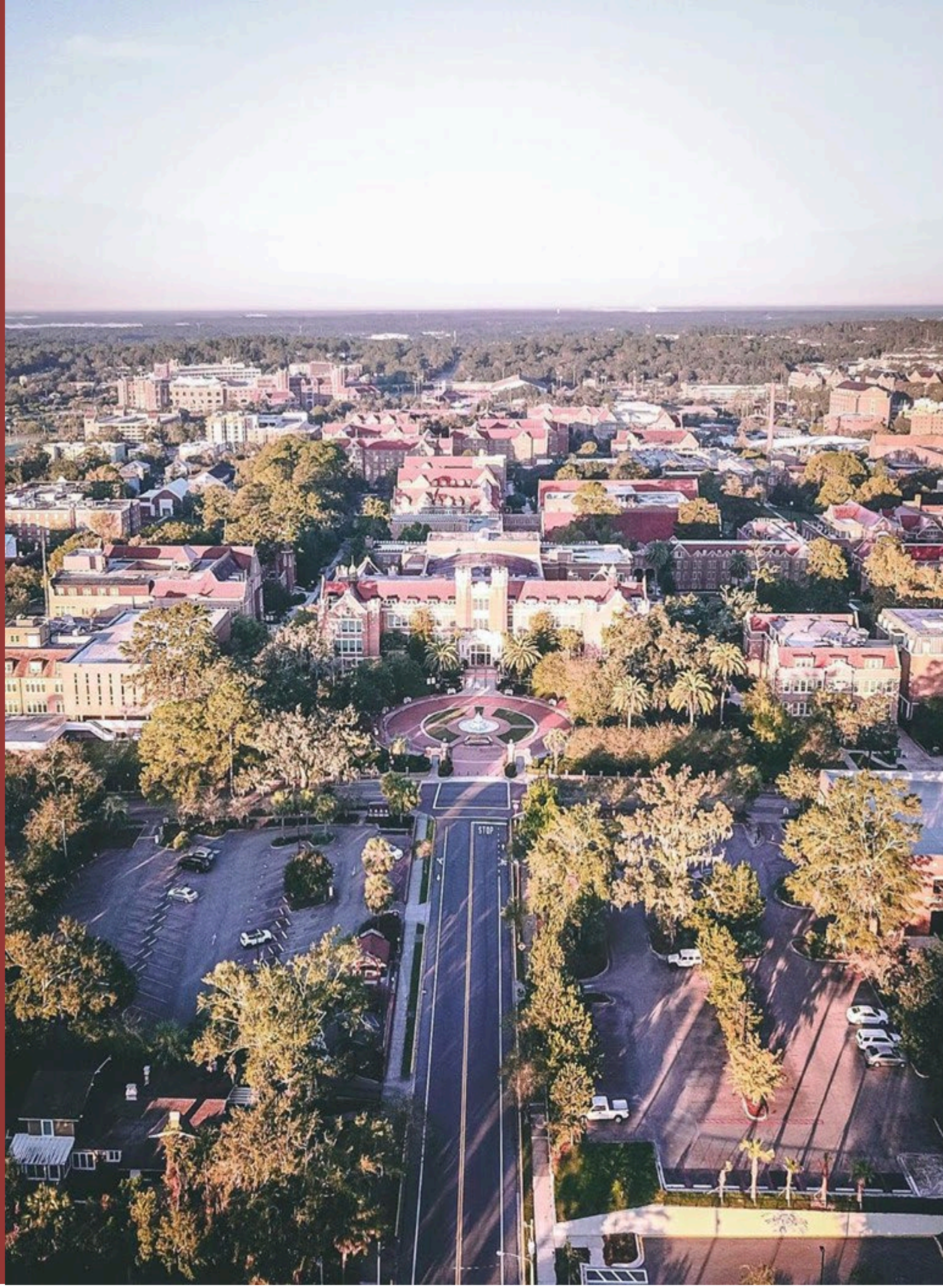
Post Trip Evaluation	July – Sept 2021	July – Sept 2022
Overall Rating	8.1	8.3
Will return to Leon County	91%	93%
Exceed + Met Expectations: Hospitality	92%	97%
Exceed + Met Expectations: Environment/atmosphere	91%	96%
Exceed + Met Expectations: Quality of hotel	89%	95%
Exceed + Met Expectations: Food quality	87%	95%
Exceed + Met Expectations: Service at hotel	88%	94%
Exceed + Met Expectations: Customer service	87%	94%
Exceed + Met Expectations: Entertainment	82%	93%
Exceed + Met Expectations: Attractions/events	82%	93%
Exceed + Met Expectations: Shopping	79%	91%
Exceed + Met Expectations: Nightlife	72%	90%

LEON COUNTY DIVISION OF TOURISM – VISIT TALLAHASSEE

July – Sept 2022 Visitor Tracking Study

Kerri Post
Executive Director, Leon County Division of Tourism/Visit Tallahassee
850-606-2313, PostK@leoncountyfl.gov

Downs & St. Germain Research
850-906-3111 | www.dsg-research.com



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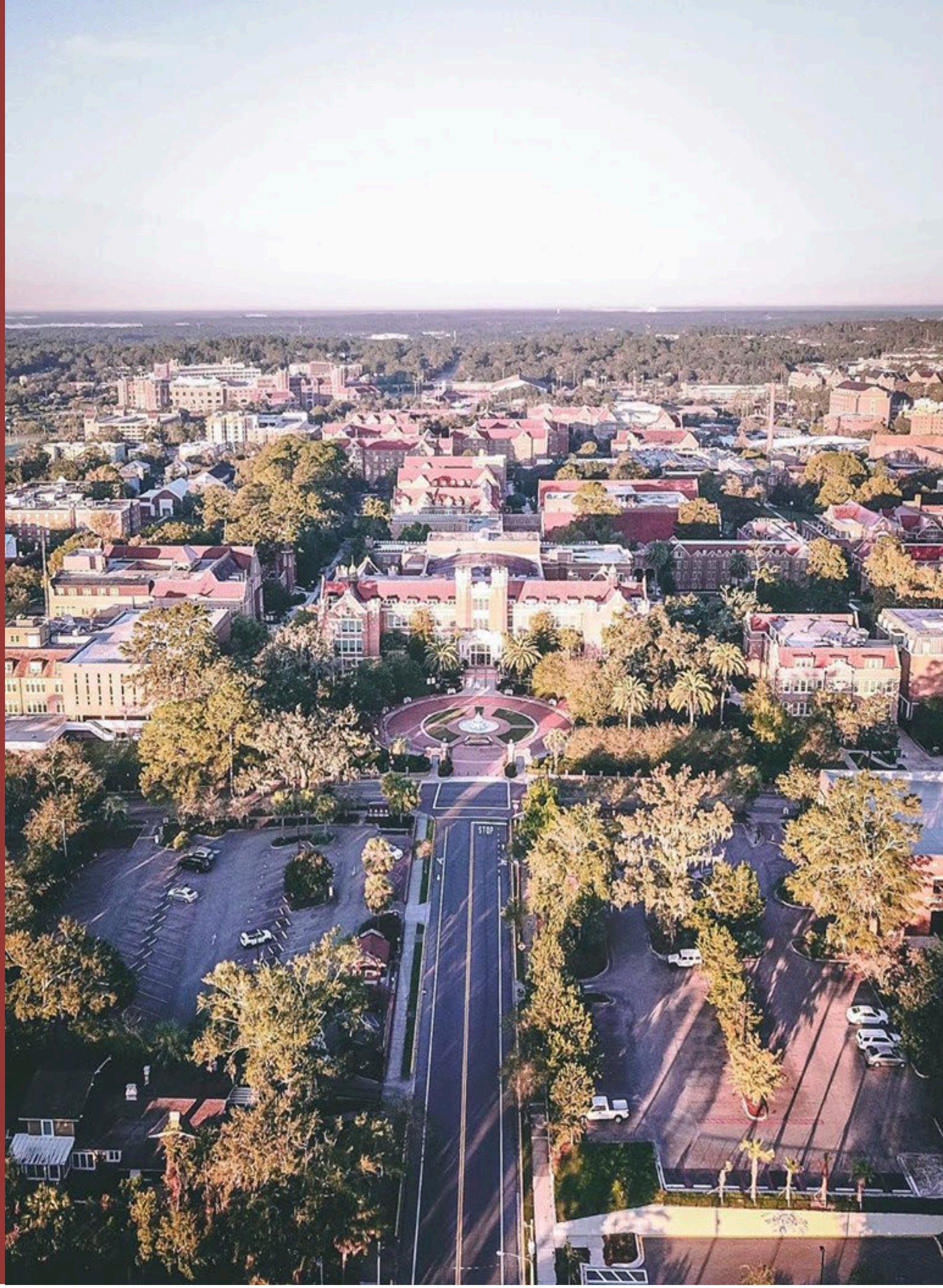
LEON COUNTY DIVISION OF TOURISM – VISIT TALLAHASSEE

Economic Impact of Tourism Report

Fiscal Year 2022 (October 2021 – September 2022)



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RESEARCH

TABLE OF CONTENTS

STUDY METHODOLOGY

Visitor Tracking Study

- Economic impact of tourism for Leon County Division of Tourism/Visit Tallahassee was based on data from the following sources:
  - 2,040 interviews conducted by Downs & St. Germain Research with visitors to Leon County
  - Twelve (12) monthly STR Reports
  - Downs & St. Germain Research's tourism database
  - Various government agencies and data sources
  - IMPLAN Online Economic Impact Modeling software
  - TDT collections provided by Leon County

YEAR-OVER-YEAR DIFFERENCES FROM FY2021 TO FY2022

- Spring events in Tallahassee back to regular scheduling
- TCC Rock the Roost
- Six Florida State Home Football Games (-1 games over FY2021)
- Five FAMU Home Football Games (+4 games over FY2021)

EXECUTIVE SUMMARY

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TOTAL ECONOMIC IMPACT

$1,151,771,700

Economic Impact

(+30.4% from FY2021)

TOTAL DIRECT SPEND

$728,969,400

Direct Spending

(+30.4% from FY2021)

VISITORS

2,333,400
Visitors

(+34.0% from FY2021)

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TOTAL ROOM NIGHTS

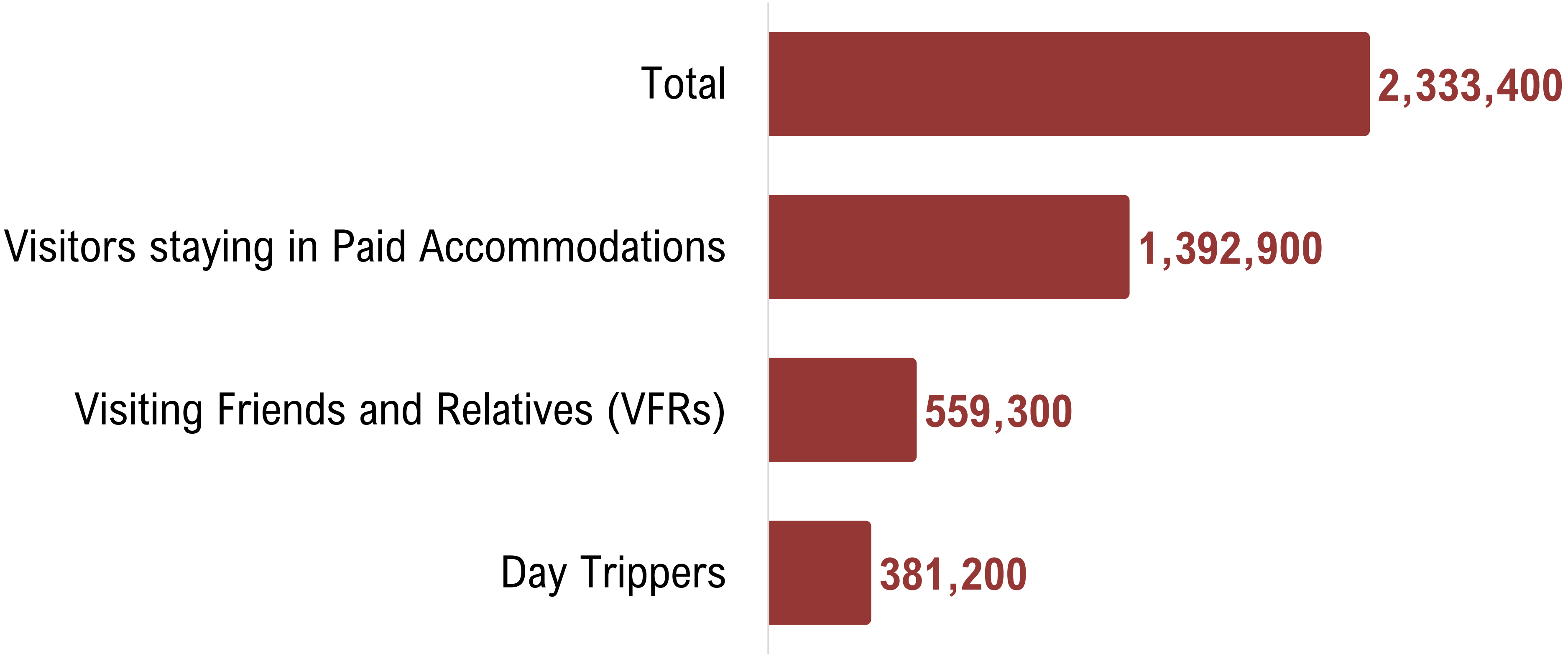
1,442,543

Room nights

(+16.0% from FY2021)

VISITORS TO LEON COUNTY

» **3 in 5** visitors stayed in Paid Accommodations



TOP MARKETS OF ORIGIN

55% of Leon County visitors lived in **12** markets

Market	FY 2021	FY 2021
Miami – Ft. Lauderdale	13%	9%
Atlanta	7%	8%
Surrounding areas	2%	8%
Tampa Bay area	6%	6%
Jacksonville	6%	5%
Orlando	5%	5%
Pensacola – Mobile	4%	3%
Panama City	1%	3%
Washington DC – Baltimore	2%	2%
Chicago	1%	2%
West Palm Beach – Ft. Pierce	<1%	2%
Dallas-Fort Worth	1%	2%

JOB CREATION

14,708 Jobs

(+14.3% from FY2021)

$414,123,500 in wages

(+21.2% from FY2021)

NET BENEFIT*

Visitors in FY2022 generated a net benefit of

$24,653,600

to Leon County government

*Leon County government revenue generated by visitors minus the cost to Leon County government for servicing visitors.

VISITORS CREATE JOBS

An additional Leon County job is supported by every

159

visitors

HOUSEHOLD SAVINGS

Visitors to Leon County save local residents

$771

per household every year in taxes

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MARKETING SPENDING*

Every dollar spent by Visit Tallahassee on marketing is associated with

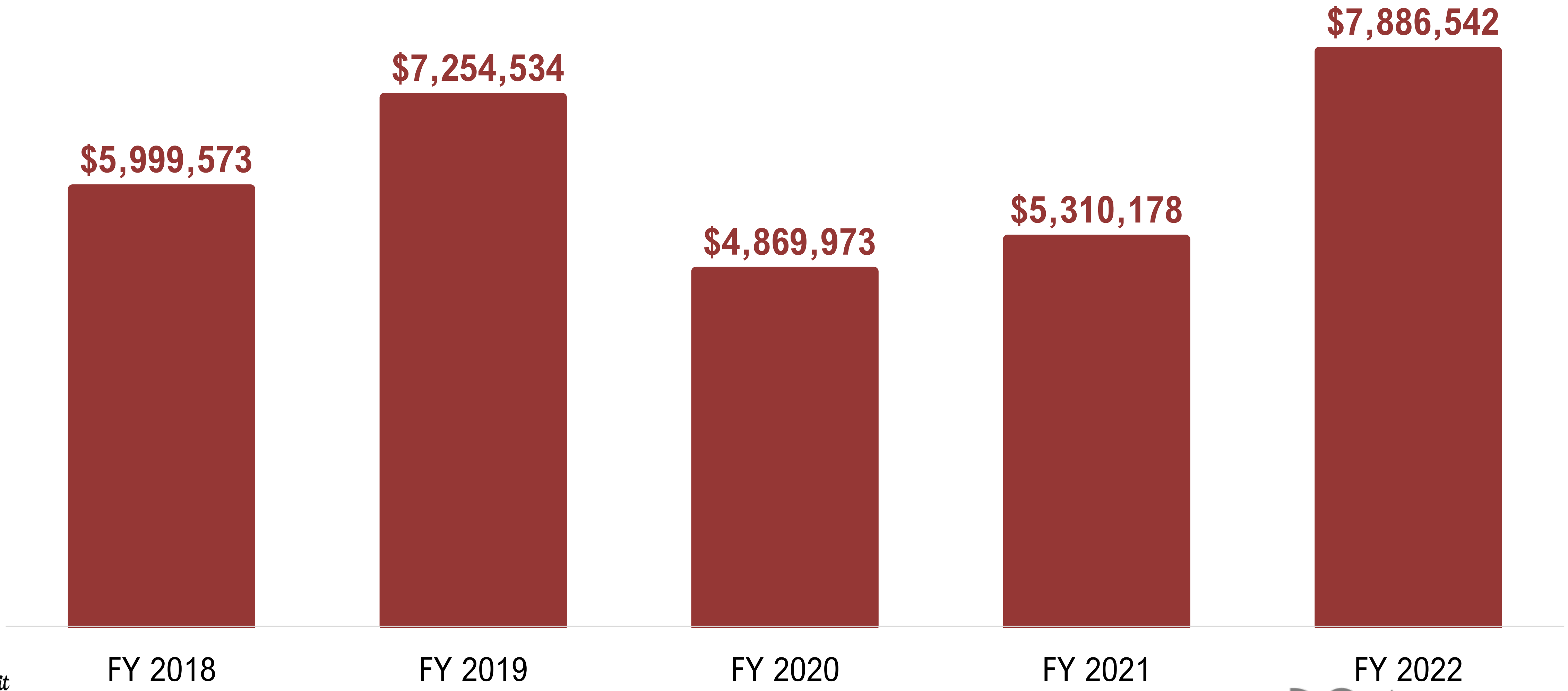
$114

in visitor spending within Leon County

*Methodology has been updated to represent spend associated with visitors who were influenced by advertising.

TDT COLLECTIONS FY2018 – FY2022

» TDT collections increased 48.5% in FY2022



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DETAILED FINDINGS

KEY PERFORMANCE INDICATORS

Economic Indicators	FY 2021	FY 2022	% Change
Visitors	1,740,900	2,333,400	+34.0%
Direct expenditures	$559,099,200	$728,969,400	+30.4%
Total economic impact	$883,376,800	$1,151,771,700	+30.4%
Room nights generated	1,243,480	1,442,543	+16.0%
Jobs created	12,868	14,708	+14.3%
Wages paid	$341,647,100	$414,123,500	+21.2%
Taxes paid	$62,159,100	$89,874,900	+44.6%
Tourist Development Tax	$5,310,178	$7,886,542	+48.5%

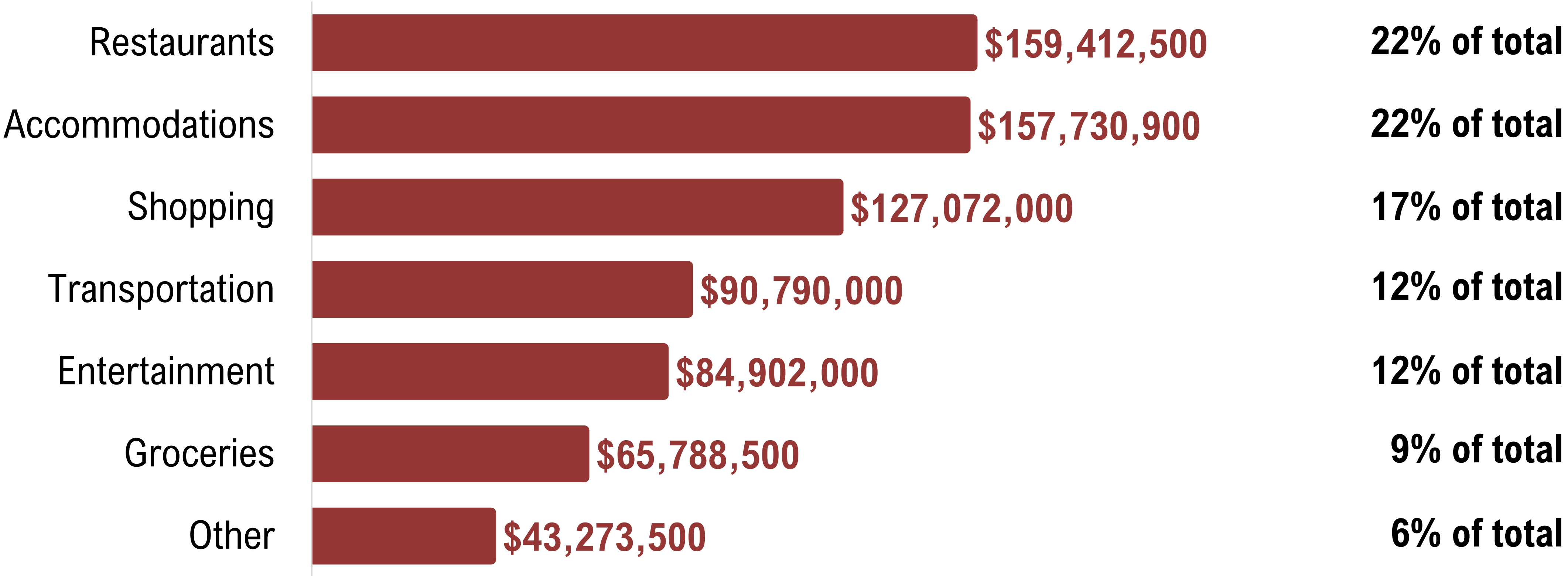
KEY PERFORMANCE INDICATORS

Economic Indicators	FY 2021	FY 2022	% Change
Visitors	1,740,900	2,333,400	+34.0%
Occupancy	53.4%	61.2%	+14.6%
Room rates	$94.44	$116.22	+23.1%
RevPAR	$50.43	$71.13	+41.0%
Travel party size	2.5	3.0	
Nights spent	3.4	3.3	
Will return	93%	91%	
Rating of experience	8.0[1]	8.2[1]	

[1]On a 10-point scale.

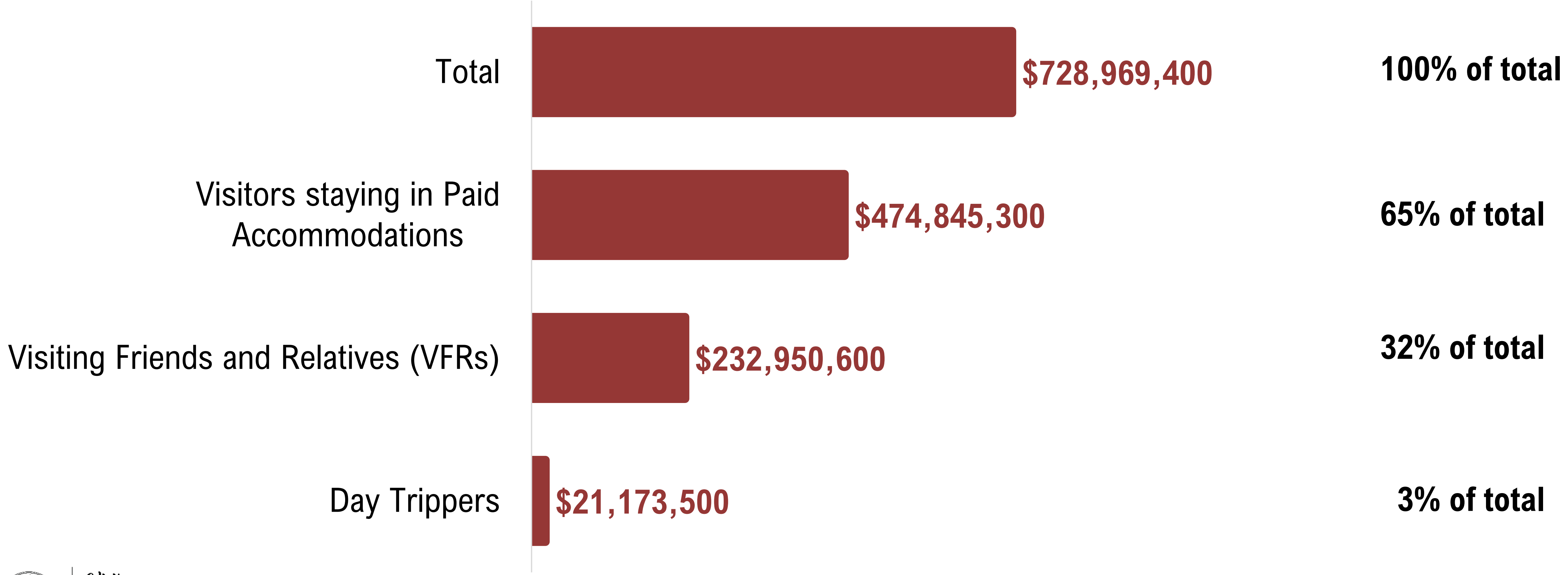
VISITORS DIRECT SPENDING

» Leon County Visitors spent **$728,969,400** in FY2022



DIRECT SPENDING BY VISITOR TYPE

» Visitors who stay in paid accommodations account for **65%** of visitor spending



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KPIs – OCT-DEC 2021 (Q1)

Economic Indicators	Oct-Dec 2020 (Q1)	Oct-Dec 2021 (Q1)	% Change
Visitors	358,900	525,900	+28.1%
Direct Expenditures	$116,407,000	$186,572,000	+60.3%
Economic Impact	$183,923,100	$294,783,800	+60.3%
Occupancy	43.7%	57.0%	+30.4%
Room Rates	$82.35	$121.63	+47.7%
RevPAR	$35.99	$69.33	+92.6%
Travel party size	2.5	2.9	
Nights spent	3.5	3.4	
Will return	94%	88%	
Rating of experience	8.0[1]	8.2[1]	

[1]Using a 10-point scale.

KPIs – JAN-MAR 2022 (Q2)

Economic Indicators	Jan-Mar 2021 (Q2)	Jan-Mar 2022 (Q2)	% Change
Visitors	391,600	592,900	+51.4%
Direct Expenditures	$127,710,800	$164,335,600	+28.7%
Economic Impact	$201,783,100	$259,650,300	+28.7%
Occupancy	52.7%	63.5%	+20.5%
Room Rates	$83.22	$113.96	+36.9%
RevPAR	$43.86	$72.36	+65.0%
Travel party size	2.8	3.0	
Nights spent	3.7	3.3	
Will return	92%	90%	
Rating of experience	7.9[1]	7.9[1]	

[1]Using a 10-point scale.

KPIs – APR-JUN 2022 (Q3)

Economic Indicators	Apr-Jun 2021 (Q3)	Apr-Jun 2022 (Q3)	% Change
Visitors	520,000	665,900	+28.2%
Direct Expenditures	$156,174,500	$188,602,900	+20.8%
Economic Impact	$246,755,700	$297,992,600	+20.8%
Occupancy	58.3%	63.1%	+8.2%
Room Rates	$100.39	$111.40	+11.0%
RevPAR	$58.53	$70.29	+20.1%
Travel party size	2.4	2.9	
Nights spent	3.3	3.1	
Will return	93%	90%	
Rating of experience	8.0[1]	8.2[1]	

[1]Using a 10-point scale.

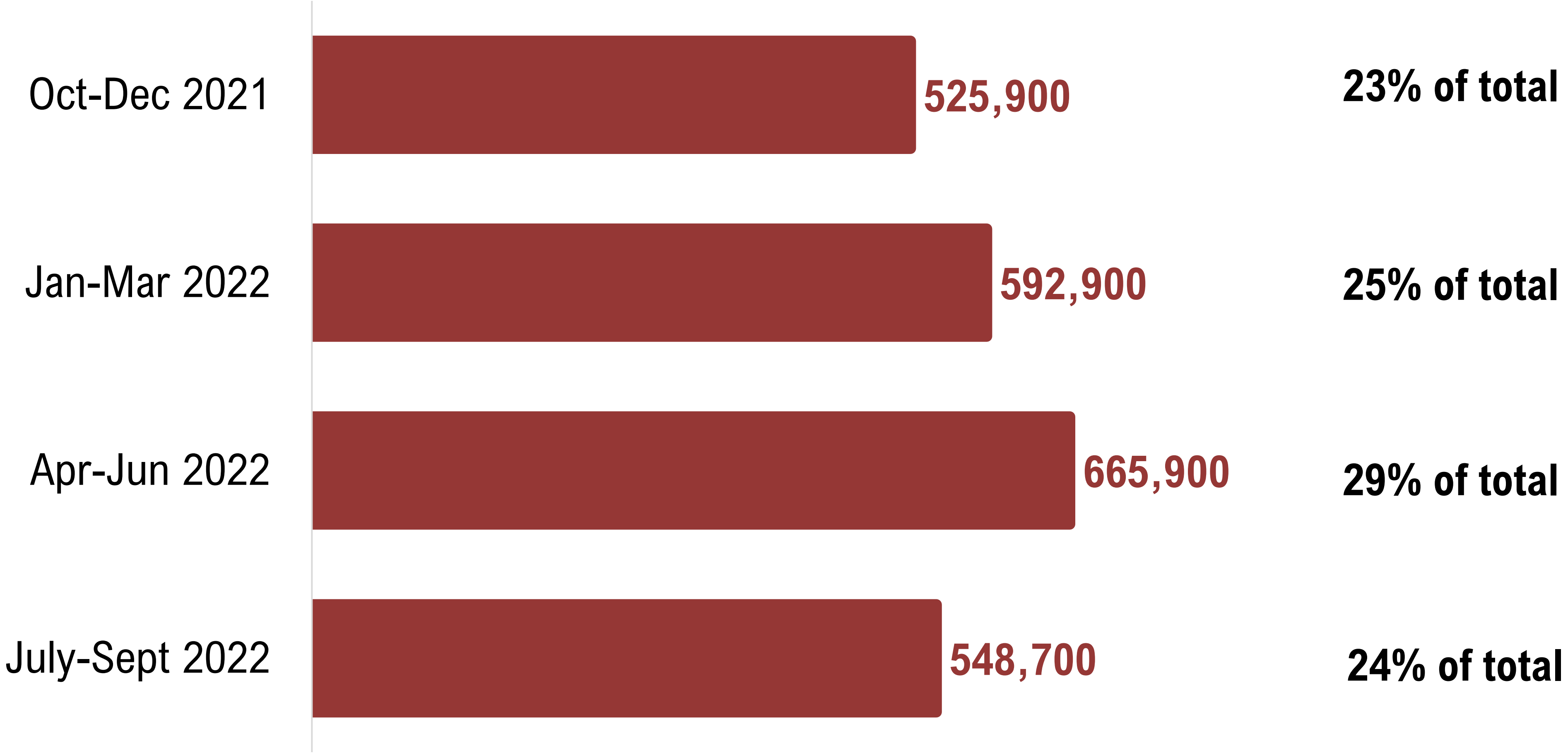
KPIs – JULY-SEPT 2022 (Q4)

Economic Indicators	July-Sept 2021 (Q4)	July-Sept 2022 (Q4)	% Change
Visitors	470,400	548,700	+16.6%
Direct Expenditures	$158,806,900	$189,458,900	+19.3%
Economic Impact	$250,914,900	$299,345,100	+19.3%
Occupancy	58.9%	61.2%	+3.9%
Room Rates	$111.78	$117.88	+5.5%
RevPAR	$65.84	$72.14	+9.6%
Travel party size	2.6	2.9	
Nights spent	3.5	3.2	
Will return	93%	93%	
Rating of experience	8.1[1]	8.3[1]	

[1]Using a 10-point scale.

VISITORS BY QUARTER

Total Visitors: 2,333,400



VISITORS DIRECT SPENDING BY QUARTER

Total Direct Spend: $728,969,400

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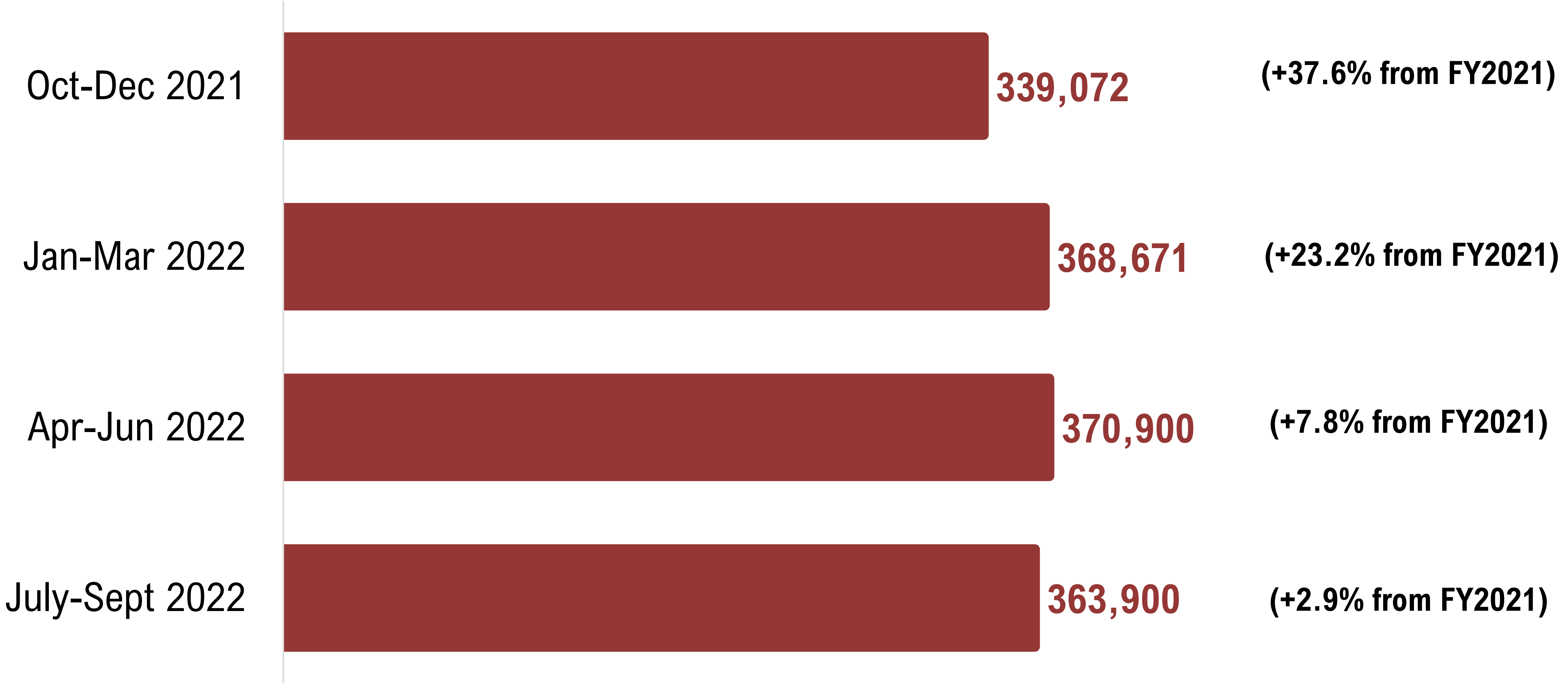
ROOM NIGHTS BY QUARTER

Total Room Nights: 1,442,543



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FISCAL YEAR 2022: VISITOR TRACKING

QUARTERLY COMPARISIONS

Economic Indicators	Oct-Dec 2021 (Q1)	Jan-Mar 2022 (Q2)	Apr-Jun 2022 (Q3)	July-Sept 2022 (Q4)
Visitors*	525,900	592,900	665,900	548,700
Occupancy	57.0%	63.5%	63.1%	61.2%
Median age	44	44	43	42
Median HH income	$94,400	$95,700	$83,300	$95,700
From Southeast**	25%	34%	31%	32%
From Florida	47%	43%	40%	37%
Travel party size	2.9	3.0	2.9	2.9
Drove	78%	76%	76%	78%
Length of stay	3.4	3.3	3.1	3.2
1st time visitor	17%	29%	21%	30%

* Includes day trippers and visitors staying with friends and relatives (VFRs)

** Southeast excluding Florida

QUARTERLY COMPARISIONS

Economic Indicators	Oct-Dec 2021 (Q1)	Jan-Mar 2022 (Q2)	Apr-Jun 2022 (Q3)	July-Sept 2022 (Q4)
Rating of Leon County*	8.2	7.9	8.2	8.3
Likelihood of returning	88%	90%	90%	93%
Spending per travel party	$1,176	$1,115	$936	$1,126
Used VisitTallahassee.com	6%	6%	13%	11%
Used Google	32%	31%	32%	29%
Married	56%	65%	60%	61%
Has college degree	73%	68%	61%	75%

* Using a 10-point scale

FY 2022 REASONS FOR VISITING VS. VISITOR ACTIVITIES

	Reasons for Visiting*		Visitor Activities*
Key Motivations	32%	Visit friends and family	41%
	22%	Business, conf./meeting	24%
	16%	Sporting event - watch	19%
	13%	Family time	29%
	13%	Education - related	17%
	13%	Special event	17%
	12%	Relax and unwind	41%
Trip Enhancers	9%	Sporting event - participate	10%
	7%	Government - related	10%
	5%	Attractions	16%
	4%	Shopping, antiquing	24%
	3%	Nature, environment	18%
	3%	Art galleries, museums	8%
	2%	Performance art show	5%
	2%	Historical sites	8%
	2%	Fishing, golfing, hunting,	6%
	2%	Biking, hiking, running,	9%

*Multiple responses permitted.

LEON COUNTY DIVISION OF TOURISM – VISIT TALLAHASSEE

Economic Impact of Tourism Report
Fiscal Year 2022 (October 2021 – September 2022)

Kerri Post
Executive Director, Leon County Division of Tourism/ Visit Tallahassee
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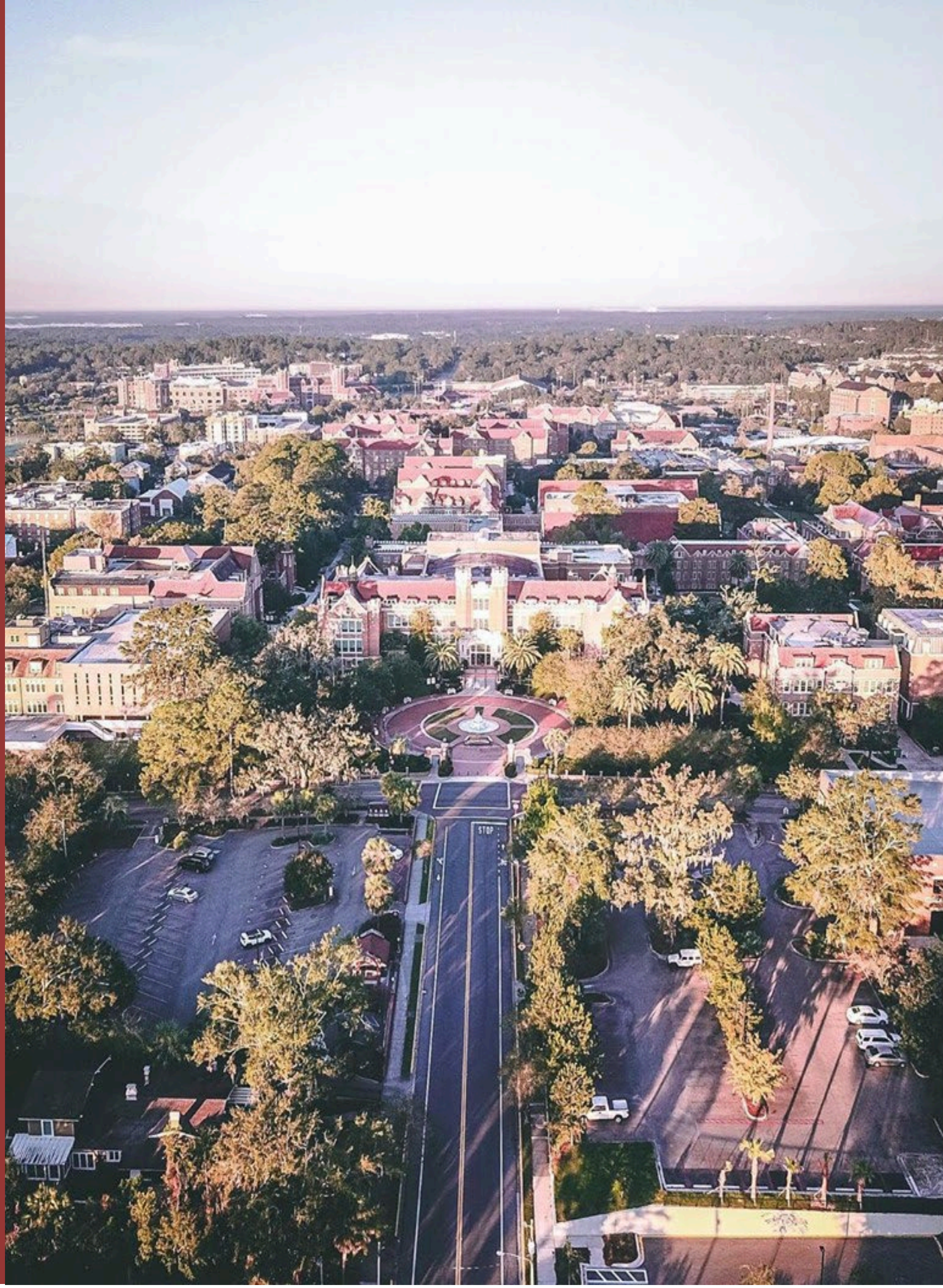

Visit Tallahassee
A Division of Leon County

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RESEARCH

MEMORANDUM

DATE: November 3, 2022

TO: Leon County Tourist Development Council

FROM: Kerri L. Post, Director, Leon County Division of Tourism/Visit Tallahassee

SUBJECT: Meeting Space Inventory and Needs for Groups

As requested at the May 5, 2022 TDC Meeting, this item provides a status update on 1) previous studies conducted on the need for additional meeting space 2) current meeting space inventory, and 3) the need for additional meeting space to accommodate larger groups in the community.

Background:

As the capital city of the third largest state in the United States and home to over 400 associations and two major universities, Leon County/Tallahassee has a great opportunity to attract major meetings and conferences by expanding hotel and meeting venues in the community.

As the research in Table #1 by Downs and St. Germain Research shows, visitors to Tallahassee/Leon County consistently report attending a business conference or meeting as a primary reason for traveling to the capital city. Over the past seven (7) years "Attending a meeting or conference" typically accounts for over 22% of the total visitation each year to Tallahassee, even during the recovery from the prolific cancelations in 2020-21 due to COVID-19.

Table #1: Primary Reason to Visit- Attend a Business Meeting or Conference

Fiscal Year	Oct-Dec Quarter 1	Jan-Mar Quarter 2	Apr-June Quarter 3	July-Sept Quarter 4	Annual Percentage of Visitors
FY 2017	14%	18%	19%	17%	17%
FY 2018	16%	27%	16%	17%	19%
FY 2019	27%	24%	22%	30%	26%
FY 2020	28%	27%	18%	22%	24%
FY 2021	26%	30%	21%	27%	26%
FY 2022	28%	24%	15%	21%	22%

Source: Downs & St. Germain Research, Inc.

Previous Research focused on a FSU Convention Center with Convention Hotel

From 2011-2019, there has been ongoing discussion in the community between Florida State University, Leon County, Community Redevelopment Agency (CRA), Blueprint Intergovernmental Agency, and the Department of Planning, Land Management & Community Enhancement (P.L.A.C.E.) about the need for additional meeting/convention space with adjacent guest rooms.

Those discussions resulted in HVS Convention, Sports & Entertainment Facilities Consulting (HVS) being hired to conduct two studies over the last decade related to a FSU Convention Center and Convention Hotel project (Attachments #1 & 2).

It's important to note that these studies were specific to the FSU Convention Center and Convention Hotel project and did not analyze the overall feasibility and market analysis for additional conference and meeting space in Tallahassee/Leon County. All convention center projects were assumed to be built in conjunction with a full service hotel with additional meeting space.

Table #2: FSU Convention Center Projects

Convention Center Proposal	Total Rentable Space (SF)	Total Facility Size (SF)	Largest Event Space (SF)**	Seating Capacity in Largest Space (Banquet)
HVS Convention Center Feasibility Study 2011	115,000	361,251	25,000	1,670
FSU Madison Mile Convention Center Proposal 2013[1]	50,000	85,000	25,000	2,775
HVS Proposed Convention Center 2019	39,000	88,000	20,000	1,670
FSU Proposed Smaller Convention Center 2019[2]	19,500	N/A	14,500	1,206

[1]Market or feasibility study not conducted on this proposal.
[2]Calculations not provided within a HVS Study. SF numbers are estimated by Meetings.com capacity calculator. Seating capacities do not take in event staging.

The major findings from the HVS Convention Center Feasibility Study in 2011 (Attachment #1) that was funded and reported by the Community Redevelopment Agency (CRA) on October 17, 2011 stated that HVS determined there is a demand for a convention center and headquarters hotel within the city. The analysis found the convention center and hotel would serve both the local demand and attract state and regional conventions, trade shows, and sporting events. Specifically, the HVS analysis recommended a development that consisted of the following:

- A convention center with 100,000 square feet (SF) of multi-purpose hall space. This space can be divided into four 25,000 SF divisions.
- An additional 15,000 SF of flexible meeting space within the convention center. This space can be divided into two room blocks, one 8,000 SF, the other 6,200 SF. The room blocks can be further divided into four equal meeting rooms of 2,000 and 1,550 SF, respectively.
- A 300-guest room, full-service hotel, with 15,000 SF of ballroom space and 12,000 SF flexible meeting space. The ballroom and flexible meeting space can be further divided to meet specific user 's needs.

Discussion about a convention center continued and in 2013, FSU introduced its vision for the Madison Mile, which was later referred to as the Arena District. In 2014, voters approved a referendum that would provide up to $20 million for a convention center project. In June 2018 FSU submitted a letter to the IA board requesting that the convention center project be included in the initial round of funding priorities and then in September 2018, requested that the IA Board approve funding for the construction of the convention center. FSU also restated their intent to build a hotel in the Arena District but delayed the hotel development in anticipation of the forthcoming Blueprint 2020 funding. By the end of September 2018, the IA Board directed Blueprint staff to participate with FSU in the market and feasibility analysis for the hotel and convention center. In addition to commencing the bond financing process for the issuance of up to $20 million toward the convention center (subject to IA's final approval). This led to FSU hiring HVS to conduct an updated convention center study completed in 2019.

In 2019, recommendations from the second HVS study conducted concluded the following details about the convention center (Attachment #2):

- A total of 39,000 SF of total function space including a 20,000 SF ballroom, 10,000 SF junior ballroom, 9,000 SF of flexible meeting space.
- Convention center operations contemplated working in conjunction with existing function space available in the Tucker Center (69,000 SF) and the Turnbull Center (19,976 SF) to provide a total possible assemblage of 127,976 SF of total event space.
- Tallahassee is the only state capital city in the southeastern US without a convention center.
- More than 60% of event planners surveyed would be likely to book an event at the promoted convention center, generating an estimated 109,000 out of town visitors and 90,0000 hotel rooms rights annually. The 900 event planners surveyed represented a variety of market segments including association (51%), sports (24%), Government (24%), Education (19%), and Corporate (15%).
- Tallahassee lags behind in-state competitors, regional venues, and comparable state capitals in available event/meeting space.

When the 2019 HVS Study was released, FSU introduced a smaller sized project in a letter to Blueprint referred to as the FSU Proposed Smaller Convention Center, also outlined in Table #2. FSU Real Estate reported that this smaller sized project could be built with $20M on land donated by FSU and operated by FSU once completed. This was the amount of Blueprint funding that was available. The smaller proposal convention center included 19,500 SF of meeting space overall with a 14,500 SF ballroom with an additional 5,000 SF of flexible meeting space. It is important to note this size convention center does not meet the HVS recommendation. HVS recommended a 20,000 SF ballroom stating that this size ballroom would meet the crucial gap in the available event spaces in Tallahassee and allow the city to compete for state association and regional corporate events.

FSU anticipated employing the services of a third-party event management company, similar to the operational structure of the Tucker Center. FSU stated that there has been success with this model, exceeding operating revenue budget totals, and allowing investment in deferred maintenance and other strategic operational improvements.

As indicated in the two HVS Studies, Tallahassee/Leon County could support a convention center with an adjacent full service hotel. Additionally, if this included a 20,000 SF ballroom, it would meet the crucial gap in the available event spaces in Tallahassee and allow the destination to compete for state association and regional corporate events.

The 2019 HVS Study further concluded that Tallahassee currently lacks the function space and hotel rooms to attract significant association, corporate, and sports events. By all metrics of event space, the city lags behind In-State competitors as identified in the study, (namely Orlando, Tampa, and Jacksonville), regional venues, and comparable State Capitals. Event planners typically point to the lack of available and quality event space and an inadequate hotel features as their reasons for not booking events in Tallahassee. However, Tallahassee's connection to the state legislature, university presence, cultural amenities, and growing hotel room supply indicated potential for growth in the conventions and events market.

Analysis

Tallahassee has over 60 hotels. Supporting the 2019 HVS findings, many of the area's hotels are limited or select service properties, offering hotel rooms only. Nearly half of the area hotels have some form of meeting space, from a single board room to ballrooms and breakout meetings space, but are underdeveloped across the board. With limited meeting rooms, many hotels must use non-traditional gathering spaces within the hotel to accommodate a meeting group such as using a hotel restaurant, club, or pool deck for lunch service.

Tallahassee's 45 off-site venues with meeting capabilities are located throughout the city and none offer attached guest rooms. These venues are primarily used by local groups and most do not have onsite catering required by multi-day meeting and conference groups.

Tallahassee has eight (8) hotels that are considered full-service (Table #3). A full-service hotel is typically preferred by meeting groups because they offer guest rooms, meeting space, restaurants and food outlet all under one roof with of other services that often include valet, bell service, and room service as noted in the table.

In the last 2-3 years, Tallahassee gained two full-service hotels. The AC Hotel by Marriott Tallahassee Universities (AC Hotel) at the Capitol located along Cascades Park and Hotel Indigo in Collegetown. Based on the conclusion from the 2019 HVS Proposed Convention Center Market Study, these new hotels still do not allow Tallahassee to be competitive for conventions because they lack appropriately sized function space and number of guest rooms. The amount or ratio of meeting space to guest rooms is an important factor for groups that require meeting space and sleeping rooms for their events. HVS stated that in competing destinations in the state, region, and other state capital cities the average ratio of meeting space to adjacent guest rooms is reported as 177 square feet per room for in-state competitors, 375 square feet for the regional competitors, and 364 square feet for the state capitals.

Table #3: Full-Service Hotels with Ratio of Meetings Space to Guest Rooms[1]

Full-Service Hotel	Ratio of Meeting Space SF to Guest Rooms	Guest Rooms	Total Meeting Space (SF)	Largest Meeting Room (SF)
AC by Marriott Tallahassee	**54**	154	8,400*	5,400
Hotel Duval, Autograph Collection	**54**	117	6,350*	2,700
Four Points by Sheraton Tallahassee Downtown	**46**	164	7,568	2,541
DoubleTree by Hilton Hotel Tallahassee	**41**	242	10,000*	3,508
Holiday Inn Tallahassee East Capitol-Universities	**26**	103	2,750	2,750
Hotel Indigo Tallahassee CollegeTown	**16**	143	2,275	1,886
Wyndham Garden Tallahassee Capitol	**11**	148	1,650	1,650
Holiday Inn & Suites Tallahassee Conference Center North	**10**	132	1,302	1,302

[1]Data provided by Leon County Tourism/Visit Tallahassee

*Includes pre-function space, restaurants, and bars.

** As stated in the 2019 HVS Study the average ratio of meeting space per sleeping room for competing destinations was 177 SF within the in the state, 375 SF regionally, and 364 SF compared to other state capitals.

The AC Hotel now has the largest hotel ballroom (5,400 SF) in the community and the hotel overall has 8,400 SF of total meeting space. With 154 guest rooms this is 54 SF of meeting space per guest room, which gives the AC Hotel the highest SF per guest room ratio in the community. However, the state average in 2019 was 177 SF per guest room. Even at 54 SF per guest room the AC Hotel is less than a third of the state average of meeting space per guest room. Additionally, all other hotels in Tallahassee lag even further behind state and regional competitors in meeting space ratios to guest rooms by a significate margin as shown in Table #3.

While the ballroom space at the AC Hotel does allow Tallahassee to host some larger events, there is still a need for more breakout space to support education sessions and meals when hosting a meeting or convention. With 154 guest rooms, meeting groups larger than 75-100 people would need to utilize an overflow hotel for the additional guest rooms because it is extremely rare for hotels to contract more than 50% of the hotel's guest rooms for a single group. Additionally, there are no hotel properties within reasonable walking distance and out of town meeting attendees typically would not expect to drive while attending a multi-day meeting or conference.

With the addition of Parkview at Cascades meeting space, the AC Hotel is able to expand the meetings space offerings for some groups due to the close proximity of the hotel meeting rooms and Parkview. Parkview at Cascades was built to support the back of house functions at the Capital City/Adderly

Amphitheater with Tourist Development Tax dollars and CRA funding. The space is now owned and operated by the City of Tallahassee, Parkview has a 3,200 SF ballroom, board room, and other event space. While both Parkview and the AC Hotel are in high demand, the lack of additional suitable guest rooms nearby remains. The meeting attendees utilizing guest rooms at the overflow hotels will also require parking and/or bus transportation in the Cascades Park area. There is a parking garage with 250 public spots and additional after hour parking is available at state offices garages, but not ideal.

Venues with Conference Capabilities

The 2019 HVS Study provided an overview with the venues with conference capabilities in Tallahassee including the Donald L. Tucker Civic Center (Tucker Center) and Florida State University Turnbull Conference Center (Turnbull Center) and described the current challenges of each. While there are hotels nearby, none are attached to the venues or offer full service amenities typically preferred by meetings and convention attendees. (Attachment #2, p. 2-11)

Table #4 Venues with Conference Capabilities[1]

Meeting & Convention Venues-Conference Capability	TOTAL MEETING SPACE (SF)	Largest Meeting Room (SF)	Attached Hotel Rooms
Donald L. Tucker Civic Center at Florida State University	54,000	34,000	0
FSU Turnbull Conference Center	35,000	5,083	0
Dunlap Champions Club	34,247	20,000	0

[1]Data provided by Leon County Tourism/Visit Tallahassee (includes pre-function space).

At the time of the HVS Study, the Dunlap Champions Club was not completed. The Champions Club has a significate amount of meeting space however there are not any attached hotels and the event space was built with FSU University and Booster events in mind and suited for single day meetings and social events. Just like the Champions Club, the Tucker Center and Turnbull Center have its own primary University function.

- The Tucker Center is a multipurpose convention and entertainment facility with a 34,000 SF exhibition hall that can host various events including trade shows, large meal functions, themed parties, and meetings with seating up to 5,000. Additionally, the 18,000 SF arena floor that can accommodate a 1,000-person banquet the 13,800-seat arena is primarily used for Florida State University athletic programs, such as the university's basketball teams, as well playing host to concerts, family shows, and other entertainment events. The exhibit hall use is limited by columns that impede open floor space and divisibility, rendering it inadequate for many meeting planners. Six rooms contain 16,000 square feet of substandard meeting space with limited access due to FSU basketball and other University events.
- Turnbull Conference Center is ideal for smaller academic conferences, business meetings, and corporate seminars with 19,900 SF of meeting space that includes eight meeting rooms,

and a 4,800 SF dining room. Some challenges with this venue is that there are not any air walls for flexible meeting sizes or a full catering kitchen.

- Dunlap Champions Club has over 34,000 SF of event space surrounding Doak Campbell Stadium with the largest event space being 20,000 SF. While this space is ideal for game day, social and FSU Booster events utilizing the venue for multiday meetings has some challenges including the meeting space being spread out over multiple floors and the largest meeting room being rectangular shaped, not allowing a clear line of vision for presentations or banquets for all attendees, when using the entire 20,000 SF.

Fulfilling Meeting Space Requests & Challenges

The two HVS studies clearly indicate Tallahassee lacks appropriately sized meeting space with attached guest rooms to be competitive in the state, region, and comparable state capitals for meeting and group business. However, the process of booking a group is not about meeting space alone. Groups are looking for a destination that provides the services and experiences the attendees desire such as quality hotel options, dining, entertainment, and ease of access via highway and air all in close proximity. It is common that a meeting planner will send out a request for proposal (RFP) to a destination marketing organization (DMO) such as, Leon County Tourism/Visit Tallahassee and to area hotels with the list of the specific needs of the group; i.e. preferred dates, amount of meetings space, specific meeting room set up, number of guest rooms, and a variety of other important factors such as proximity to restaurants and entertainment for attendees. Once an RFP is received by Leon County Tourism, the Sales team determines if Tallahassee has a hotel or venue that can accommodate the RFP needs and available dates.

If a group is too large for one hotel, then options and alternatives are discussed. This could include using multiple hotels or larger meeting venues such as the Tucker Center, Turnbull Conference Center or Dunlap Champions Club, however these venues are designed to support the University, therefore their primary mission is not for utilization of outside businesses or groups. Contracting with multiple hotels and meetings venues adds logistical challenges. Many meeting groups do not have the interest or flexibility to utilize multiple venues so they eliminate Tallahassee from consideration.

Other groups can be more flexible and make modifications to the meeting program to utilize additional meeting site in order to hold a meeting or conference in Tallahassee. Modification may include reducing the number of attendees, having less break outs, utilizing the general session room for meals, using motorcoaches, and using multiple venues that have additional costs. Many times the Destination Marketing Organizations (DMO) such as Leon County Tourism/Visit Tallahassee are asked to offset some of these costs in order to book the event. A recent example of this was the FAMU National Alumni Association who hosted their convention in Tallahassee in June 2022. Tallahassee welcomed 225 FAMU Alumni members who utilized two hotels as well as venues on FAMU Campus. It was the desire of the group to use meeting venues on campus, therefore motor coaches were necessary to transport convention attendees at a cost of over $10,000. The Division of Tourism anticipates supporting large meetings and groups in the destination and annually allocates funding to provide these support services.

Two recently proposed Full-Service Hotel Projects

There are two proposed full-service hotel projects that could add much needed meeting space to Tallahassee however neither hotel is actively under construction or proposed to have a 20,000 SF ballroom which HVS's research indicated to be the size ballroom to allow Tallahassee to compete for state association meetings and regional conferences, and corporate events.

The Washington Square mixed-use project (S. Calhoun & E. Jefferson St.) which was projected to have 14,000-18,000 SF of meeting and event space and 270 guest rooms. The construction on this hotel started in August 2018 but stalled in December 2019 and the initial hotel investors have left the project leaving an abandoned construction site. In February 2022 the CRA voted to allow the developer to have two additional years to complete construction if they fulfill the following caveats by September 1, 2022 for the extension; all fines will be paid, proof of financing will be provided to the CRA, and construction has resumed and not just stabilization of the construction site. To date the developer has not met the majority of these caveats that they agreed to for the extension and it is anticipated CRA staff will soon bring an agenda item forward with recommendations on the next steps for the CRA board to consider. At this time, staff is not optimistic this project will be completed as envisioned.

More encouraging is the proposed full-service hotel project by the Valencia Development Corporation (Attachment #3). Two downtown parcels are under contract to purchase from the City and Valencia is currently conducting the due diligence work, which must be completed by April 2023 for the sale to occur. HVS met with Leon County Tourism/Visit Tallahassee in April 2022 as part of a market study for the proposed 225-room hotel and reported that the information has been submitted to the Valencia Development Corporation for review.

The Valencia Development Corporation project included one full-service hotel (Hotel Valencia Tallahassee) and a second overflow hotel (Courts Hotel) with a total of 400 sleeping rooms. The parcels are located at the corner of Duval and Gaines Street and once completed would be the closest combined and largest hotels to the Capitol, State Court House and close to other state office buildings.

Hotel Valencia Tallahassee (Phase I)

- Full-service luxury hotel
- 220 sleeping rooms
- A 10,000-12,000 SF grand ballrooms appropriate in size to service 400 sleeping rooms
- Breakout meeting spaces for both hotel conferences and community associations and groups.
- Two restaurants including a rooftop bar/restaurant
- Resort style swimming pool with cabanas and a pool bar
- Room service, valet parking, fitness center and other services and amenities necessary for a luxury hotel.

Courts Hotel (Phase II)

- Full-service hotel centered around a large courtyard a with a pool, fireplaces and/or pits extensive landscaping, and live music several times a week.
- 180 sleeping rooms
- Overflow to Hotel Valencia Tallahassee

Hotel Valencia and Courts Hotels are much smaller in scope compared to the proposed FSU Convention Center and hotel project. However, it would accommodate many of the meeting groups needs in Tallahassee/Leon County that are not being met. Currently the largest ballroom is 5,400 SF at the AC Hotel and once completed, as proposed the Hotel Valencia's ballroom would be twice the size (up to 12,000 SF) of Tallahassee's current largest hotel ballroom.

Staff Recommendations

In the short term, in order to identify and explore possible community-focused solutions to address the lack of meeting spaces and adjacent guest rooms in the community, staff recommends:

1.) Create an ad hoc stakeholder group (hotels, meeting planners, association executives, etc.) that would provide strategic insight and assess opportunities to inform the continued dialog and ultimately initiate recommendations towards Tallahassee/Leon County becoming a competitive meeting destination within the state and region. The ad hoc members would be stakeholders identified and led by Leon County Tourism staff to support the following tasks:

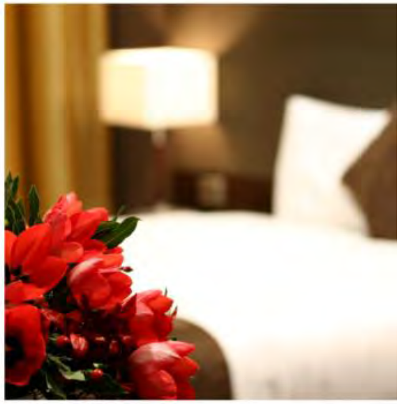
- Meet with OEV to explore identifying specialized information/materials needed to attract hotel investors and future meeting space development; facilitate on-going dialog with other related County/City departments (Planning, GIS, etc.) and community stakeholders including chambers of commerce, universities/colleges, etc. to analyze existing or growing areas of the community that could support a "meeting district" (i.e. Valencia Hotel project, Cascades Park, and Railroad Avenue).
- For the long term, additional discussions and considerations may include the consideration a potential independent market feasibility study jointly funded by several industry stakeholders to assess the meeting space development opportunity throughout the destination and/or exploring the potential feasibility of a special taxing district for downtown hotels to support the meetings markets, similar to programs in Jacksonville and Tampa.

2.) Request an update/presentation from FSU to the TDC on the proposed or planned developments in the Arena District, including the proposed FSU Hotel project, and any contemplated enhancements to campus meeting venues (including the Student Union, and the Tucker Center, Turnbull Center and Champions Club), and other proposed FSU potential projects with meeting space. Also consider a request from FAMU for an update/presentation on their campus master plan which at one point included a hotel.

Attachments:

1. Market Feasibility Report on the Proposed Convention Center Project, May 17, 2019 by HVS Convention, Sport & Entertainment Facilities Consulting (HVS)
2. Conference Center and Headquarter Hotel Market and Feasibility Analysis, October 17, 2011 by HVS Convention, Sport & Entertainment Facilities Consulting (HVS)
3. Proposed Valencia Hotels and July 7, 2021 City Commission Agenda Item

**FY22 Meetings Planner Guide will be distributed with the 11/3/22 TDC Meeting Notebooks*



Proposed Tallahassee Convention Center and Headquarter Hotel

Market and Feasibility Study

October 17, 2011

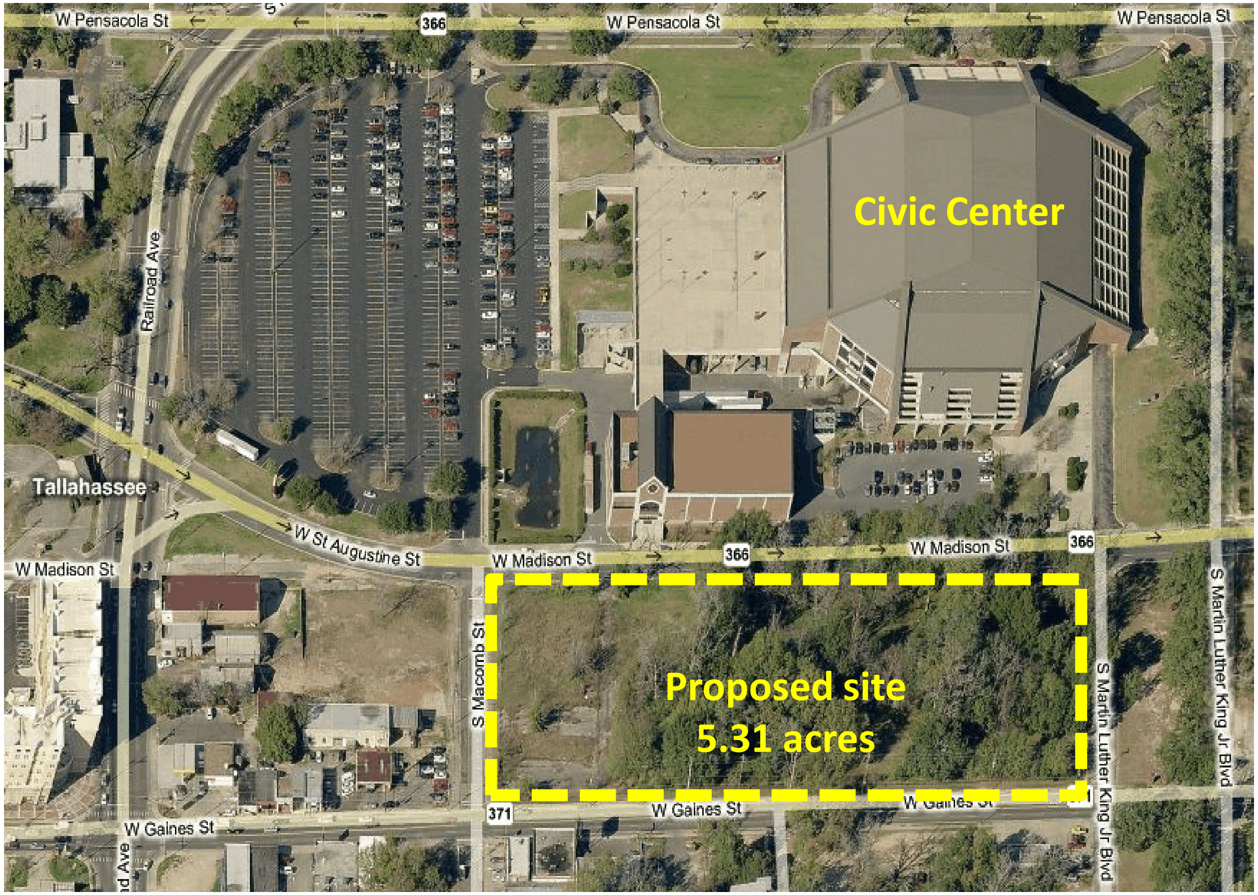
Presentation agenda

- Project Overview
- Proposed Project Site
- Survey Methodology and Results
- Convention Center Analysis and Recommendations
  - Comparable Venue Analysis
  - Recommended Program
  - Demand and Financial Projections
- Hotel Analysis and Recommendations
  - Local Supply and Demand
  - Occupancy, ADR, and Financial Projections
- Economic and Fiscal Impacts
- Approach to Operation and Financing
- Questions/Discussion

Project overview

- Scope of Study
  - Convention Center Market Study
  - Comprehensive User Survey
  - Hotel Market Study
  - Site Analysis
  - Building Program Recommendations
  - Forecast of Financial Operations for Hotel and Convention Center
  - Economic Impact Analysis
  - Approach to Financing
- Recommendations for Next Steps

Proposed project site



HVS

Event Planner Surveys

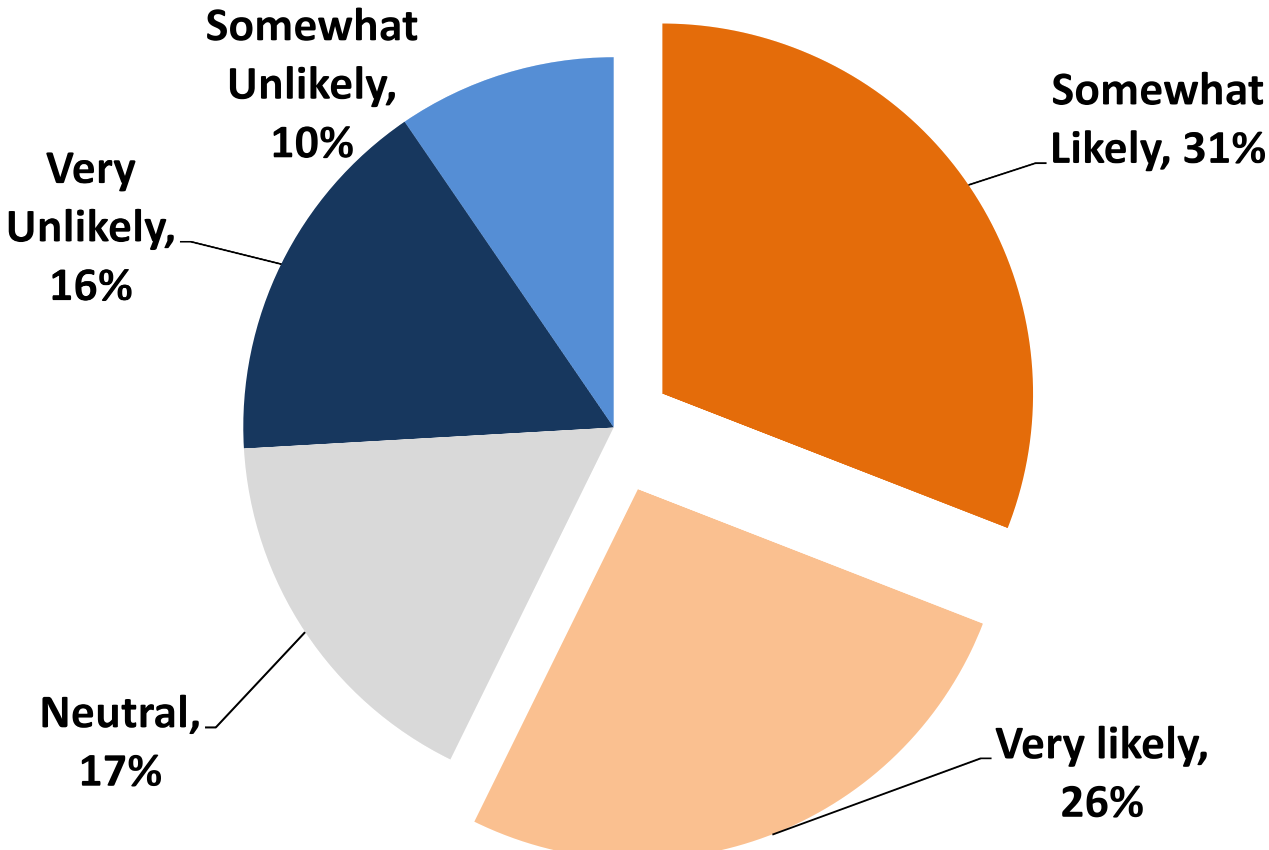
Survey methodology

- Survey sample of 1,882 event planners sent online survey
  - Florida Association of Association Executives
  - Tallahassee Society of Association Executives
  - Visit Tallahassee contact list
  - National Association of Sports Commissions
- Online survey produced 51 complete responses
- Telephone survey of 699 randomly selected from those who did not respond to online survey
- 187 surveys completed by telephone follow-up
- Of the 238 total responses, 18 were removed as outliers or because of incomplete data
- 220 total responses used in the analysis

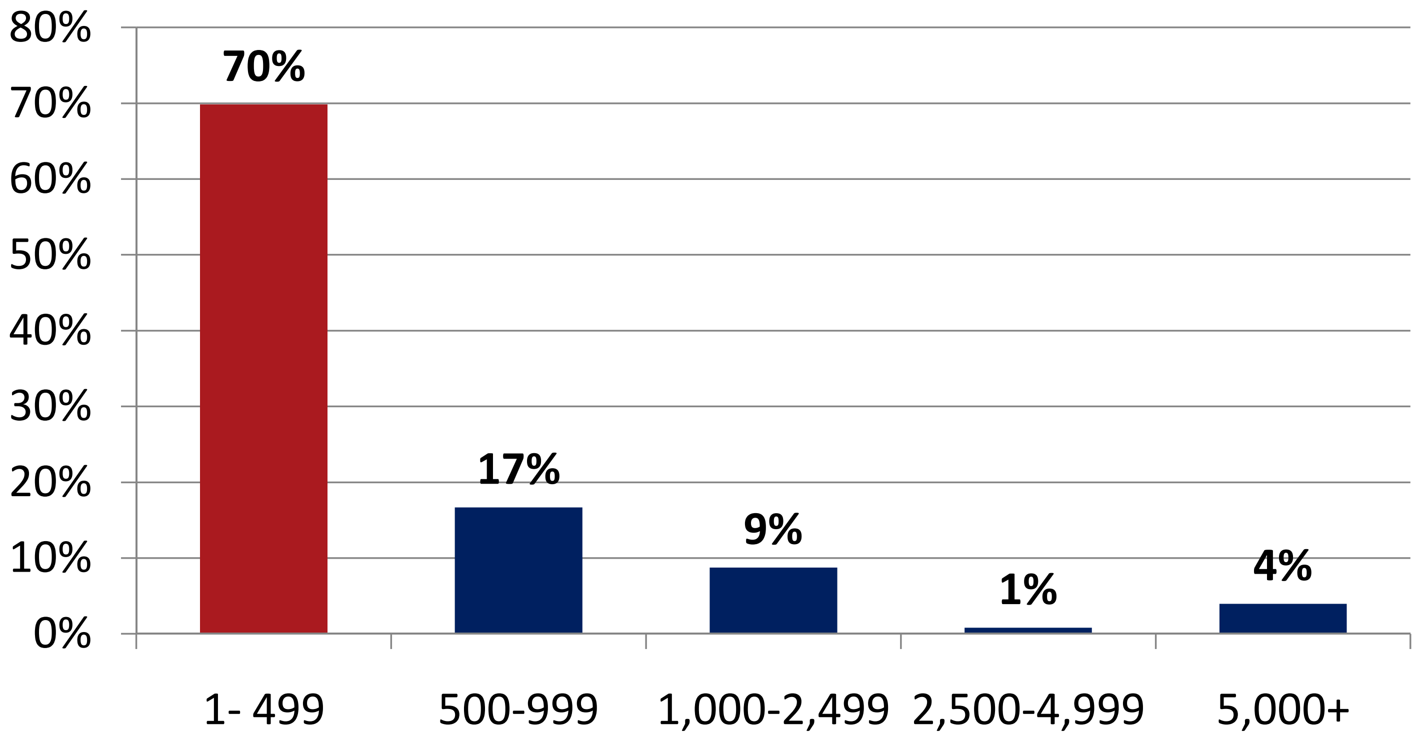
Primary survey conclusions

- Key strength for Tallahassee is its status as the State capital
- Significant event planner interest in rotating their event to Tallahassee
- Lack of facilities are a significant barrier to meeting the demand of interested meeting planners
- Other key weaknesses would remain even if a new convention center and hotel were built
  - Location in state
  - Poor air access
  - Lack of overall destination appeal
- Drive-in business potential for southeast regional events
- Primary business has fewer than 500 attendees

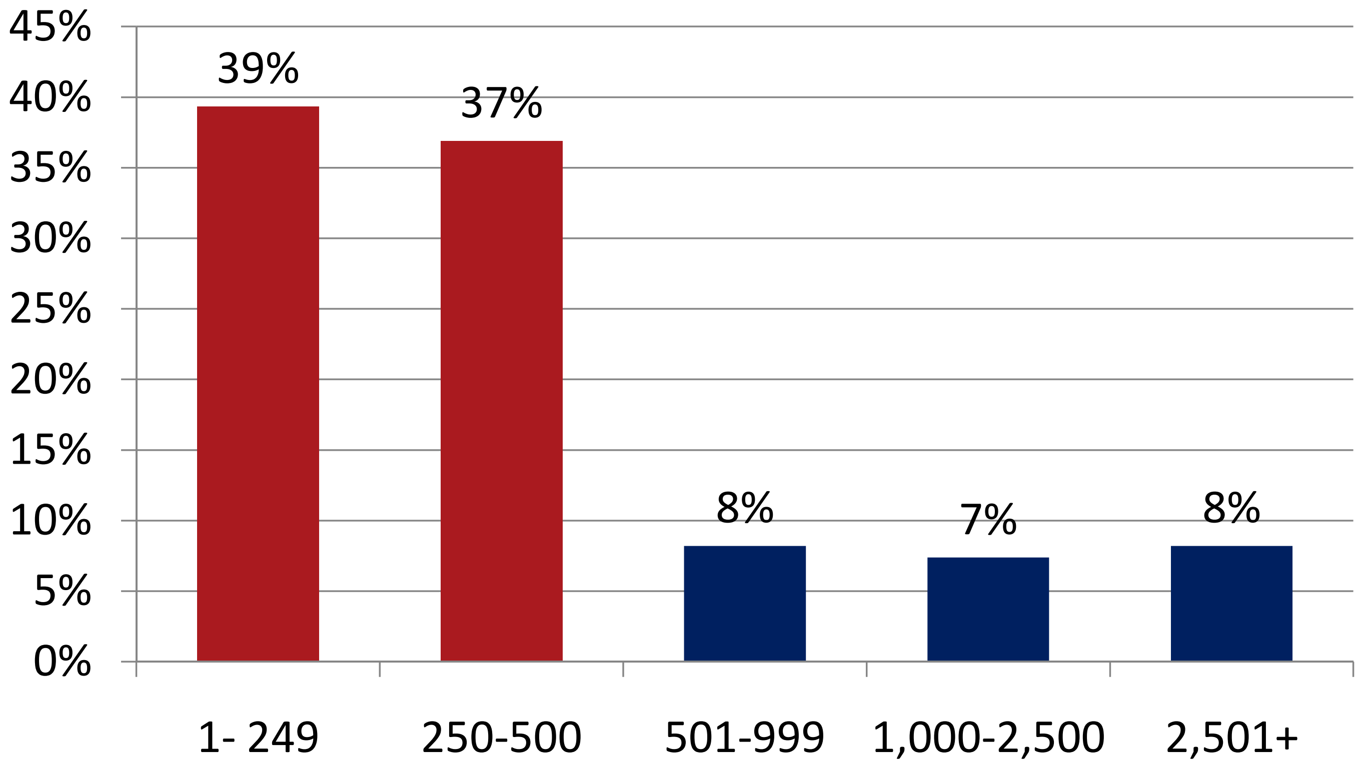
57% of event planners have interest in holding an event in Tallahassee



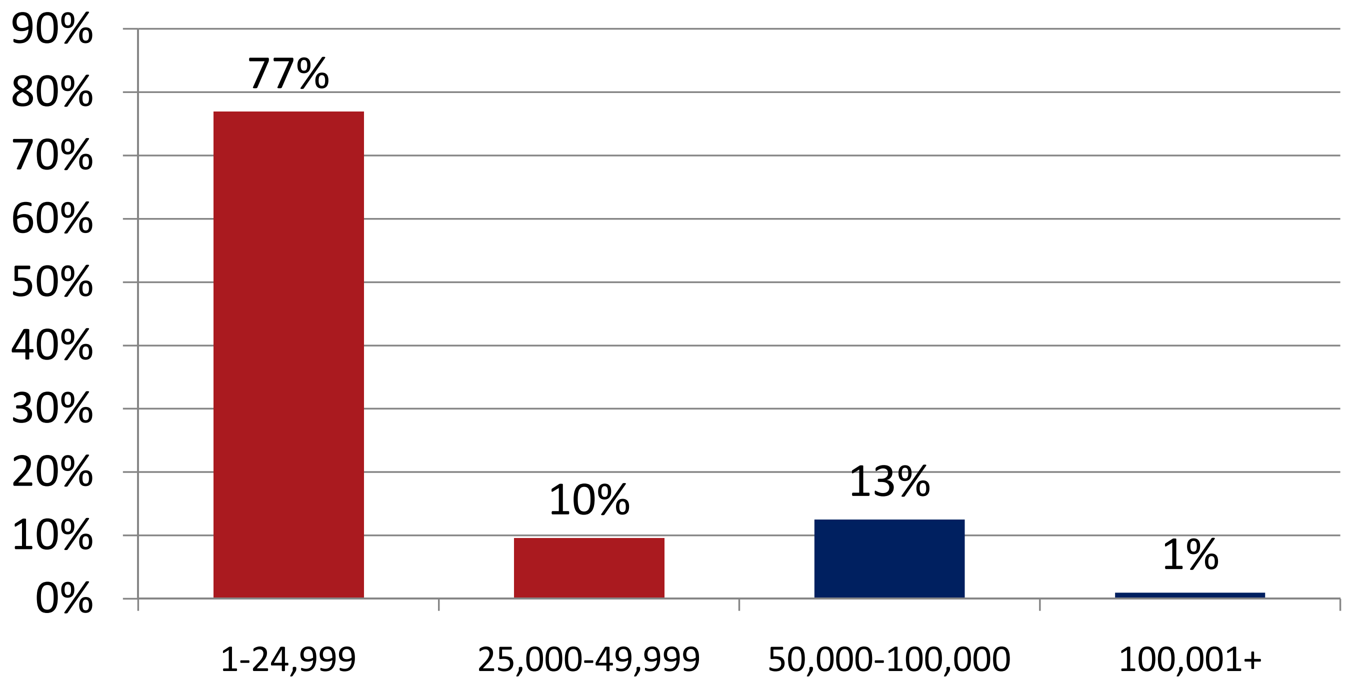
70% of event planners likely to host an event in Tallahassee would have fewer than 500 attendees



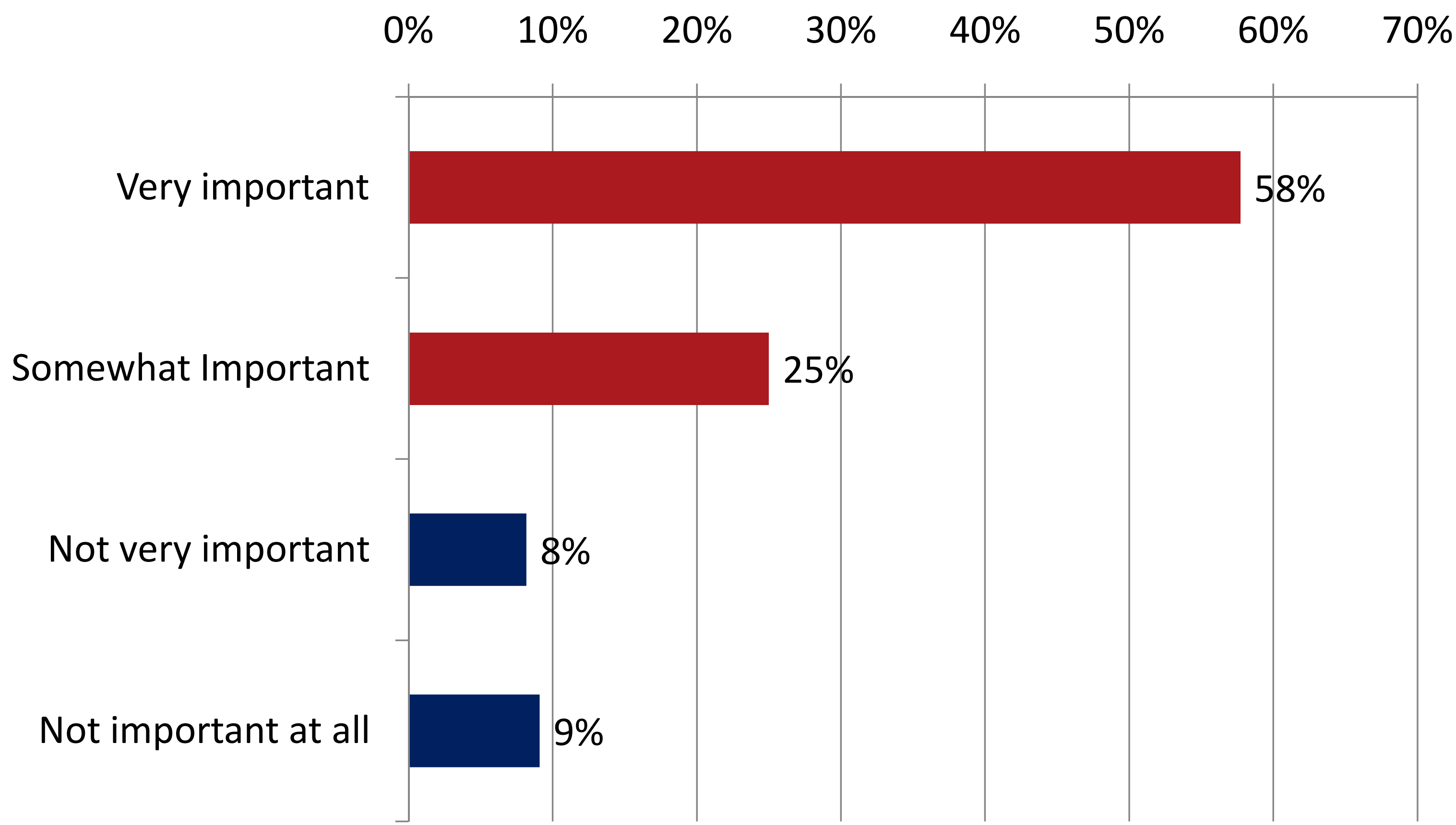
Banquet capacity – 76% of interested event planners require fewer than 500 seats



87% of interested event planners require less than 50,000 sf of exhibit space



A headquarters hotel is important or highly important to 83% of event planners



Comparable Venue Analysis

- *Existing Tallahassee meeting supply*
- *Florida competitors*
- *Regional competitors*
- *Other venues in state capitals that offer exhibit, ballroom, and meeting space and would be comparable to the proposed convention center.*

Primary lessons of comparable venue analysis

- Tallahassee lags far behind the competition in availability of exhibit, ballroom, and meeting space
- Lack of a full-service headquarters hotel and overall lack of proximate hotel room supply make it difficult for Tallahassee to compete
- Regional competitors provide the best examples of appropriate building programs
- Air access and lack of business presence will limit the types of events that Tallahassee can attract
- Cost and status as the state capital are the most significant marketing advantages

Currently Tallahassee has limited exhibit and meeting options

- Tallahassee-Leon Civic Center is the primary exhibit / convention venue
  - 13,800-seat arena
  - 35,000 square foot exhibit hall
  - 16,000 square feet of meeting space
- Turnbull Conference Center is suitable for smaller conferences and meetings
  - 47,000 square feet of meeting/conference space
- Other facilities available for stand-alone meetings and banquets
  - Ruby Diamond Auditorium (FSU)
  - Dale Mabry Conference Center (airport)
  - Hotels, museums, university, and government facilities

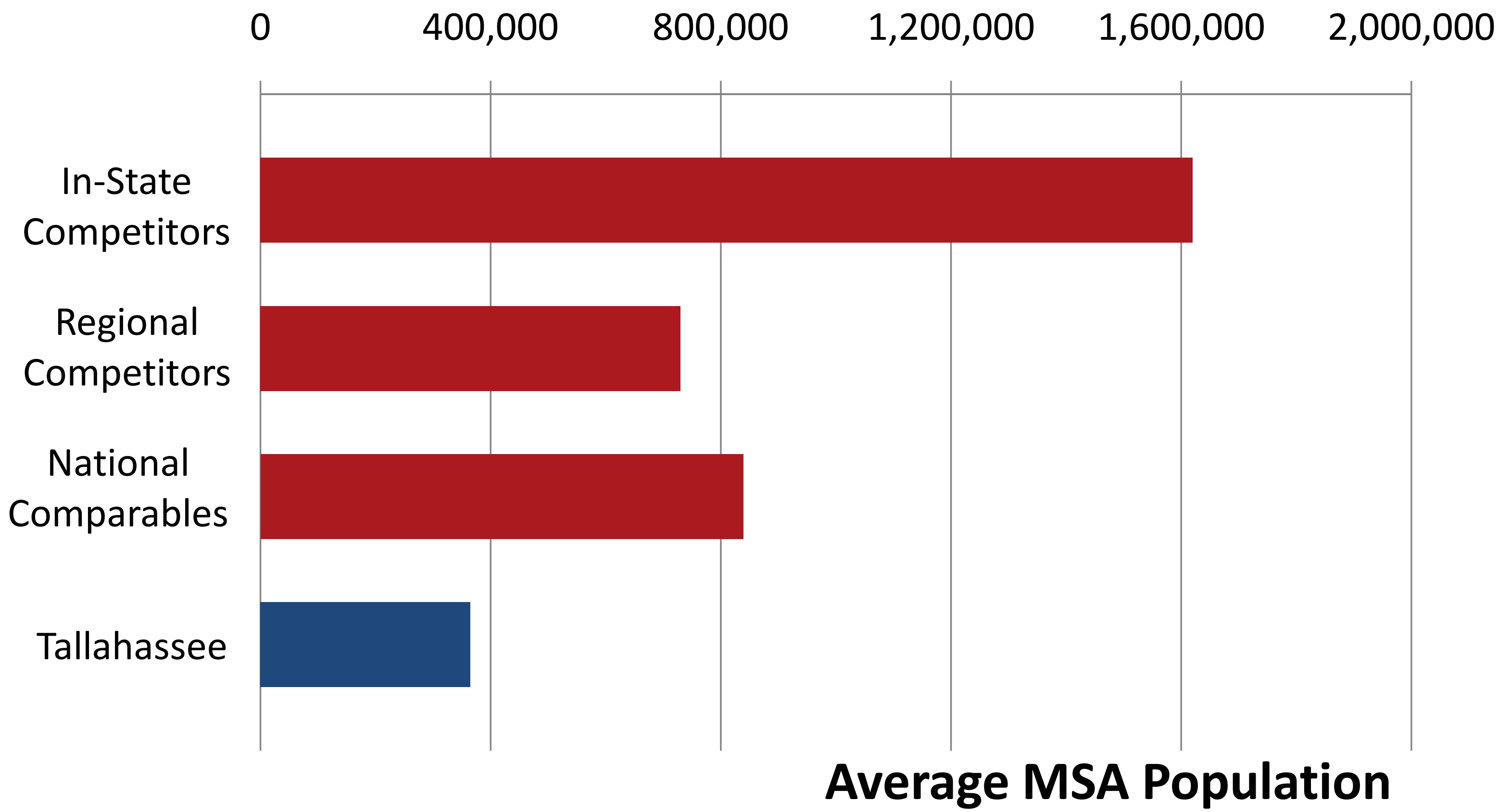
Broad range of exhibit space offered in other Florida cities

Competitive State Venues	sf	# halls
Miami Beach Convention Center	502,848	31
Tampa Convention Center	200,000	3
Broward County Convention Center (Ft. Lauderdale)	199,526	4
Ocean Center (Daytona Beach)	167,760	2
Palm Beach County Convention Center	99,300	2
Sarasota Bradenton Convention Center	93,000	2
Prime Osborn Convention Center (Jacksonville)	78,540	2
Manatee Civic and Convention Center (Palmetto)	32,400	2
James L. Knight Center (Miami)	28,000	3
Lakeland Center	27,848	2
Average	142,922	5
Median	**96,150**	**2**

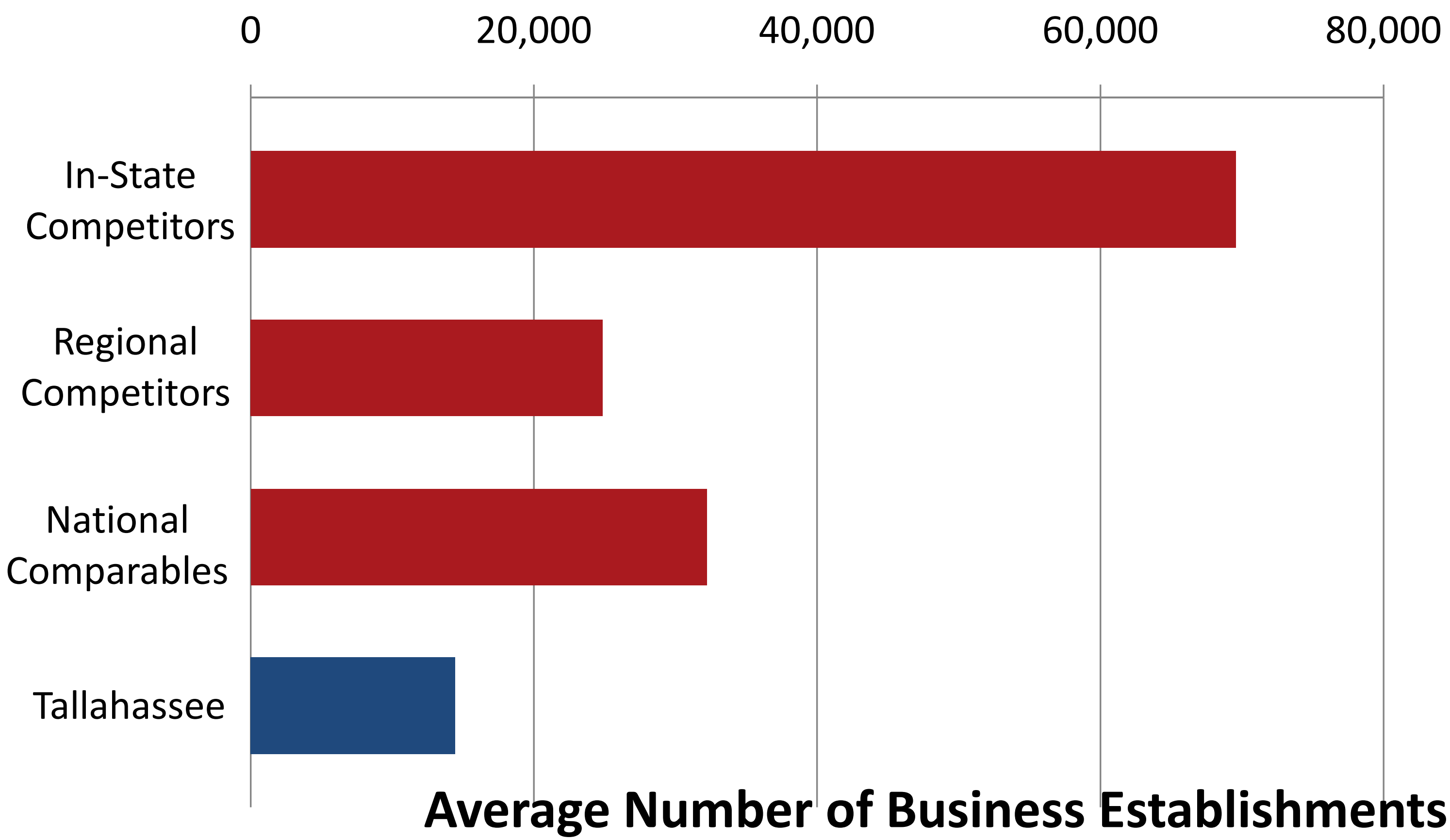
Regional venues offer a median of 100,000 SF of exhibit space

Competitive Regional Venues	sf	# halls
Charlotte Convention Center	280,000	4
Birmingham-Jefferson Convention Complex	220,000	7
Virginia Beach Convention Center	150,012	4
Von Braun Center (Huntsville, AL)	106,800	5
Myrtle Beach Convention Center	100,800	3
Baton Rouge River Center	100,000	3
Mobile Convention Center	100,000	2
Savannah International Trade & Convention Center	97,750	2
Shreveport Convention Center	95,000	3
Charleston (SC) Area Convention Center	76,960	3
Jackson (MS) Convention Complex	60,000	2
Average	126,120	3
Median	**100,400**	**3**

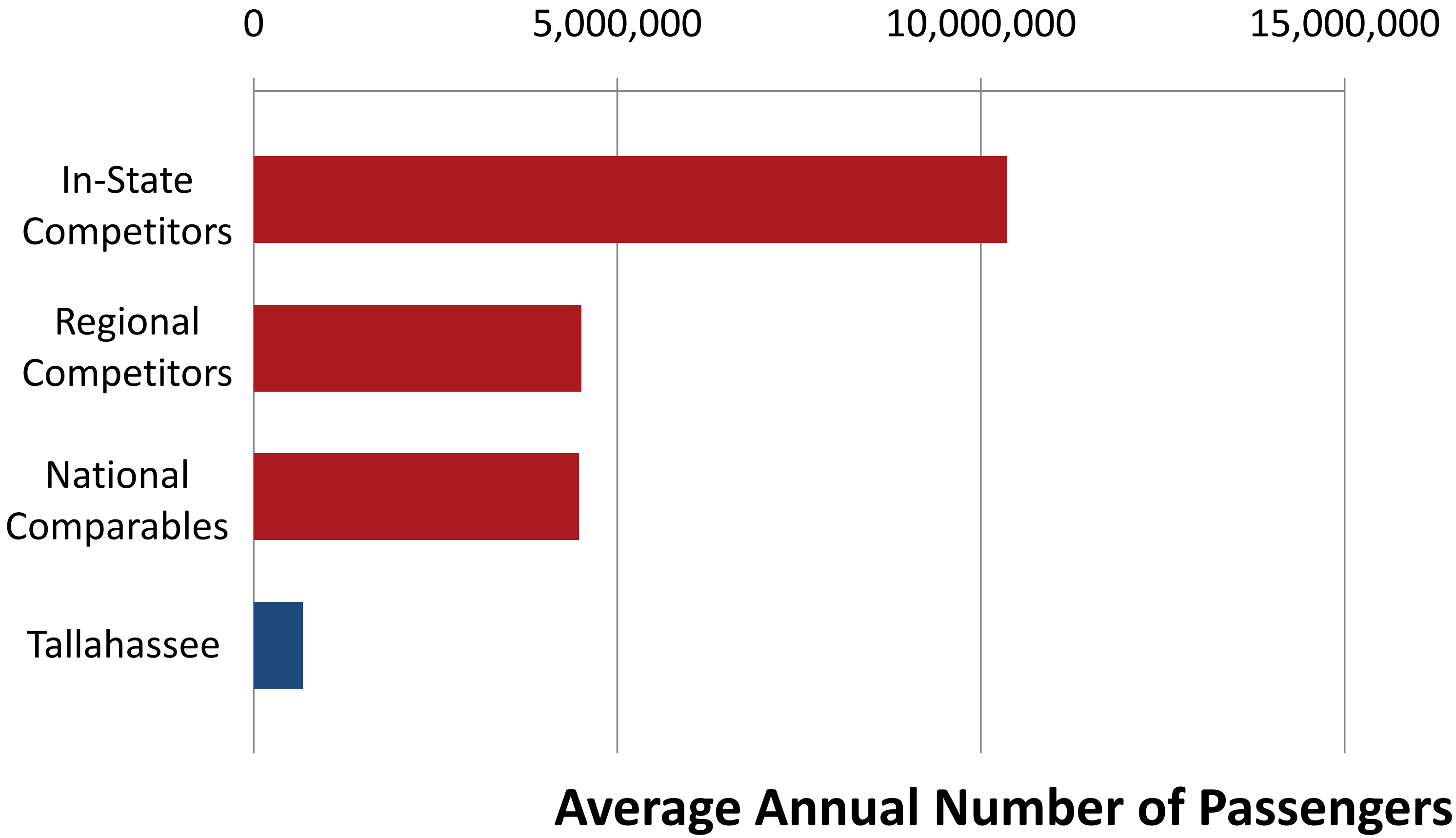
Tallahassee has a smaller population than most of its competitors



Tallahassee has a relatively small business base from which to draw demand



Tallahassee's low total passenger volumes indicate limited direct access to national destinations



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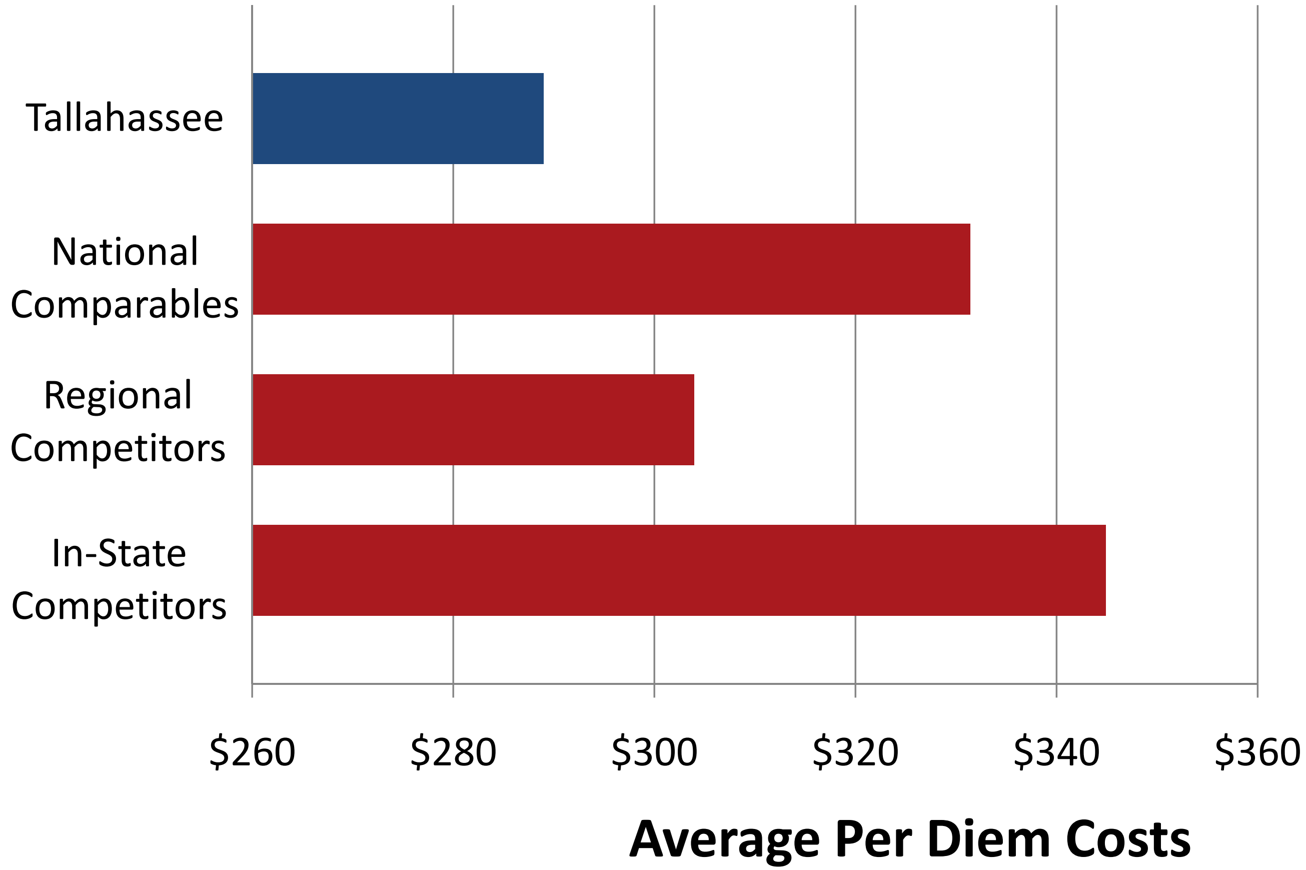
Visitors to Tallahassee enjoy lower costs for hotels, food & beverage, and car rental



Building Program Recommendations

Key assumptions

- The proposed Tallahassee Convention Center ("TCC") and headquarter hotel would serve local demand for civic and sporting events and attract state and regional conventions, trade shows and regional sporting events.
- The Civic Center would continue as an independent operation in its current location as the main civic arena for the Tallahassee area.
- The proximity of the Civic Center to the proposed TCC site would allow for coordinated efforts to book larger events which could utilize both venues.
- The proposed headquarters hotel would independently operate the meeting and ballroom areas contained within the hotel footprint. Booking policy would allow Visit Tallahassee and TCC staff long range booking access to these areas for major conventions, trade shows, and other high impact events.
- TCC would open in January 2016 with demand stabilizing in 2020.

Recommended functional areas for the convention center and hotel

- Tallahassee Convention Center
  - 100,000 square foot multi-purpose hall, divisible into 4 sections
  - 15,000 square feet of flexible meeting space in 2 meeting room blocks
- Headquarters Hotel
  - 300 guest rooms
  - 15,000 square foot ballroom divisible into 4 main and 10 sub-divisions
  - 12,000 square feet of flexible meeting space in 2 meeting room blocks

Demand and Financial Projections

Demand projections methodology

Demand projections based on the following:

- The recommended facility program,
- User surveys,
- Industry data and trends reports,
- Key market and economic indicators,
- Comparable venue program and operating data,
- Existing state and regional competitive venues,
- Interviews with government official and other stakeholders, and
- Interviews with representatives from Visit Tallahassee

Convention center demand projections in a stabilized year of demand

Type of Event	
Conventions & Tradeshows	8
Consumer Shows	24
Banquets	30
Meetings & Conferences	60
Assemblies	5
Sports	12
Concerts & Entertainment	4
Other	12
Total	**155**

Sports demand

- Visit Tallahassee with the efforts of the Tallahassee Sports Council booked nearly 100 events in 2009-10, bringing close to 20,000 room nights to Tallahassee.
- Leon County Facility Needs Assessment prepared by the Florida Sports Foundation (March 2011) identifies need for 72,000 square feet of multi-purpose indoor space.
- The 100,000 square foot multi-purpose hall could serve this need and be an ideal location for hosting indoor sports competitions and tournaments.
- Proximity of Civic Center and FSU facilities a positive for attracting larger, higher impact events
- TCC stabilized demand projections reflect use of multi-purpose hall for 12 youth and/or collegiate sports events annually.
- Challenge: Booking timeline for sports likely shorter than conventions and trade shows.

Conventions, trade shows, and sporting events are the strongest room night generators

Type of Event	Average Attendance	New Room Nights in a Stabilized Year of Demand
Conventions & Tradeshows	525	6,300
Consumer Shows	2,500	4,500
Banquets	400	600
Meetings & Conferences	150	2,700
Assemblies	3,000	1,500
Sports	2,200	23,760
Concerts & Entertainment	2,500	500
Other	1,500	900
Total Room Nights		**40,760**

Convention center stabilized year income and expenses (in 2011 dollars)

	Total (in thousands)
Total Operating Revenues	$3,142
Total Operating Expenses	(4,738)
Net Operating Income (Loss)	(1,596)
Capital Maintenance	(63)
Management Fees	(150)
Total Net Income (Loss)*	**($1,809)**

* Stabilized year (2020) $2.4 millions as adjusted for inflation

Projected operating subsidy is consistent with similar-sized venues across the U.S.

	Total Function Space (SF)	Annual Subsidy ($000s)	Subsidy ($) per Sq Ft
Comp 1	140,575	929	6.61
Comp 2	123,738	2,397	19.37
Comp 3	136,768	1,660	12.14
Comp 4	145,524	3,969	27.27
Comp 5	71,875	1,878	26.13
Comp 6	56,372	709	12.57
Comp 7	115,897	623	5.38
Comp 8	112,375	3,691	32.85
Comps Average	**112,891**	**1,982**	**17.79**
Proposed TCC	**115,000**	**1,809**	**15.73**

Hotel Market Analysis

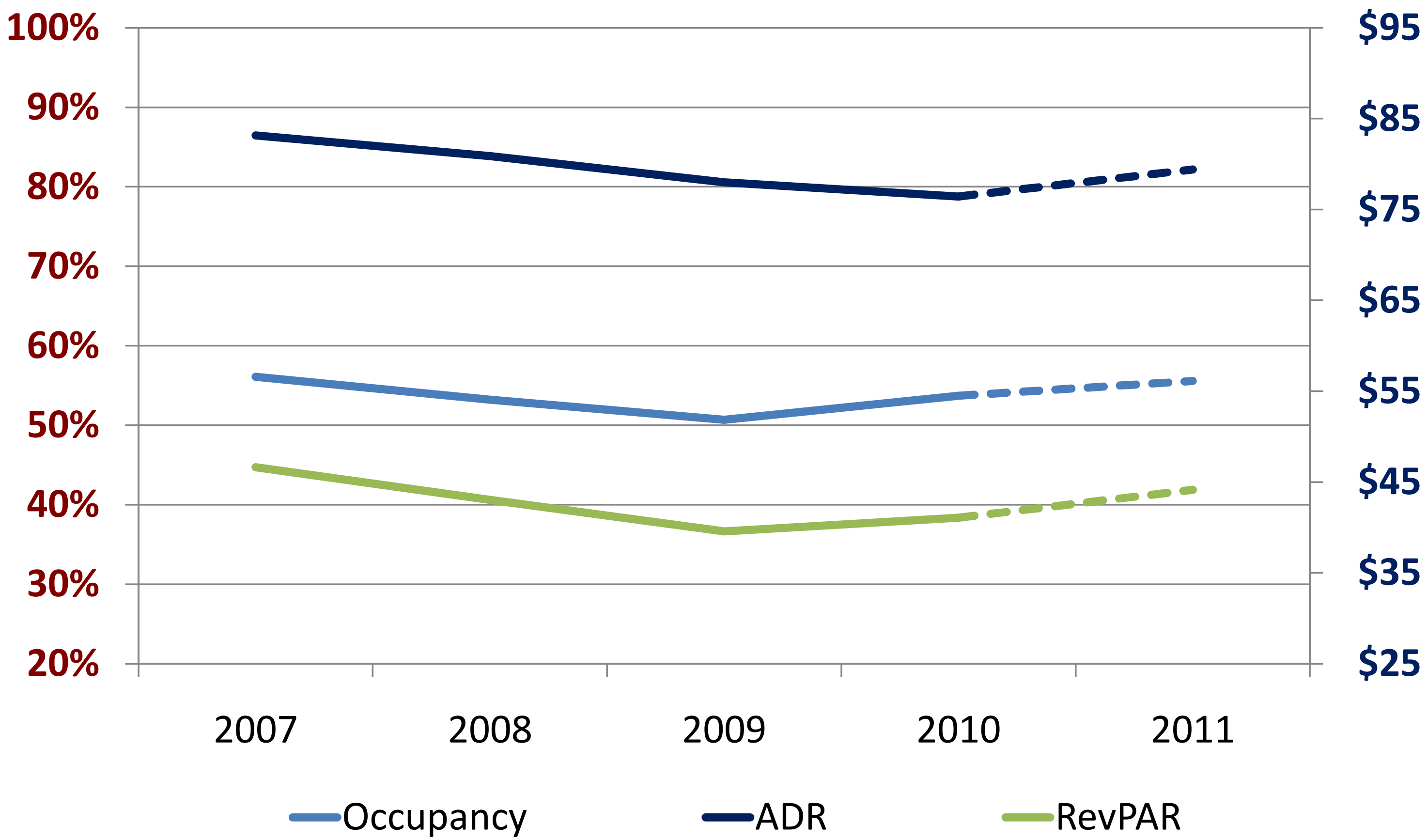
Hotel market study conclusions

- HVS analyzed hotel development with room counts ranging from 300 to 350 rooms and we conclude that a 300-room property would provide the best alternative because it strikes the best balance between costs and benefits.
- A full-service hotel will significantly outperform the market as a whole because of its location and because most (but not all) existing hotels are limited service properties.
- The operating profit of the hotel would most likely be insufficient to support a private financing of the hotel, so some form of public incentive will be necessary to induce the development of the hotel.
- Other hotels in the market may experience a temporary decline in occupancy as new supply is added
- The proposed hotel and convention center project could induce up to 40,000 new room nights and mitigate the negative impacts of new supply. Some convention and other group business would overflow into the market as a whole.

Competitive hotels – 1,961 rooms

Primary Competitors	# of Hotel Rooms
Doubletree Tallahassee	243
Autograph Collection Hotel Duval	117
Residence Inn Gaines Street	135
aLoft Hotel Tallahassee Downtown	162
Closed Holiday Inn (Four Points)	164
Sub-Total	**821**
Secondary Competitors	1,140
Total	**1,961**

Occupancy and room rates began to improve in 2010 and 2011 (estimates)



Potential changes in hotel market

- Proposed Convention Center Hotel (assumed to open in 2016).
- Four Points Sheraton (former Holiday Inn) – to reopen in March 2012 after complete renovation would be competitive with the proposed convention hotel.
- Other proposed new supply – Fairfield, Ramada and a proposed hotel & casino - Gretna would not be directly competitive.
- We assume recovery of the underlying market before the proposed hotel would opens in 2016.

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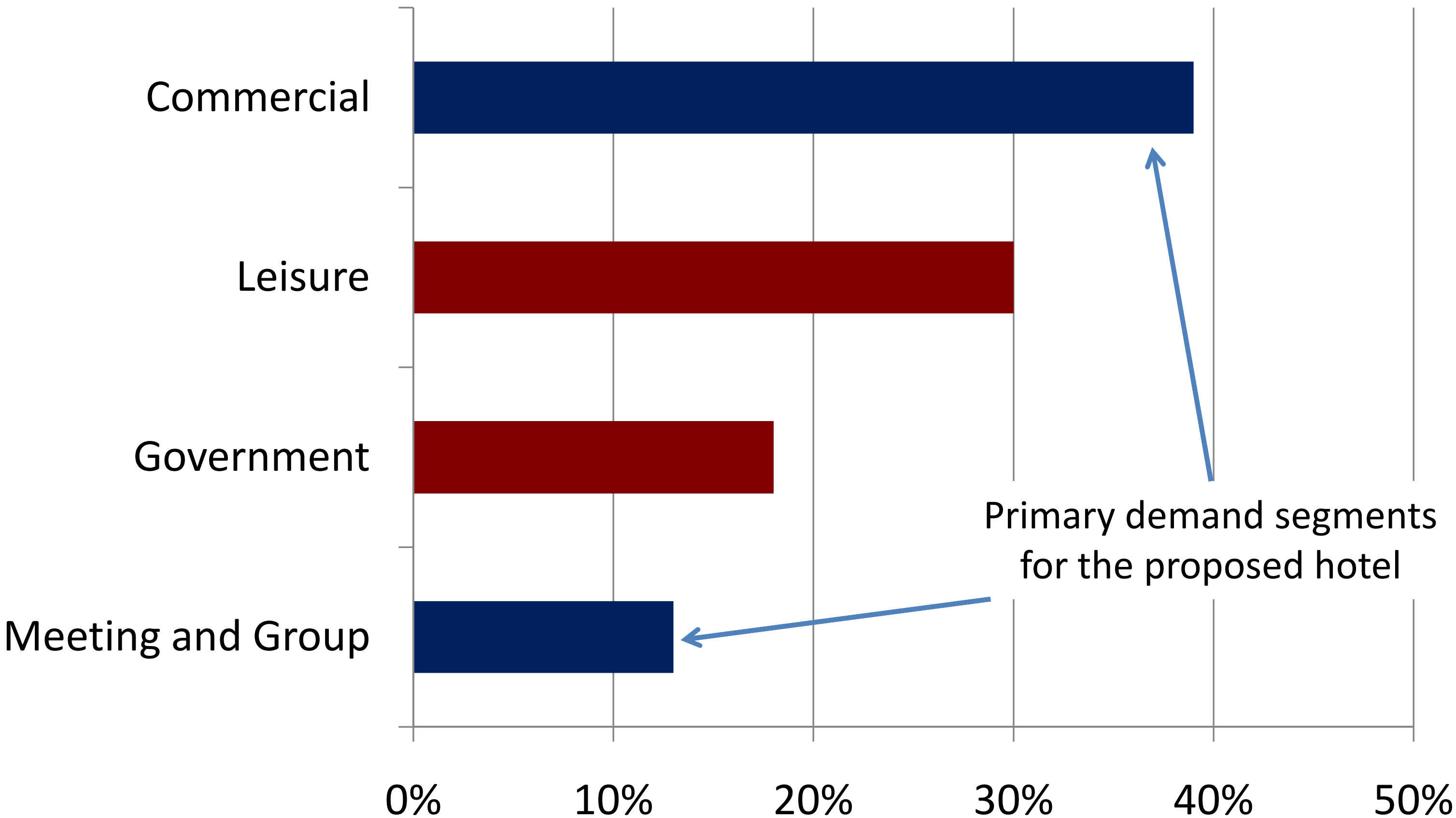
Business (commercial) travel is the largest segment of accommodated room night demand



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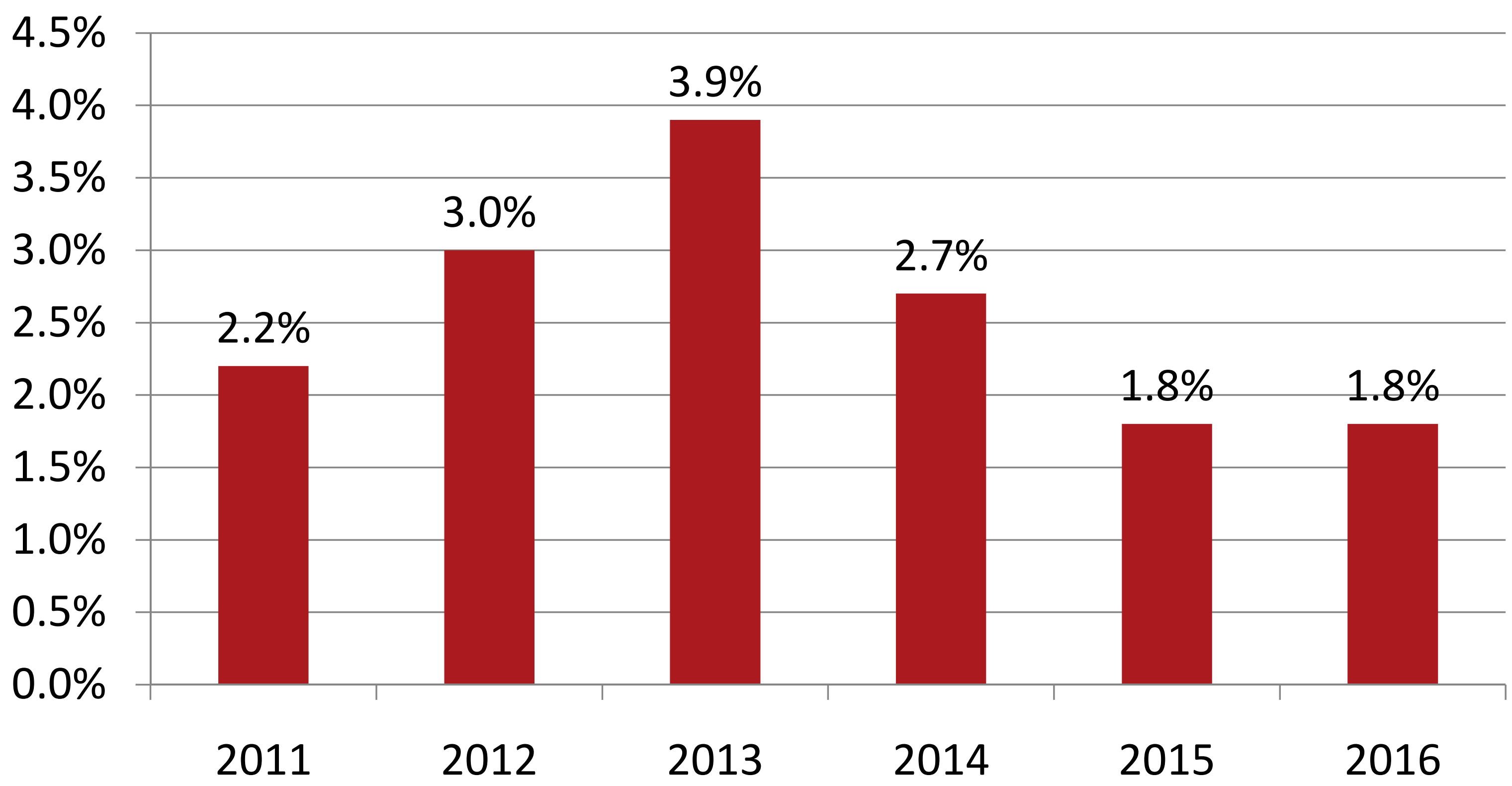
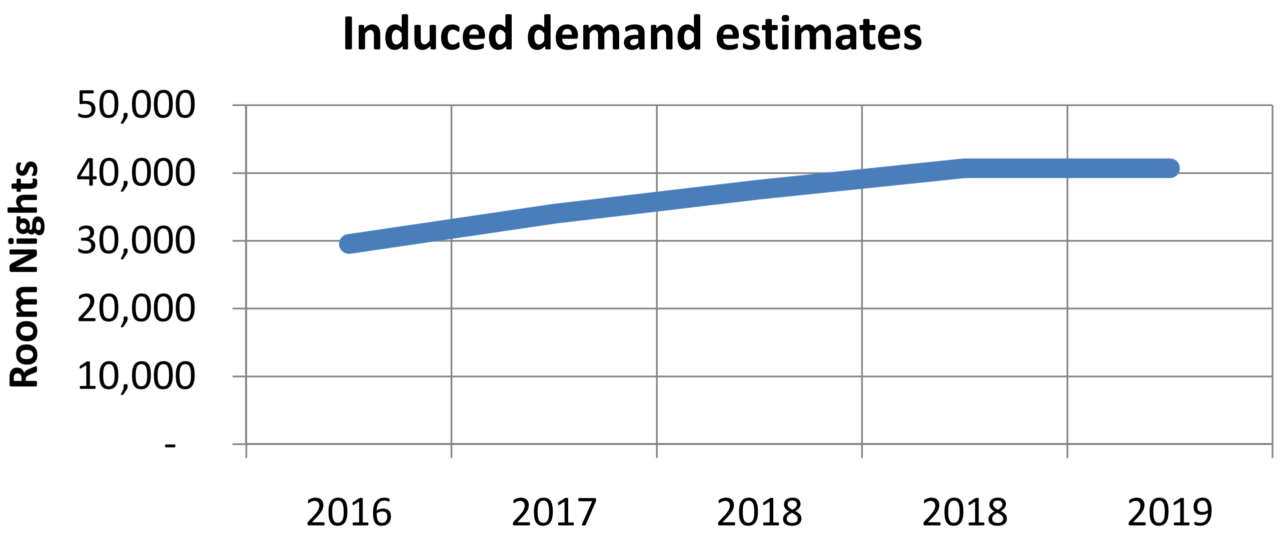
Base demand for hotel lodging is assumed to grow at a moderate pace during a period of slow economic recovery

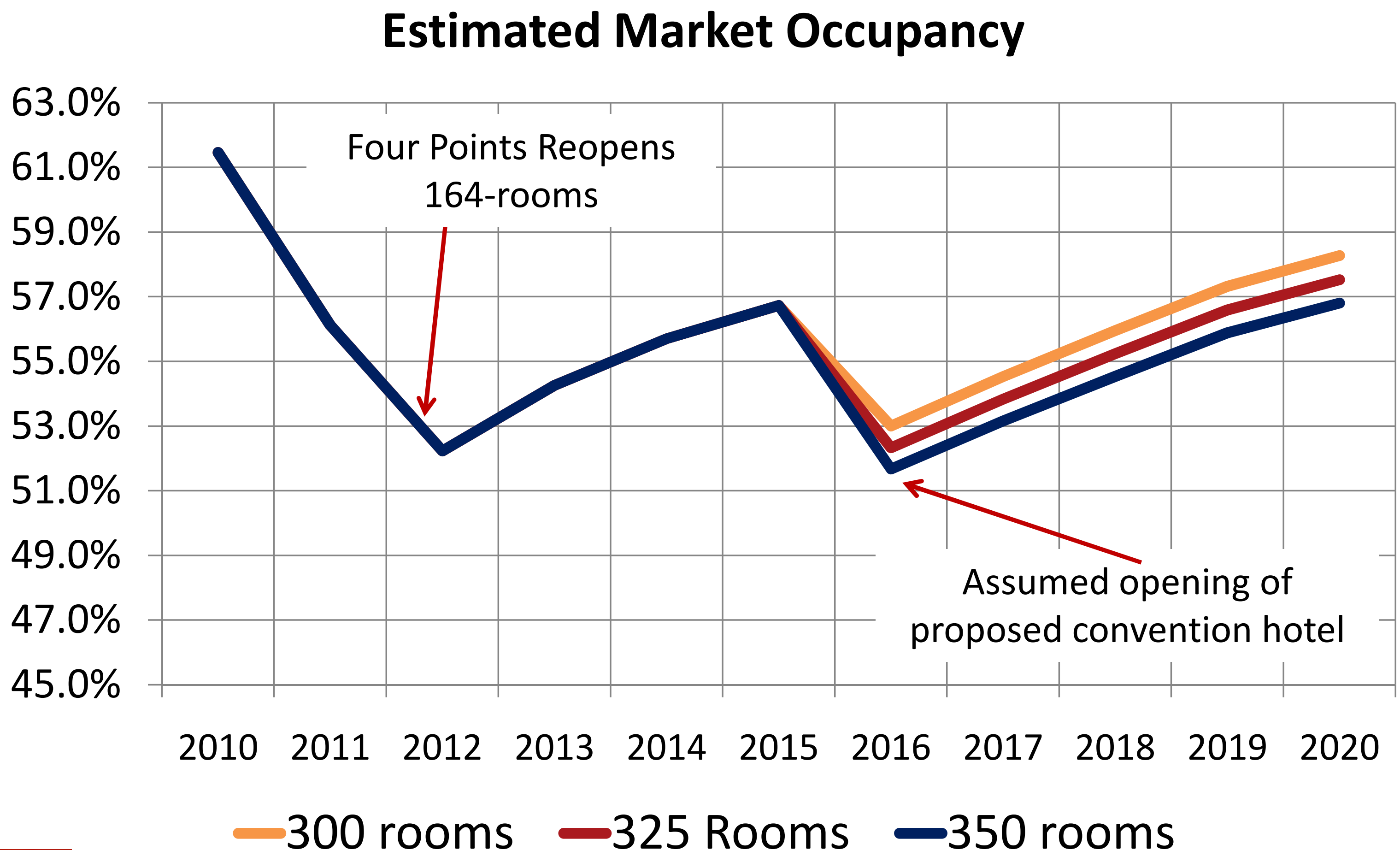


Unaccomodated and induced demand

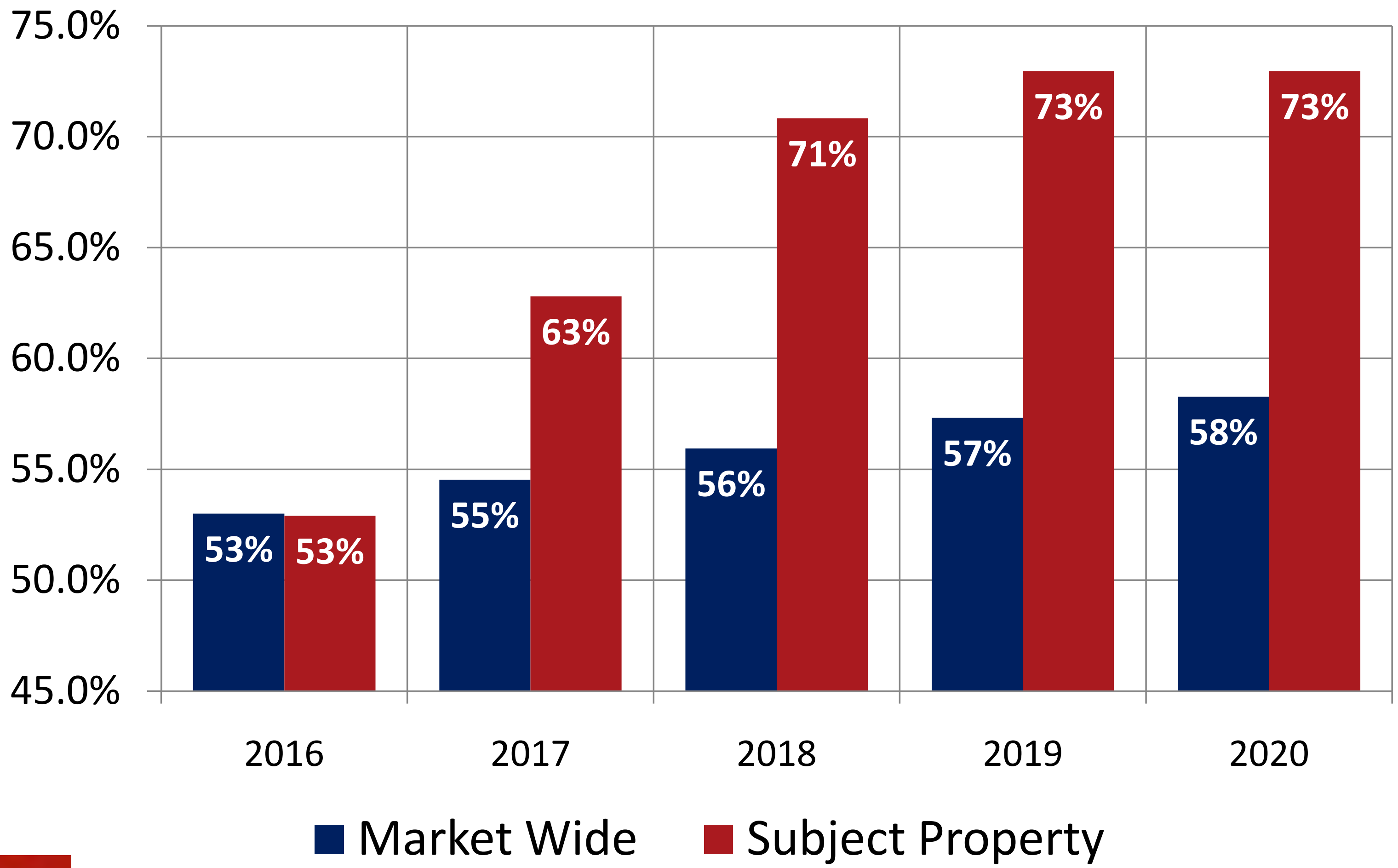
- HVS observed minimal amounts of pent-up or unaccomodated demand in the market today.
- The convention center has potential to induce up to 40,000 room nights, half of them coming from amateur sports events.



HVS tested three room-count scenarios for the proposed convention hotel



Estimate convention hotel occupancy (300-room scenario)



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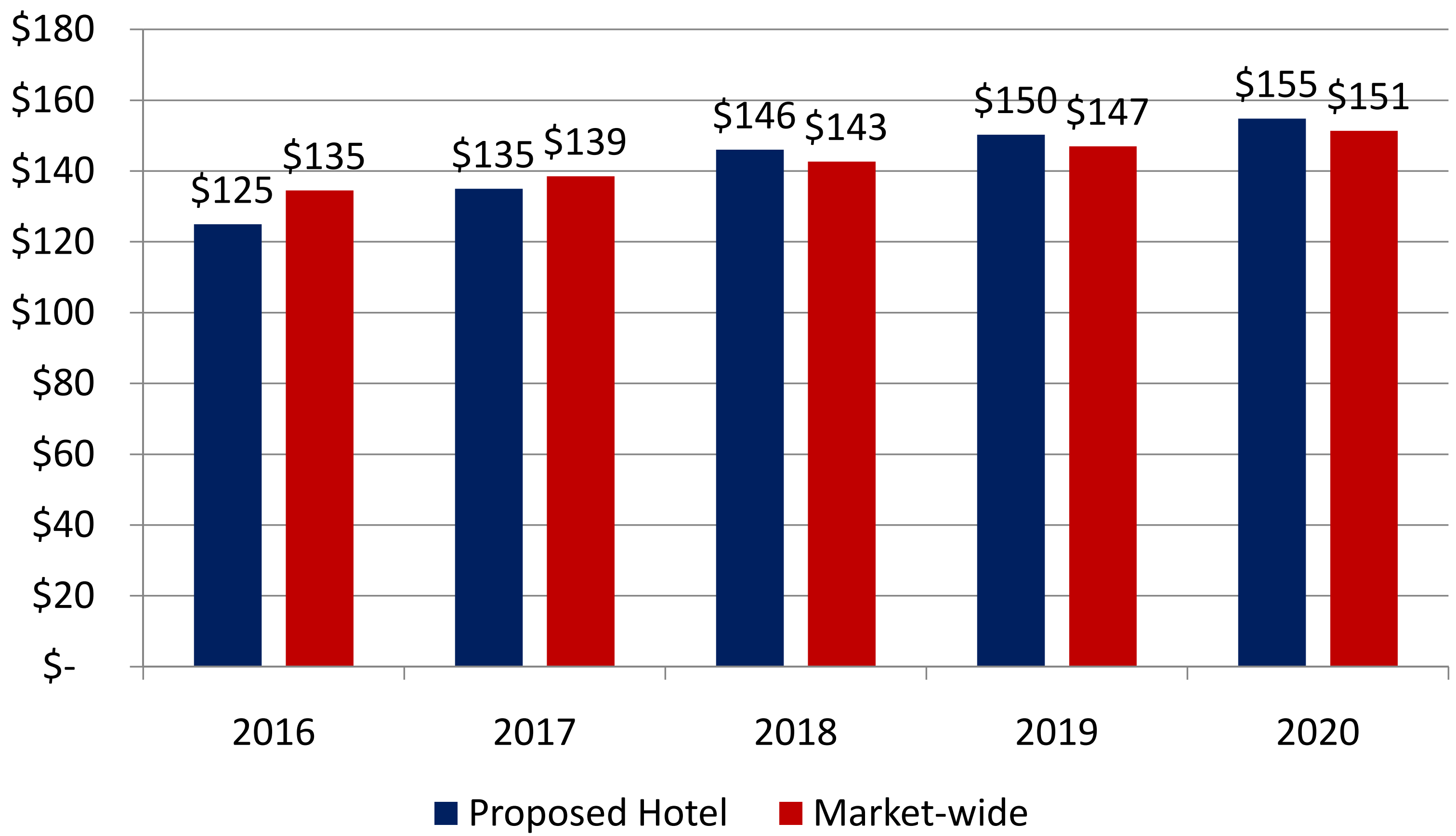
Estimated average rate of the proposed hotel would exceed market when the hotel stabilizes



Hotel stabilized year income and expenses

	Total (in thousands)
Total Revenues	$21,856
Total Departmental Expenses	(8,623)
Total Undistributed Operating Expenses	(6,194)
House Profit	7,039
Fixed Expenses	(1596)
Management Fees	(656)
Net Operating Income	**4,814**

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Range of possible hotel cost estimates

- Cost per room ranges from $225,000 to $325,000
- 300-room property = $68 to $98 million depending on:
  - Site conditions
  - Brand and quality of product
  - Local construction costs
  - Amounts of function space
  - Other amenities (e.g. restaurants)

Key risk factors*

- Risks that can be managed
  - Project completion
  - Adequate marketing effort
  - Downtown development
  - Competent management and labor agreements
- Uncontrollable Risks
  - Market performance – slower than forecast economic growth
  - Geopolitical
  - New supply

*Risks are not limited to these items. Reader is advised to read the HVS report in its entirety for a more complete discussion of risk factors, assumptions and limiting conditions.

Economic Impact

Economic impact methodology

- HVS estimated new direct spending from 4 main sources:
  - Overnight attendees
  - Day trippers
  - Event organizers
  - Exhibitors
- HVS entered direct spending estimates into the IMPLAN model to calculate the resulting indirect and induced spending and job creation
- HVS applied appropriate state and local tax rates to new spending to calculate fiscal impacts

HVS projects economic and fiscal impacts based on new spending in the State and City (in 2011$)

	State of Florida	Leon County/ Tallahassee
Economic Impact	$12 million	$25.1 million
Fiscal Impact	$340,000	$560,000
Jobs	120	320

Approach to operation and financing

Operations	Ownership/Financing: Private	Ownership/Financing: Public Private Partnership	Ownership/Financing: Public
Integrated	Not Feasible	Private ownership of improvements on land leased from public sector. Requires substantial public incentives.	Public tax-exempt debt financing of entire project. Integrated venue operated under a Qualified Management Agreement ("QMA").
Stand Alone	Private Ownership of hotel only. Convention Center not feasible.	Private ownership and operation of hotel. Public ownership and operation of convention center assets. Separate but coordinated operations.	Public debt financing of both projects. May be separate debt issuances. Separate QMAs for operation of hotel and convention center. Potential "self-operation" of the convention center.

Range of potential costs of recommended convention center program -- $96M to $130M

	Estimated Program Area (SF)	Estimated Gross Area (SF)	Cost per SF Range			Total Cost Range		
Functional Area								
Exhibit Hall	100,000	175,000	250	to	350	$ 43,750,000	to	$61,250,000
Meeting Rooms	15,000	26,250	250	to	350	6,562,500	to	9,187,500
Back of House	na	60,000	160	to	200	9,600,000	to	12,000,000
Circulation	na	100,000	175	to	225	17,500,000	to	22,500,000
						$77,412,500		**$104,937,500**
General Conditions		8.0%				6,193,000	to	8,395,000
Phasing and Temporary Work		2.0%				1,548,250	to	2,098,750
Insurance and Bonds		1.5%				1,161,188	to	1,574,063
Fees		3.0%				2,322,375	to	3,148,125
Estimating Contingency		10.0%				7,741,250	to	10,493,750
			Grand Total			**$96,378,563**	**to**	**$130,647,188**

Potential funding sources

- Convention Center
  - Hotel taxes
  - Gross Receipts Tax
  - Prepared Meal Tax
  - Land lease income/Development fees
  - Tax Increment Financing
  - Lease Financing
  - Other tourism taxes
  - Utility fee abatement
- Hotel
  - Developer Equity
  - Debt
  - Favorable land lease
  - Tax abatement
  - Utility fee abatement
  - Parking
  - Other related infrastructure improvements
  - Public financing of public spaces

Next Steps

Requests for qualifications and proposals from hotel developers

- Request for qualifications
  - Engage development community in project
  - Determine level of interest
- Request for proposals
  - Use response as a further basis for determining feasibility
  - Concept plans
  - Cost estimates
- Refine approaches to financing and public participation

DRAFT MARKET STUDY

Proposed Convention Center

TALLAHASSEE, FLORIDA

SUBMITTED TO:

Mr. Kevin Graham
Florida State University Real Estate Foundation
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PREPARED BY:

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May 17, 2019

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Mr. Kevin Graham
Florida State University Real Estate Foundation
960 Learning Way, Suite 3501-1470
Tallahassee, Florida, 32306
kevin.graham@fsu.edu

Re: Proposed Convention Center
Tallahassee, Florida

Dear Mr. Graham:

Attached you will find our DRAFT Market Study of a Proposed Convention Center in Tallahassee, Florida.

We certify that we have no undisclosed interest in the property, and our employment and compensation are not contingent upon our findings. This study is subject to the comments made throughout this report and to all assumptions and limiting conditions set forth herein.

It has been a pleasure working with you. Please let us know if we can provide any additional services.

Sincerely,
HVS Convention, Sports & Entertainment
Facilities Consulting

DRAFT

Thomas A Hazinski, MPP
Managing Director

DRAFT

Jorge Cotte
Senior Associate

Table of Contents

1. Introduction and Executive Summary

Nature of the Assignment

The Florida State University Real Estate Foundation ("FSU") engaged HVS Convention, Sports & Entertainment Facilities Consulting ("HVS") to conduct an analysis of a proposed Convention Center in Tallahassee, Florida. The proposed Convention Center would support local uses, attract regional events, and be a valuable amenity for Tallahassee's citizens and businesses. The proposed site is adjacent to the Donald L. Tucker Civic Center ("Tucker") and the Augustus B. Turnbull Conference Center ("Turnbull"). The purposes of this study are to recommend a building program for the proposed Convention Center, assess its position among the Tucker and Turnbull, project the potential demand and financial operations of the convention center, and estimate its impact on the proposed Hotel. A separate companion study will analyze the market and feasibility of the proposed hotel.

Methodology

HVS performed the following tasks.

1. Catherine Sarrett traveled to Tallahassee on December 17 and 18, 2018 for a site visit and client meetings. Tom Hazinski, Kathy Conroy, and Jeff Pennington from HVS traveled to Tallahassee, FL on January 14-15, 2019 for a site visit and client meeting. During this visit, they toured Tallahassee and existing FSU meeting venues, met with representatives from Visit Tallahassee, the City of Tallahassee ("Tallahassee" or the "City"), Leon County, FSU, FAMU, TCC, and other key industry participants, and gathered relevant data.

2. During this assignment, HVS met with or interviewed the following representatives, stakeholders, and industry contacts.

CONTACTS AND INTERVIEWEES.

Name	Title	Affiliation
Amanda Heidecker	Director of Sports	Visit Tallahassee
Ben Pingree	Director of Planning	Land Management & Community Enhancements (PLACE)
Catia Carballo	Conferencing Services Manager	Turnbull Conference Center
Christopher Morris	Director	FSU Campus Recreation
Cristina Paredes	Director	Tallahassee-Leon County Office of Economic Vitality
David Coburn	Interim Athletic Director	FSU Athletics Department
David Pollard	Director	Tallahassee International Airport
Devan Leavins	Special Projects Administrator	Tallahassee-Leon County Planning Department
Diana Norwood	Associate Director	Northwest Regional Data Center
Gary Ostrander	Vice President for Research	FSU
Janet Roach	Meetings & Conventions Director	Visit Tallahassee
Jay Revell	Vice President	Tallahassee Chamber of Commerce
Jeremy Floyd	Urban Design Administrator	Tallahassee-Leon County Planning Department
John Reddick	Planner	City of Tallahassee
Justin Fanning	Director Debt and Capital Financing	FSU
Katrina Tuggerson	Interim Chair	Capital City Chamber of Commerce
Ken Morris	Assistant County Administrator for Community Development	Office of Economic Vitality, Leon County
Kerri Post	Executive Director	Visit Tallahassee
Kerry McElroy	Associate Director for FSU Center for Academic Development	Turner Conference Center
Kevin Graham	Executive Director	FSU Real Estate Foundation
Kim Moore	Vice President	Workforce Innovation at Tallahassee Community College
Kyle Clark	Vice President	Finance and Administration
Laurel Harbin	Special Projects Coordinator	Tallahassee-Leon County Planning Department
Leslie Sawyer	Assistant Director Finance and Administration	FSU Center for Academic & Professional Development
Mary Churchill	KI representative for FSU	Turnbull Conference Center
Mitch Kilcrease	Assistant Vice President	FSU Office of Business Services
Patricia Malarney	Senior Associate Director	FSU Campus Recreation
Paul Harlacher	Assistant Vice President for Academic Affairs	FSU Office of the Provost
Ron Ridout	Spectra Management	Tucker Center
Sue Dick	President/CEO	Tallahassee Chamber of Commerce
Vernon Bryant	Coordinator of Public Functions/Events	FAMU, Office of Communications
William Linder	Director	FSU Campus Reimagined Initiative

3. Conducted a web-based survey sent to 888 event planners with 99 respondents to understand the meeting venue needs and potential use of a facility in Tallahassee.

HVS
Convention, Sports & Entertainment
Facilities Consulting
Chicago, Illinois

4. Compiled data on three sets of competitive and comparable convention centers and convention hotels.

5. Recommended a building program for the proposed Convention Center based on the above steps.

6. Prepared event demand and attendance forecasts assuming the implementation of the program recommendations.

7. Prepared a financial forecast of the proposed Convention Center operation.

Description of Site

Located in downtown Tallahassee, FL the proposed site is adjacent to the Tucker and is bordered by Pensacola Street to the North, St. Augustine Street to the South, and Macomb Street to the West. The site is across Macomb Street from the Turnbull. The site is currently a surface parking lot for the Tucker Civic Center that contains 590 parking spaces.

The following image provides an aerial view of the site and surrounding infrastructure.

AERIAL VIEW OF THE SITE

Project History

In 2011, the City of Tallahassee Community Redevelopment Agency ("CRA") engaged HVS to conduct a Market & Feasibility Study of a proposed Convention Center and Headquarter Hotel in Tallahassee, FL. The CRA, established in 1998 by the City to "create a framework for the redevelopment and enhancement of selected areas of the central urban district," has promoted the development of such a facility.

In 2012, FSU acquired the Tucker Civic Center. Since then, FSU has invested $25 million in upgrading and renovating the facility. FSU has been interested in developing the area near Tucker and constructing a full-service hotel has been a high priority for FSU.

The Blueprint Intergovernmental Agency is an economic development organization created by Tallahassee and Leon County to manage Infrastructure Projects and Economic Development Programs that are advance funded by surtax proceeds. In 2014, voters supported the extension of the one-cent sales tax through 2039. Blueprint 2020, a consensus plan developed by a board of 18 citizens appointed by City and County commissions and with public input, allocates 12% of proceeds to Economic Development Programs. One of these Programs is for the Madison Mile Convention District and commits “up to $20 million to construct a convention center on or near the existing Donald L. Tucker Civic Center site as part of a larger Florida State University redevelopment and master planning effort to attract a full-service hotel to the Arena District.”

Market Area Analysis

Tallahassee has low unemployment and a stable economy. The economic outlook for the area is generally positive with moderate population and income growth projected. As the capital of Florida and home to major state universities, Tallahassee’s workforce profile is dominated by the government and educational sectors. But, other sectors, such as healthcare and financial services are growing. The presence of FSU, FAMU, and TCC creates opportunities for conventions, conferences, and seminars related to university research and other academic programs. Beyond its warm weather and college sports draw, Tallahassee’s biking trails, nearby wildlife and forests, and historical sites draw visitors in the summer months.

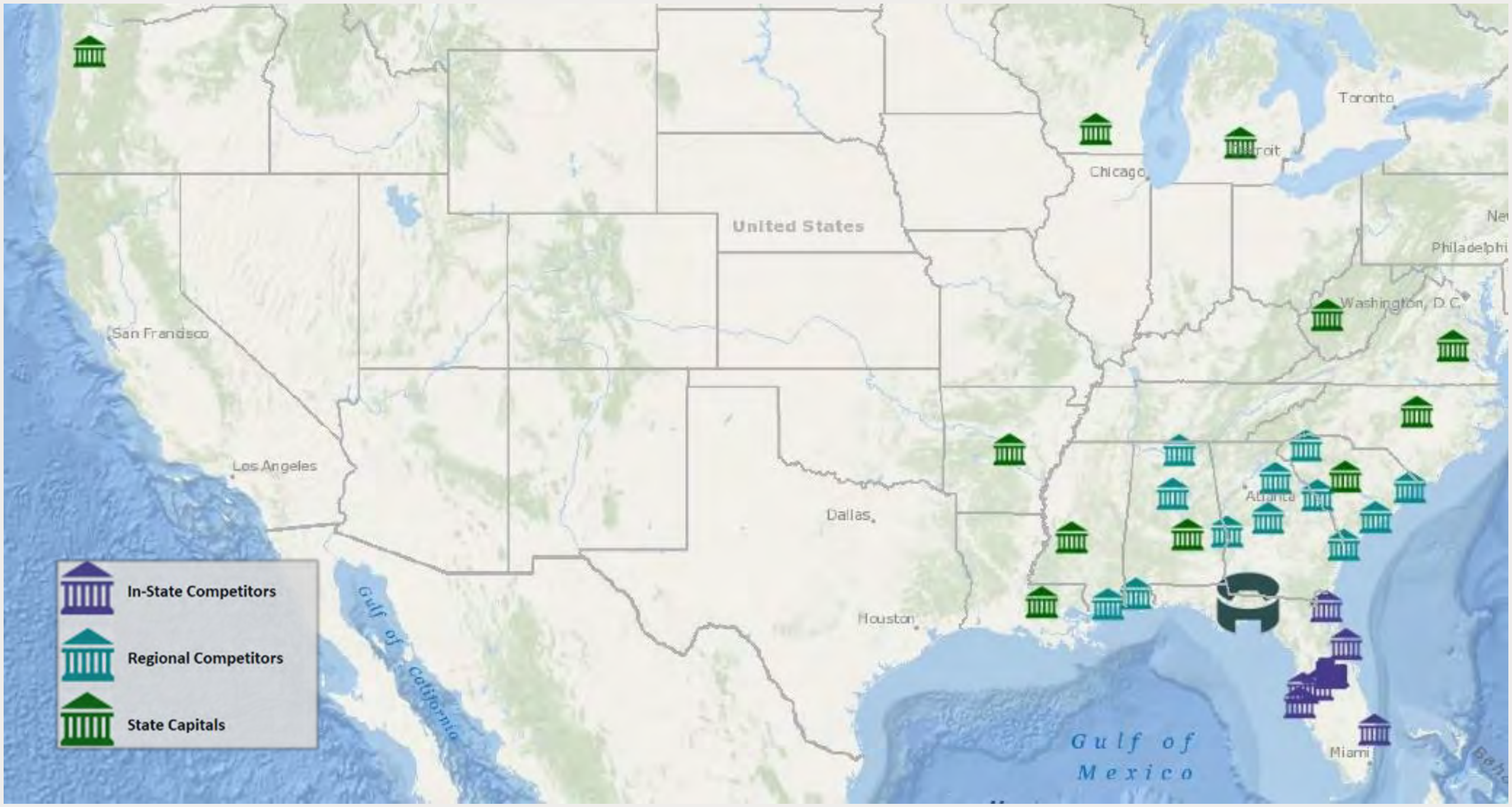
Tallahassee is the only state capital in the Southeastern United States without a convention center. As a convention and meeting market, Tallahassee’s location in the northern portion of Florida remains an obstacle as a destination for state-based association events. Limited air service to cities throughout the US remains an obstacle for Tallahassee to attract national and regional convention and meetings. None-the-less, Tallahassee’s status as the state capital, the presence to two major universities and a community college, and its position as a regional center of commerce indicate the need for a convention center.

Many properties in Tallahassee offer small amounts of meeting function space, but few facilities contain exhibition space, a multipurpose ballroom, and breakout meeting spaces in a single venue. The addition of an appropriately sized convention center should allow Tallahassee to begin attracting state association business, better serve the meeting needs of the community, and allow local organizations and citizens the opportunity to expand their programming and events.

Comparable Venue Assessment

HVS analyzed three sets of comparable and competitive convention centers and convention hotels. This analysis provides a comparison of the function spaces and in each of the facilities along with other characteristics of the markets that are relevant to the success of the venue. Total function spaces include rentable exhibit, banquet, and meeting spaces, but excludes pre-function areas, outdoor spaces, and other building areas. HVS considered the following competitive and comparable venues.

MAP OF COMPARABLE AND COMPETITIVE VENUES



Sources: Esri and HVS

FIGURE 1-1
COMPARABLE AND COMPETITIVE VENUES

Name of Venue	City	State	Population MSA	Population State	Total Function Space
In-State Competitors					
Gaylord Palms	Orlando	FL	2,500,950	20,875,686	292,541
Tampa Convention Center	Tampa	FL	3,098,274	"	278,767
Marriott Orlando World Center	Orlando	FL	2,500,950	"	269,815
Rosen Shingle Creek	Orlando	FL	2,500,950	"	250,000
Ocean Center	Daytona Beach	FL	648,188	"	211,475
Hyatt Regency Orlando	Orlando	FL	2,500,950	"	201,893
Walt Disney World Dolphin	Orlando	FL	2,500,950	"	194,935
Palm Beach County Convention Center	West Palm Beach	FL	6,076,113	"	140,575
Hilton Orlando	Orlando	FL	2,500,950	"	133,837
Prime Osborne Convention Center	Jacksonville	FL	1,523,615	"	112,375
Rosen Centre Hotel	Orlando	FL	2,500,950	"	106,000
JW Marriott Orlando Grande Lakes	Orlando	FL	2,500,950	"	101,452
Hilton Orlando Bonnet Creek	Orlando	FL	2,500,950	"	79,689
Lakeland Center	Lakeland	FL	667,696	"	63,924
Loews Royal Pacific Resort	Orlando	FL	2,500,950	"	57,865
Donald L. Tucker Civic Center	**Tallahassee**	**FL**	**385,855**	**"**	**51,000**
Bradenton Area Convention Center	Palmetto	FL	800,171	"	41,220
Regional Competitors					
TD Convention Center	Greenville	SC	910,412	5,108,693	337,021
Birmingham-Jefferson Convention Complex	Birmingham	AL	1,173,590	4,968,383	277,605
Mississippi Coast Convention Center	Biloxi	MS	400,236	3,051,594	253,556
Von Braun Center	Huntsville	AL	459,572	4,968,383	160,626
Savannah Convention Center	Savannah	GA	396,822	10,517,229	143,212
Arthur R. Outlaw Mobile Convention Center	Mobile	AL	425,023	4,968,383	141,366
Myrtle Beach Convention Center	Myrtle Beach	SC	467,292	5,108,693	131,931
Charleston Area Convention Center	North Charleston	SC	783,132	5,108,693	118,040
Classic Center	Athens	GA	212,655	10,517,229	109,330
Columbus Georgia Trade Center	Columbus	GA	307,546	10,517,229	107,046
Augusta Convention Center	Augusta	GA	615,322	10,517,229	61,215
Edgar H. Wilson Convention Center	Macon	GA	232,124	10,517,229	50,700
State Capitals					
Greater Richmond Convention Center	Richmond	VA	1,307,000	8,566,397	256,059
Raleigh Convention Center	Raleigh	NC	1,358,294	10,455,604	212,061
Raising Cane's River Center	Baton Rouge	LA	866,601	4,825,121	133,000
Statehouse Convention Center	Little Rock	AR	746,561	3,067,536	107,950
Jackson Convention Complex	Jackson	MS	588,506	3,051,594	107,241
Montgomery Convention Center	Montgomery	AL	384,342	4,968,383	103,631
Charleston Civic Center	Charleston	WV	221,625	1,895,717	98,413
Lansing Center	Lansing	MI	482,662	10,057,191	97,118
Monona Terrace Convention Center	Madison	WI	662,724	5,847,633	62,830
Columbia Metropolitan Convention Center	Columbia	SC	840,419	5,108,693	56,980
Salem Convention Center	Salem	OR	421,762	4,185,014	24,290

Source: Respective Venues and Esri

The comparable venue assessment provides the following insights.

- Almost all the comparable convention centers contain a dedicated exhibition hall. Many of the hotel venues rely on flexible ballrooms, lobbies, and other pre-function spaces to accommodate light exhibition needs. The regional competitors have the highest average exhibit hall size, and the State Capitals have the lowest, with only two over 100,000 square feet. The average exhibit hall size across all three sets is 99,000 square feet. (Figure 3-2)

- The Orlando hotels have by far the most ballroom space. The average among the non-Orlando venues is 20,000 square feet of ballroom space. (Figure 3-3)

- Meeting space in comparable and competitive venues ranges from 7,000 square feet to almost 85,000 square feet. The state capitals have the least meeting room space, and in-state competitors have the most, with the Orlando hotels again taking the lead. (Figure 3-4)

- Most venues have attached hotel rooms or are hotel venues. The average ratio of function space to adjacent rooms is 177 square feet per room for the in-state competitors, 375 for the regional competitors, and 364 for the state capitals. (Figure 3-5)

- Tallahassee has a roughly average number of hotel rooms compared to the other state capitals but, by the end of 2020, it will have an above average number of rooms near the site of the proposed Convention center. Based on existing hotels and projected incoming supply, there will be over 1,500 rooms within a fifteen-minute walk of the proposed Convention Center in addition to the proposed Hotel. (Figure 3-10)

- Tallahassee is below average in retail shopping and dining options, but average in recreation and entertainment options. (Figure 3-10)

Using relevant market data from Esri Business Analyst Online, HVS created a score for each comparable state capital based on a set of destination qualities and ranked the state capitals based on their scores. Tallahassee ranks seventh overall primarily due to its population and its relatively high business presence. Tallahassee ranks behind cities of comparable population size like Little Rock and Richmond, but ahead of Montgomery and Baton Rouge. (Figure 3-12)

Event Planner Survey

To assess demand potential, HVS surveyed event planners to understand their past events, future event needs, and perception of Tallahassee as an event destination. Key observations from these interviews include the following.

- Most of the survey respondents have booked an event in Tallahassee over the past five years. Overall, planners found the facility events space and hotel package wanting. (Figures 4-3 and 4-6)

- Based on historical bookings, the proposed Convention center's strongest competition comes from convention centers and hotels in Orlando, Tampa, and Jacksonville. (Figure 4-7)

- Aside from external factors, such as geographic location and weather, the greatest deterrents to event planners considering the proposed Convention center for an event include Tallahassee's challenging airlift access, inadequate hotel package, and lack of availability of venues and event space. (Figure 4-10)
- Tallahassee has several strengths as a group event destination, including its university presence and connection to the State Legislature. Other planners noted it as a destination with a pleasant and hospitable culture. (Figure 4-9)
- For most planners, a sufficient number of hotel rooms within walking distance is an absolute necessity. Planners prefer to book room blocks in full-service properties in upper upscale brands. (Figures 4-25 and 4-26)
- Lodging requirements vary by event type with conventions requiring an average peak room block of approximately 380 rooms. Other event types, on average, require 200 rooms at peak. (Figure 4-24)
- For those planners who have not been able to book an event in Tallahassee due to event infrastructure, three-quarters indicate that reason was insufficient function space. (Figure 4-27)
- 66% of planners indicate that they would be very likely or likely to book an event at the proposed Convention center. (Figure 4-13)

Building Program

A new convention center in Tallahassee would place the City in a position to host a significant number of events that current facilities cannot accommodate. In addition, a convention center would allow Tallahassee to begin to participate in corporate and association-based meetings and other functions that rotate in venues throughout Florida and the Southeastern U.S. The exhibit, banquet, and meeting space could also serve customers currently using other smaller facilities in Tallahassee and accommodate many events which face venue size restrictions including public shows and social events.

HVS recommends that a physical planner explore the possibility of connection between the proposed Convention Center and the Tucker Civic Center. Further study is also required on the potential benefits and costs of conversion of Tucker to prime meeting space or another use. HVS also recommends a physical planner explore over-the-street access between the proposed Convention Center and Turnbull.

While this recommendation is preliminary and subject to change based on the findings of the companion hotel feasibility study, HVS recommends that the hotel be an appropriately-sized, branded full-service hotel conforming to brand-specific guidelines, including construction and operational brand standards. A separate HVS market study is being performed for the full-service hotel.

HVS recommends the following building program.

FIGURE 1-2
CONVENTION CENTER BUILDING PROGRAM

Event Space	Total Area (SF)	Seating Capacities		
		Theatre	Banquet	Classroom
Ballrooom	**20,000**	**2,220**	**1,670**	**1,380**
Division 1	3,750	420	310	260
Division 2	3,750	420	310	260
Division 3	3,750	420	310	260
Division 4	3,750	420	310	260
Sub-division 4a	1,250	140	100	90
Sub-division 4b	1,250	140	100	90
Sub-division 4c	1,250	140	100	90
Junior Ballroom	**9,000**	**1,000**	**750**	**620**
Division 1	3,000	330	250	210
Division 2	3,000	330	250	210
Division 3	3,000	330	250	210
Meeting Rooms	**10,000**			
Room Block 1	3,333	370	280	230
Room Block 2	3,333	370	280	230
Room Block 3	3,333	370	280	230
Boardrooms (2)	400			
TOTAL FUNCTION SPACE	**39,000**			

In addition to the above function spaces, support spaces would include lobby and pre-function areas, circulation space, service access, kitchen, storage, and facility operations. HVS estimates the gross building floor area required for this program is 88,000 square feet. A more precise determination of the floor areas would require a concept plan created by a design firm that illustrates how the proposed Convention center would fit on the selected site. The process of concept planning would likely require adjustments to the floor areas.

Lastly, HVS recognizes that the development of a proposed Convention center will supplant 590 surface parking spots that currently support attendance to Tucker events. Further progress on this proposed development requires an exploration of parking solutions that would serve the proposed Hotel guests, Convention Center delegates, and Tucker attendees.

Convention Center Operation and Management

The management and operational structure of the proposed Convention Center has not been determined as of the date of this study. HVS identified three potential options for the management of the proposed Convention Center, Tucker, and Turnbull, as shown in the figure below. In all operating options, the proposed Hotel would be operated by a professional hotel management company.

FIGURE 1-3
MANAGEMENT OPTIONS

Venue	Option 1 Unitary	Option 2 Combined	Option 3 Separate
Tucker	Third Party Manager	Third Party Manager	Third Party Manager
Convention Center			Hotel Manager
Turnbull		FSU	FSU

The following matrix indicates the strength of each management option according to key operational criteria.

FIGURE 1-4
EVALUATION OF MANAGEMENT OPTIONS

Operational Consideration	Management Options		
	Option 1 Unitary	Option 2 Combined	Option 3 Separate
Fulfill Operational Goals	→	→	↑
Event Coordination	↑	→	↓
Marketing and Sales Capability	↓	→	↑
Maximize Convention Center Financial Performance	↓	↓	↑

In the Unitary and Combined management options, FSU would need to address and prioritize the operational goals for the venues. In the Separate management option, event coordination would need to be addressed with priority booking policies and information sharing among the three venues. Because of the advantages in maintaining operational goals, marketing and sales capability, and improved financial performance, HVS recommends Option 3.

Demand Projections

The proposed Convention center could become a valuable public asset providing event space to a variety of local groups, including local government, civic organizations, nonprofits, schools, charities, and businesses. The multipurpose ballroom, and meeting spaces could support meetings, fundraisers, exams, social events, recitals, sports competitions, graduations, health screenings, press conferences, and many other civic uses. With an attached hotel, the venue could compete effectively against other facilities in neighboring cities for corporate and association-based business. At the time of this study, HVS does not recommend operational integration with Tucker and Turnbull.

HVS recommends the proposed Convention Center be operated as part of the proposed Hotel (Option 3 in Figure 1-4). Sharing the same building manager should allow both proposed facilities to maximize efficiency in sales, booking, and servicing events. It should also allow the operations to share overhead staffing needs, administrative, and other costs. While dependent on the ownership structure of the proposed Hotel, incorporating the convention center operation under the proposed Hotel allows the greatest opportunity for financial efficiency.

The following figure presents our demand and room night projections, reflecting a stabilized year of demand which would occur approximately three years after the opening of the proposed Convention center.

FIGURE 1-5
EVENT DEMAND IN A STABILIZED YEAR

Event Type	Events	Average Attendance	Total Attendance
Conventions	10	2,000	20,000
Conferences	40	750	30,000
Meetings	125	100	12,500
Banquets	75	250	18,750
Assemblies	20	500	10,000
Hotel Overnight Meetings	70	200	14,000
Hotel Day Meetings	40	100	4,000
Total	380		109,250

In a stabilized year, we estimate the proposed Convention center in Tallahassee would attract conventions, conferences, meetings, banquets, competitions, and other events. While University and academic event demand are being met in the market, we estimate that some larger academic conferences would use a facility that offered integrated meeting space and guest rooms. We estimate that the proposed Convention Center would attract around 270 events and over 91,000 event attendees. An additional 18,000 attendees from internal events that occur only at the proposed Hotel would total 109,000 annual attendees utilizing the meeting space.

Many events would attract attendees from Tallahassee and throughout the Florida Panhandle. Most conventions and conferences would generate overnight stays in the market, resulting in around 90,000 room nights in local hotels from events hosted at the proposed Convention Center.

Financial Projections

HVS applied revenue and expense parameters to facility demand to forecast the financial operations for the proposed Convention Center under the Separate Management Option.

The figure below presents the stabilized year of operating projections for the facility, including operating revenues, operating expenses, and the funding of a capital maintenance reserve. All revenues and expenses are for a stabilized year of demand in inflated dollars.

FIGURE 1-6
FINANCIAL PROJECTIONS FOR A STABILIZED YEAR
(IN INFLATED $000S)

	Stabilized Year (2024)	
	Amount	**% Total**
Revenue		
Facility Rental	$1,835	19.3%
Food & Beverage (Gross)	4,307	45.3%
Technology & Audio Visual	1,539	16.2%
Event Services	1,832	19.3%
Total Revenue	$9,514	100.0%
Operating Expense*		
Salaries & Benefits	$4,281	45.0%
Food & Beverage Costs	1,077	25.0%
Technology & Audio Visual Costs	616	40.0%
Event Services Costs	458	25.0%
Total Operating Expense	$6,717	70.6%
NET OPERATING INCOME (LOSS)	$2,797	29.4%
Other Expenses		
Administrative & General	$381	4.0%
Marketing & Sales	476	5.0%
Repairs & Maintenance	428	4.5%
Utilities	571	6.0%
Total Other Expenses	$1,855	19.5%
Non-Operating Expense		
Management Fee	$285	3.0%
Insurance	190	2.0%
Reserve for Replacement	381	4.0%
Total Non-Operating Expense	$856	9.0%
TOTAL NET INCOME (LOSS)	$85	0.9%

*Operating expenses are expressed as a percentage of departmental revenue as shown in Figure 7-2.

In a stabilized year of demand, we project the proposed Convention Center would generate $85,000 in net income assuming it is operated as a part of the proposed Hotel.

Conclusion

Tallahassee currently lacks the function space and hotel rooms to attract significant association, corporate, and sports events. **By all metrics of event space, the City lags behind In-State competitors (namely Orlando, Tampa, and Jacksonville), Regional venues, and comparable State Capitals.** Event planners typically point to a lack of available and quality event space and an inadequate hotel package as their reasons for not booking events in Tallahassee. However, Tallahassee's connection to the state legislature, cultural amenities, university presence, and growing hotel room supply indicate potential for growth in the conventions and events market.

HVS evaluated various building program and management options and recommends a combined hotel convention center building program and an operation that incorporates the proposed Convention Center into the Hotel operations. The demand and financial projections provided in this report assume the implementation of these recommendations.

The development of a proposed Convention center with 39,000 square feet of total function space will allow the City to compete for state associations and regional corporate events. A 20,000 multi-purpose ballroom would meet a crucial gap in the available event spaces in Tallahassee. Additionally, the development of a proposed Convention center could allow for growth among existing events and support events and visitors to local universities, research institutions, and the State government.

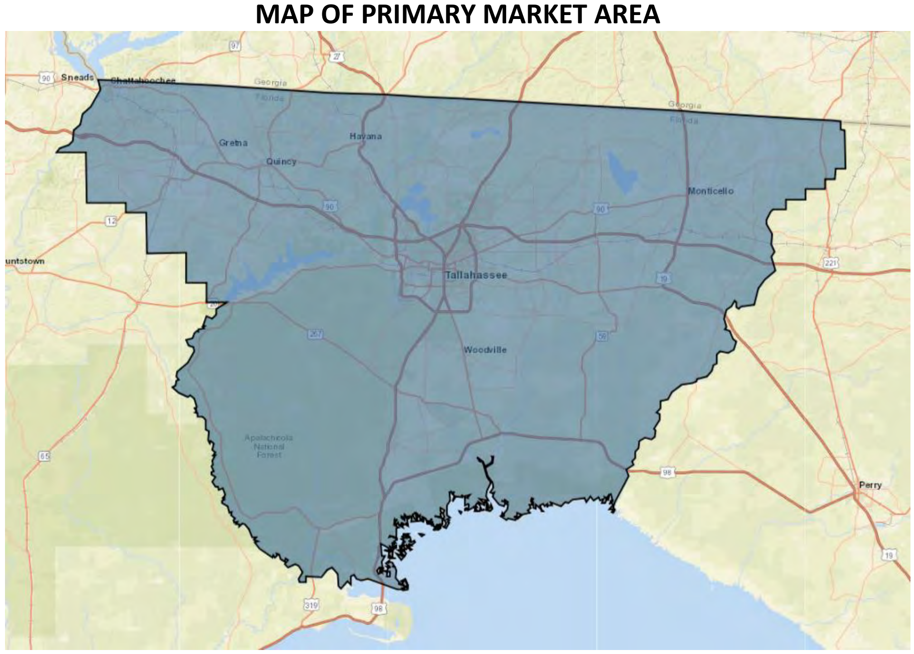
2. Market Area Overview

This market area analysis reviews economic and demographic data that describe the overall condition of the local economy in Tallahassee, Florida and the surrounding area. The characteristics of the area economy and trends that indicate growth or decline provide indicators of the performance of the proposed Convention Center. HVS analyzed the following indicators: population, income, sales, workforce characteristics, employment levels, major businesses, airport access, transportation, hotel supply, and tourist attractions.

Market Area Definition

The market area for a convention and events center consists of the geographical region that offers transportation access, lodging, and other amenities to users of the facility. For the purposes of this study, HVS defined the primary market area as the metropolitan statistical area of Tallahassee, Florida ("Tallahassee MSA"), which includes the Florida counties of Gadsden, Jefferson, Leon, and Wakulla. The following figure presents a map of the primary market area.

MAP OF PRIMARY MARKET AREA



Source: Esri

Tallahassee is the capital of Florida, as well as a major trading center and agricultural focal point of the state. Located in the northern part of the state, it is roughly midway between Pensacola and Jacksonville. State government buildings dominate the city's skyline, and, according to Woods & Poole, government entities are the leading employers in the market. The name "Tallahassee" is a Muskogean Indian word often translated as "old fields," which stems from the Seminole Indians who migrated into this region and found large areas of cleared lands that had previously been occupied by the Apalachee tribe. Today, Tallahassee is a growing cultural center supporting theaters, nightlife, outdoor activities, and historic buildings.

Population and Income

For this analysis, HVS used the Complete Economic and Demographic Data Source published by Woods & Poole Economics, Inc as a primary source of economic and demographic statistics. Woods & Poole runs a well-regarded forecasting service that uses a database containing more than 900 variables for each county in the nation. Their regional model yields forecasts of economic and demographic trends. Census data and information published by the Bureau of Economic Analysis serve as the basis for historical statistics. Woods & Poole uses these data to formulate projections, and the group adjusts all dollar amounts for inflation to reflect real change.

FIGURE 2-1
ECONOMIC AND DEMOGRAPHIC DATA SUMMARY

Economic Indicator/Area	Beginning Amount	2003	2008	2018	2022	Ending Amount	Estimated Annual Compound Change 2018 to 2022
Resident Population (millions)							
Tallahassee, FL MSA	0.3					0.4	1.0%
State of Florida	17.0					22.5	1.5%
United States	290.1					341.3	0.9%
Per-Capita Personal Income* (thousands)							
Tallahassee, FL MSA	$32.7					$38.1	1.2%
State of Florida	$36.7					$45.7	1.4%
United States	$37.3					$48.5	1.3%
W&P Wealth Index							
Tallahassee, FL MSA	90					82	-0.1%
State of Florida	102					98	0.1%
United States	100					100	0.0%
Food and Beverage Sales* (billions)							
Tallahassee, FL MSA	$0.4					$0.7	1.7%
State of Florida	$23.7					$43.4	2.1%
United States	$388.5					$633.9	1.5%
Total Retail Sales* (billions)							
Tallahassee, FL MSA	$4.2					$5.2	1.5%
State of Florida	$255.4					$373.3	2.0%
United States	$4,030.5					$5,381.5	1.4%

* Inflation Adjusted

Source: Woods & Poole Economics, Inc.

With approximately 300,000 residents, the Tallahassee MSA has an income level below the state and national averages. The population growth rate is lower than the state average, but slightly above the national average rate. The income growth rate in the Tallahassee MSA is also below the state and national averages.

Workforce Characteristics

The characteristics of an area's workforce indicate the type and amount of meetings and events that local businesses could generate. Sectors such as finance, insurance, and real estate ("FIRE"), wholesale trade, and services produce a considerable number of events and draw attendees that are not particularly rate sensitive. Some employers of manufacturers, construction, and transportation, communications, and public utilities ("TCPU") can also draw events to the area. Government sector presence does draw some amount of event demand, but attendees can often be price sensitive due to per diem limits.

The following table shows the current workforce distribution by industry for the Tallahassee MSA.

FIGURE 2-2
HISTORICAL AND PROJECTED EMPLOYMENT

Sector/Geographic Area	Beginning Amount (thousands)	2003 2008 2018 2022	Ending Amount (thousands)
Tallahassee, FL MSA			
State And Local Government	60		61
Health Care And Social Assistance	18		28
Retail Trade	21		26
Accommodation And Food Services	13		22
Professional And Technical Services	14		19
Other Services, Except Public Administration	12		15
Administrative And Waste Services	12		13
Construction	11		12
Real Estate And Rental And Lease	6		10
Finance And Insurance	7		10
Other	28		33
Total Tallahassee, FL MSA	202		249
U.S.	166,026		214,599

Source: Woods & Poole Economics, Inc.

State and local government represents the largest source of employment. Health care is the fastest growing sector, followed by finance and accommodation and food services. All employment sectors are growing, suggesting a stable local economy.

Major Business and Industry

The following table presents a list of the major employers in the market area to provide additional context for understanding the nature of the regional economy.

FIGURE 2-3
MAJOR EMPLOYERS

Firm	Number of Employees
State of Florida	22,612
Florida State University	12,512
Leon County Schools	4,550
Publix Supermarket	3,439
Tallahassee Memorial HealthCare	3,190
City of Tallahassee	2,739
Walmart Stores	2,117
Leon County	1,919
Florida A&M University	1,759
Tallahassee Community College	1,631
Capital Regional Medical Center	1,151
ACS, A Xerox Company	700
Capital City Bank Group	532
S. Mark Powder, a General Dynamics Compa	452
Veterans of Foreign Wars	450
Capital Health Plan	425
Apalachee Center, Inc.	400
Westminster Oaks	379
University Center Club	300
Big Bend Hospice	300

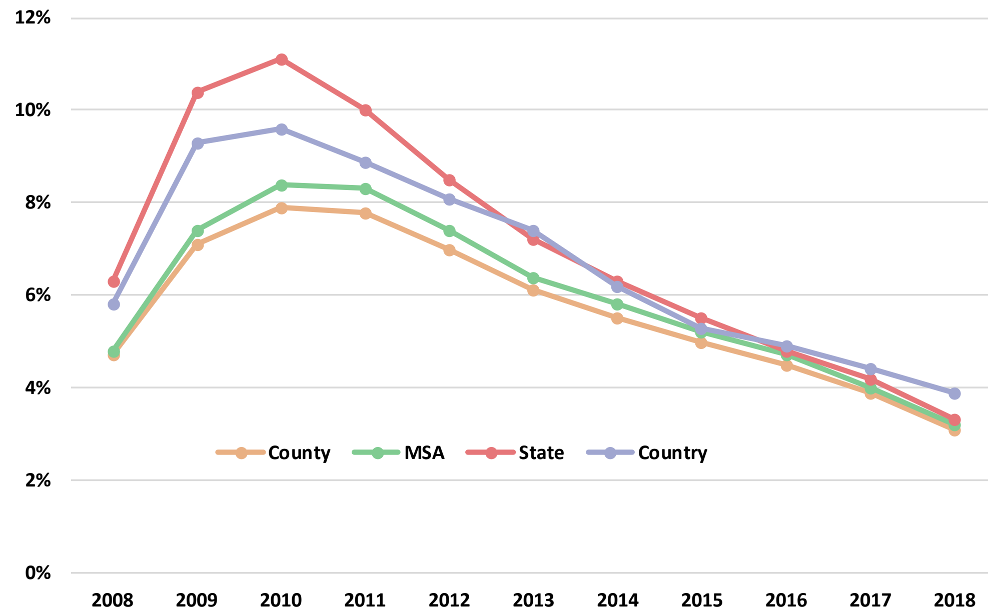
Source: Tallahassee Chamber of Commerce

State and local government, educational institutions, and healthcare represent eight of the top ten employers in the Tallahassee MSA. Two retail chains round out the list. The Tallahassee area has historically been dominated by the services sector, with a strong government sector. The prevalent health care sector and projected growth in the services sector indicate that the area is poised for greater growth in needed services, while manufacturing will remain stable or decline slightly. As the profile of the economy changes to encompass more services, the meeting and conference space needs of local businesses will change.

Unemployment Statistics

Unemployment statistics provide a measure of the health of the local economy and comparisons to state and national trends. The following table presents historical unemployment rates for the market area.

FIGURE 2-4
UNEMPLOYMENT STATISTICS



Source: Bureau of Labor Statistics

Historically, unemployment in the Tallahassee MSA tracked below state and national averages. Like the rest of the country, unemployment in Tallahassee spiked in 2009, peaking at 8.4% in 2010, a less dramatic increase than that experienced by other parts of the state of Florida. As the national economic conditions rebounded over the past several years, local unemployment levels have also fallen to below pre-recession levels.

Educational Institutions

Founded in 1851, Florida State University ("FSU") has a 477-acre campus near downtown Tallahassee and over 360 programs of study. FSU is nationally ranked in several of its programs, including medicine, law, business, and the sciences. Current enrollment stands at approximately 33,000 undergraduate students and another 9,000 students in graduate programs. The university fields 18 NCAA Division I sports teams.

Founded in 1887, Florida A&M University ("FAMU") is a public, historically black university, or HBCU, located on a 422-acre campus approximately one mile south of FSU. FAMU offers 60 bachelor's degrees, 40 master's degrees, and 11 doctoral programs. Top programs include pharmaceutical sciences, public health, and engineering. Current enrollment stands at approximately 8,000 undergraduate students and another 1,600 in graduate programs. The university fields 14 NCAA Division I sports teams.

Founded in 1966, Tallahassee Community College ("TCC") is a member of the Florida college system. The 270-acre main campus is approximately five miles west of downtown Tallahassee. TCC is the top transfer school to both FSU and FAMU. Current enrollment is approximately 25,000 students.

Airport Traffic

Since airport access is an important consideration for event planners, airport passenger counts indicate the ability of a market to support convention events. Trends showing changes in passenger counts also reflect local business activity and the overall economic health of the area.

The Tallahassee International Airport supports commercial airlines, corporate aviation, commuter and charter services, and a wide variety of other private aviation activities. The city-owned airport is approximately five miles southwest of Tallahassee's central business district and accounts for one-third of air passenger travel in the Northwest Florida region, which includes Tallahassee and 32 counties in Florida, Georgia, and Alabama. The current facility opened in December 1989 and cost a reported $33 million to build. In 2015, Tallahassee Regional Airport was renamed Tallahassee International Airport. While there are currently no international passenger flights, the change allows international cargo flights and general aviation flights.

Commercially, the airport is serviced by American Airlines, Delta Air Lines, and Silver Airways. The airlines operate out of a single-level terminal with 14 gates. There is an average of 40 flights per day. In 2018, American Airlines added a non-stop flight to Reagan National Airport in Washington DC. Via Airlines is slated to begin service in 2019 with non-stop service to Orlando Sanford International Airport.

The following figure illustrates recent operating statistics for Tallahassee International Airport.

FIGURE 2-5
AIRPORT STATISTICS – PASSENGER TRAFFIC

Year	Passenger Traffic	Annual Percent Change
2008	821,000	
2009	738,000	-10.1%
2010	671,000	-9.1%
2011	634,000	-5.5%
2012	685,000	8.0%
2013	697,000	1.8%
2014	707,000	1.4%
2015	693,000	-2.0%
2016	714,000	3.0%
2017	732,000	2.5%
2018	808,000	10.4%
YTD through Feb		
2017	106,089	
2018	117,646	10.9%
2019	125,795	6.9%

Source: Tallahassee International Airport

In 2018, Tallahassee International Airport reported the highest passenger traffic since 2008. Through the first two months of 2019, growth in traffic has continued.

Due to Tallahassee International Airport's limited flight options and restrictive prices, travelers to Tallahassee also drive to and from nearby airports. These include Northwest Florida Beaches International Airport in Panama City (103 miles away from Tallahassee), Jacksonville International Airport (175 miles away), and Valdosta Regional Airport (84 miles away).

Lodging Supply

A convention center's ability to attract out-of-town groups depends greatly on the availability of nearby hotel rooms within a reasonable distance to the facility. Moreover, events vary with respect to the types of hotels that best meet the needs of their delegates and attendees. Most planners of professional conferences and trade shows prefer large blocks of full-service hotel rooms in nationally branded properties. Some consumer show and banquet attendees prefer less expensive, limited-service hotel options that offer guest amenities such as complimentary breakfast and free internet connections.

Smith Travel Research ("STR") maintains a database of approximately 140,000 hotel properties and 13 million hotel rooms around the world. The figures below show the STR database inventory of all hotel rooms in the City of Tallahassee by service level and size. The quality of the hotels also indicates the market's ability to support the proposed Convention Center.

FIGURE 2-6
EXISTING LODGING SUPPLY BY SIZE

Size (Number of Guest Rooms)	Number of Properties	Number of Guest Rooms
Less than 50	9	307
50 to 99	28	2,230
100 to 149	20	2,379
150 to 199	4	634
200 and over	1	243
Total	62	5,793

Source: HVS

FIGURE 2-7
EXISTING LODGING SUPPLY BY SERVICE LEVEL

Chain Scale	Number of Properties	Number of Guest Rooms
Upper Upscale	1	117
Upscale	12	1,499
Upper Midscale	16	1,609
Midscale	11	996
Economy	22	1,572
Total	62	5,793

Source: HVS

The City of Tallahassee contains 62 hotel properties, the majority of which have between 50 and 150 rooms. The largest property is the 243-room DoubleTree Tallahassee Hotel. Properties represent a range of class levels with over half of rooms in the upper upscale, upscale, and upper midscale classes preferred by convention and meeting attendees. While no property is immediately adjacent to the proposed site for the hotel and convention center, approximately 90% of hotel properties and guest rooms in Tallahassee are within five miles of the Florida State University campus.

The Tallahassee–Leon County Planning Department provided HVS with a list of incoming hotel supply. The following figure summarizes this supply by date of expected completion.

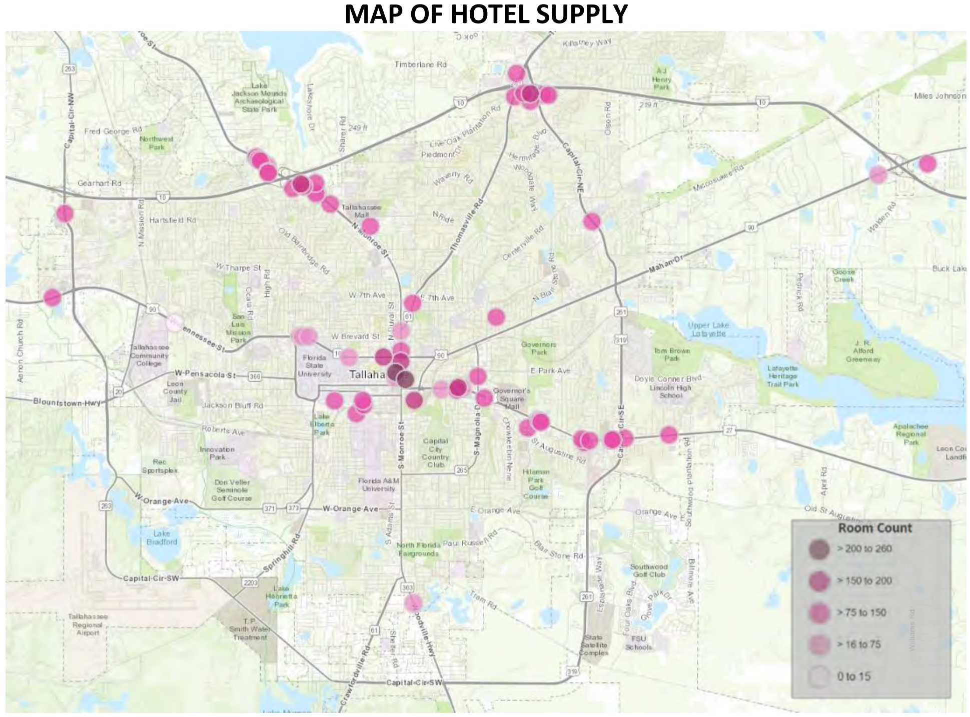
FIGURE 2-8
INCOMING LODGING SUPPLY
BY EXPECTED OPENING

Expected Opening	Number of Properties	Number of Guest Rooms
Q1 2020	1	62
Q2 2020	0	0
Q3 2020	2	402
Q4 2020	3	428
Q1 2021	1	154
Total	7	1,046

Source: HVS

HVS mapped the existing and incoming hotels to show the distribution of hotel supply through out the city. Each dot reflects an individual venues and darker colors indicate a larger hotel.

FIGURE 2-9
MAP OF HOTEL SUPPLY



Source: Esri, STR, and HVS

Hotels are clustered along Apalachee Parkway, I-10, and in Downtown Tallahassee.

Meeting and Event Infrastructure

Tucker and Turnbull currently serve as the area's principal option for dedicated meeting and event activity.

The Tucker Civic Center is a multipurpose convention and entertainment facility. The 13,800-seat arena venue is home to many of the Florida State University athletic programs, such as the university's basketball teams, as well playing host to concerts, family shows, and other entertainment events. The 18,000 square foot arena floor can accommodate a 1,000-person banquet. A 35,000-square-foot exhibition hall hosts various events including trade shows, large meal functions, themed parties, and meetings with seating up to 5,000. Current exhibit hall use is limited by columns that impede open floor space and divisibility, rendering it inadequate for many meeting planners. Six rooms contain 16,000 square feet of substandard meeting space with limited service access.

Opened in 2010, the Turnbull houses 19,900 square feet including eight meeting rooms, a 3,500-seat auditorium, and a 4,800 square foot dining room. The facility has audio-visual and technological features that make it an ideal venue for smaller academic conferences, business meetings, and corporate seminars.

Local hotels, private venues, university buildings, and the Tallahassee Automobile Museum make up the remainder of the market's supply. The following figure provides a summary of convention, meeting, and banquet spaces in Tallahassee with at least 5,000 square feet of function space.

FIGURE 2-10
LOCAL MEETING AND EVENT INFRASTRUCTURE

	Total Function Space (sq ft)	Banquet Capacity (sq ft)	Number of Guest Rooms
Venues with Lodging			
DoubleTree by Hilton Hotel	9,991	200	243
Residence Inn Universities	7,520	192	135
Four Points by Sheraton	7,000	200	164
Hotel Duval	6,350	150	117
Venues without Lodging			
The Pavilion at Centre of Tallahassee *	88,400	2,000	
North Florida Fairgrounds	60,000	750	
Donald L Tucker Civic Center	54,000	2,400	
Tallahassee Automobile Museum	35,000	1,000	
University Center/Dunlap Champions Club	32,247	350	
Tallahassee Community College	23,390	650	
The Moon	21,900	1,500	
Turnbull Conference Center	19,976	280	
FSU Oglesby Union	18,233	240	
Mission San Luis	9,726	250	
FSU Student Services Building	7,531	275	
Shiloh Farm Chapel & Barn	7,500	300	
The Layfayette Banquet Room	6,500	200	
Godwood Museum and Gardens	5,968	200	
FSU Alumni Center	5,895	248	
FAMU Grand Ballroom	5,817	272	
Cross Creek Driving Range	5,000	250	
The Gathering	5,000	150	

* Outdoor venue

Source: Visit Tallahassee

Four Tallahassee hotels offer 10,000 square feet or less of meeting function space. University and collegiate properties are available for private event rental but have the primary focus of serving the educational institution's needs. The Pavilion at the Centre of Tallahassee is an outdoor venue that hosts concerts, festivals, and expo events. The Tallahassee Automobile Museum hosts the largest banquet hall in Tallahassee open to the public, with two 15,000-square foot banquet rooms. Other stand-alone properties can only accommodate smaller banquet events.

Access and Transportation

Tallahassee is accessed from points throughout the region via a well-developed network of roads. Interstate 10 connects Tallahassee to Pensacola and Jacksonville and provides access to Interstate 75 connecting Atlanta to the north and central and southern Florida to the south.

FIGURE 2-11
TALLAHASSEE HIGHWAY MAP

Source: Google Maps

Conclusion

Tallahassee has low unemployment and a stable economy. The economic outlook for the area is generally positive with moderate population and income growth projected. As the capital of Florida and home to major state universities, Tallahassee's workforce profile is dominated by the government and educational sectors. But, other sectors, such as healthcare and financial services are growing. The presence of FSU, FAMU, and TCC creates opportunities for conventions, conferences, and seminars related to university research and other academic programs.

As a convention and meeting location, Tallahassee's location in the northern portion of Florida hinders its viability for state-based association events. Limited air service to cities throughout the US is a constraint for national and regional convention and meetings. Many properties in Tallahassee offer relatively small meeting function spaces, but few facilities contain a sizeable, multipurpose ballroom and breakout meeting spaces in a single venue. The addition of an appropriately-sized convention center should allow Tallahassee to serve the meeting needs of the community better and allow local organizations and citizens the opportunity to expand their programming and events.

3. Comparable Venues

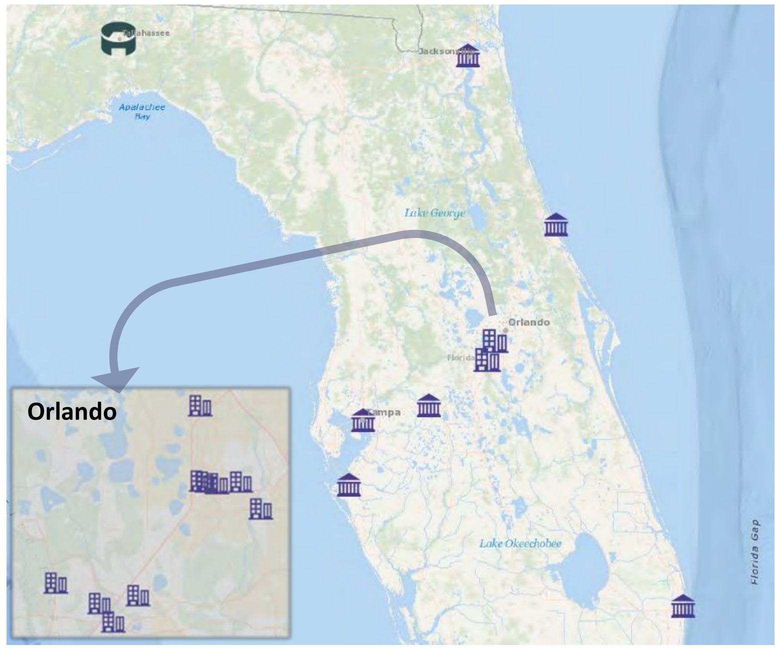
This analysis of comparable venues provides a basis for developing building program recommendations and forecasts of event demand. HVS compared the function spaces, adjacent hotel capacities, and characteristics of the markets relevant to the success of a convention and events center.

Event planners select host cities for their events based on the overall package that a city may offer. Tallahassee competes with other cities in Florida and the panhandle for a share of banquet, corporate, and other group meeting business. Several factors determine a city's overall strength and potential in the meetings market. These factors include the attributes of the facilities, lodging supply, the economic and demographic profile of the community, transportation access, and visitor amenities.

HVS analyzed three sets of venues and destinations that may compete with or are comparable to Tallahassee:

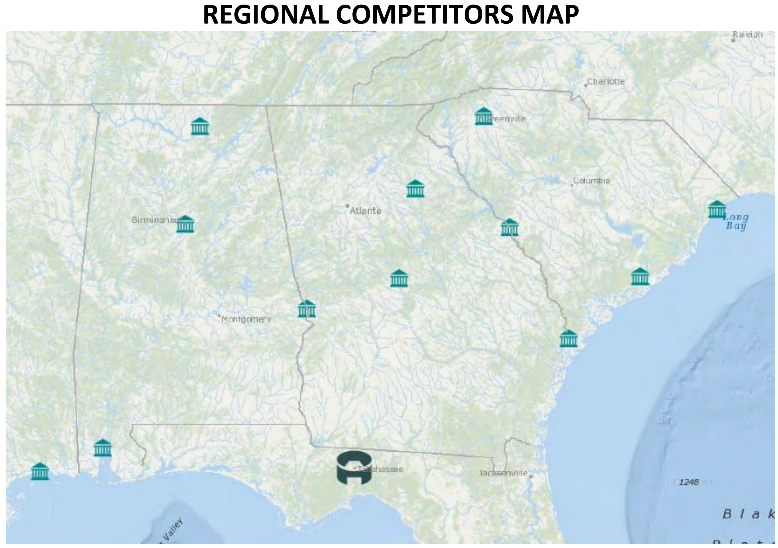
- **In-State Competitors**—Event centers, conference centers, and hotels with event space in Florida and the surrounding area. These are the venues with which the proposed Convention Center will compete for State Association and regional corporate business.

IN-STATE COMPETITORS MAP



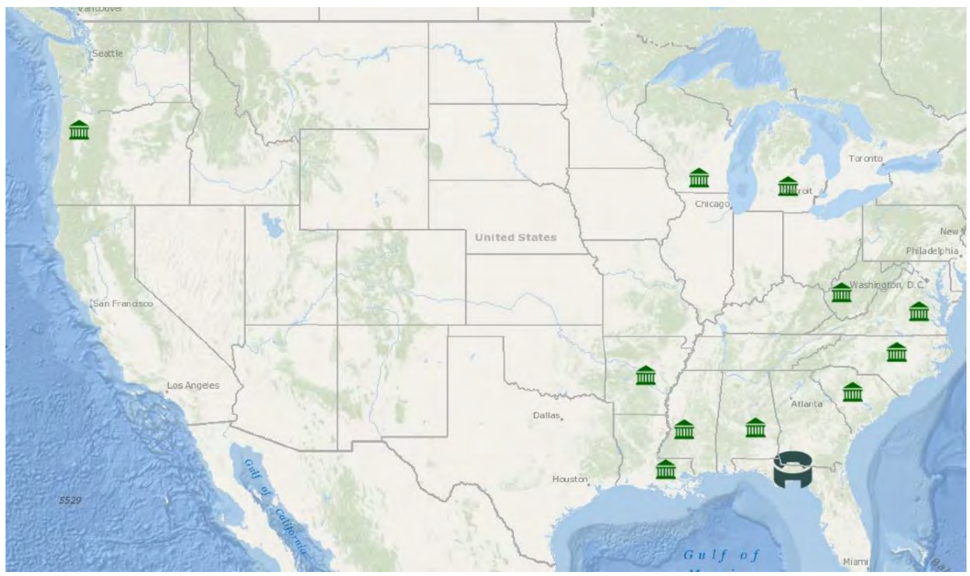
- **Regional Competitors**—Convention and conference centers in the Southeastern United States with medium-sized population bases that are comparable to Tallahassee. Many of these cities and venues reflect a similar destination and position in the conventions and events market as Tallahassee.

REGIONAL COMPETITORS MAP



- **State Capitals**—Convention centers in capital cities with medium-sized populations. We have chosen state capitals from the Southeastern United States and other State Capitals due to similarities in population size, as a convention destination, and university presence. We have not included large Capitals, such as Atlanta or Nashville, due to their populations and positions as major convention destinations. **This analysis also highlights that Tallahassee is the only State Capital in the Southeastern United States without a convention center.**

STATE CAPITALS MAP



The venues are listed in the figure below along with their location, the total amount of rentable function space (excluding lobby and other support spaces), and population by MSA and State.

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FIGURE 3-1
COMPARABLE VENUES

Name of Venue	City	State	Population MSA	Population State	Total Function Space
In-State Competitors					
Gaylord Palms	Orlando	FL	2,500,950	20,875,686	292,541
Tampa Convention Center	Tampa	FL	3,098,274	"	278,767
Marriott Orlando World Center	Orlando	FL	2,500,950	"	269,815
Rosen Shingle Creek	Orlando	FL	2,500,950	"	250,000
Ocean Center	Daytona Beach	FL	648,188	"	211,475
Hyatt Regency Orlando	Orlando	FL	2,500,950	"	201,893
Walt Disney World Dolphin	Orlando	FL	2,500,950	"	194,935
Palm Beach County Convention Center	West Palm Beach	FL	6,076,113	"	140,575
Hilton Orlando	Orlando	FL	2,500,950	"	133,837
Prime Osborne Convention Center	Jacksonville	FL	1,523,615	"	112,375
Rosen Centre Hotel	Orlando	FL	2,500,950	"	106,000
JW Marriott Orlando Grande Lakes	Orlando	FL	2,500,950	"	101,452
Hilton Orlando Bonnet Creek	Orlando	FL	2,500,950	"	79,689
Lakeland Center	Lakeland	FL	667,696	"	63,924
Loews Royal Pacific Resort	Orlando	FL	2,500,950	"	57,865
Donald L. Tucker Civic Center	**Tallahassee**	**FL**	**385,855**	**"**	**51,000**
Bradenton Area Convention Center	Palmetto	FL	800,171	"	41,220
Regional Competitors					
TD Convention Center	Greenville	SC	910,412	5,108,693	337,021
Birmingham-Jefferson Convention Complex	Birmingham	AL	1,173,590	4,968,383	277,605
Mississippi Coast Convention Center	Biloxi	MS	400,236	3,051,594	253,556
Von Braun Center	Huntsville	AL	459,572	4,968,383	160,626
Savannah Convention Center	Savannah	GA	396,822	10,517,229	143,212
Arthur R. Outlaw Mobile Convention Center	Mobile	AL	425,023	4,968,383	141,366
Myrtle Beach Convention Center	Myrtle Beach	SC	467,292	5,108,693	131,931
Charleston Area Convention Center	North Charleston	SC	783,132	5,108,693	118,040
Classic Center	Athens	GA	212,655	10,517,229	109,330
Columbus Georgia Trade Center	Columbus	GA	307,546	10,517,229	107,046
Augusta Convention Center	Augusta	GA	615,322	10,517,229	61,215
Edgar H. Wilson Convention Center	Macon	GA	232,124	10,517,229	50,700
State Capitals					
Greater Richmond Convention Center	Richmond	VA	1,307,000	8,566,397	256,059
Raleigh Convention Center	Raleigh	NC	1,358,294	10,455,604	212,061
Raising Cane's River Center	Baton Rouge	LA	866,601	4,825,121	133,000
Statehouse Convention Center	Little Rock	AR	746,561	3,067,536	107,950
Jackson Convention Complex	Jackson	MS	588,506	3,051,594	107,241
Montgomery Convention Center	Montgomery	AL	384,342	4,968,383	103,631
Charleston Civic Center	Charleston	WV	221,625	1,895,717	98,413
Lansing Center	Lansing	MI	482,662	10,057,191	97,118
Monona Terrace Convention Center	Madison	WI	662,724	5,847,633	62,830
Columbia Metropolitan Convention Center	Columbia	SC	840,419	5,108,693	56,980
Salem Convention Center	Salem	OR	421,762	4,185,014	24,290

Source: Respective Venues and Esri

HVS calculated the average MSA population, function space, and ratio of square feet to MSA population as shown in the following figure.

FIGURE 3-2
COMPARABLE VENUES POPULATION SUMMARY

Venue Set	MSA Population (000s)	Total Function Space (sf)	Ratio of SF per Person*
In-State Competitors	2,248	152,198	86
Regional Competitors	2,615	157,637	325
State Capitals	716	114,507	179

*An average of each venue's function space per thousands of persons.

Regional Competitors have the highest ratio of function space to MSA population, followed by State Capitals. The In-State Competitors have the lowest ratio of function space per MSA population due to the high populations around Orlando, Tampa, and South Florida.

Exhibition Space Assessment

The amount and quality of exhibition space determine the size and type of events that a venue can accommodate and is critical for several types of events such as conventions, tradeshows, and consumer shows. A comparison of the exhibition space available at each of the selected comparable facilities provides an indication of the appropriate amount of space for the proposed Convention Center and whether any exhibition space is warranted. However, not all comparable venues have dedicated exhibit space and hotels typically do not have exhibit halls.

FIGURE 3-3
EXHIBIT SPACE IN COMPARABLE VENUES

Name	Location	Exhibit Space (sf)
Tampa Convention Center	Tampa	200,000
Gaylord Palms	Orlando	178,500
Ocean Center	Daytona Beach	167,760
Walt Disney World Dolphin	Orlando	110,500
Marriott Orlando World Center	Orlando	105,000
Palm Beach County Convention Center	West Palm Beach	99,300
Prime Osborne Convention Center	Jacksonville	78,540
Donald L. Tucker Civic Center	**Tallahassee**	**35,000**
Bradenton Area Convention Center	Palmetto	32,400
Lakeland Center	Lakeland	27,848
Rosen Centre Hotel	Orlando	none
Hyatt Regency Orlando	Orlando	none
Hilton Orlando Bonnet Creek	Orlando	none
JW Marriott Orlando Grande Lakes	Orlando	none
Loews Royal Pacific Resort	Orlando	none
Rosen Shingle Creek	Orlando	none
Hilton Orlando	Orlando	none
Average		103,485

Regional Competitors

Name	Location	Exhibit Space (sf)
TD Convention Center	Greenville	280,000
Birmingham-Jefferson Convention Complex	Birmingham	205,810
Mississippi Coast Convention Center	Biloxi	133,086
Von Braun Center	Huntsville	105,084
Myrtle Beach Convention Center	Myrtle Beach	100,800
Arthur R. Outlaw Mobile Convention Center	Mobile	100,000
Savannah Convention Center	Savannah	97,750
Charleston Area Convention Center	North Charleston	76,960
Classic Center	Athens	70,025
Columbus Georgia Trade Center	Columbus	54,982
Augusta Convention Center	Augusta	37,791
Edgar H. Wilson Convention Center	Macon	30,800
Average		107,757

State Capitals

Name	Location	Exhibit Space (sf)
Greater Richmond Convention Center	Richmond	178,159
Raleigh Convention Center	Raleigh	146,843
Raising Cane's River Center	Baton Rouge	100,000
Statehouse Convention Center	Little Rock	82,892
Charleston Civic Center	Charleston	77,526
Montgomery Convention Center	Montgomery	75,520
Lansing Center	Lansing	71,760
Jackson Convention Complex	Jackson	60,000
Monona Terrace Convention Center	Madison	37,200
Columbia Metropolitan Convention Center	Columbia	24,700
Salem Convention Center	Salem	none
Average		85,460

Source: Respective Venues

The exhibit space offered by the comparable venues spans a range from 25,000 to 280,000. Typically, hotel venues do not offer significant exhibit space. The average exhibit space offered in each set ranges from 85,640 in the state capitals to 103,500 in the state competitors and 107,800 square feet in the regional convention centers. Venues with this range of exhibit space (85,000 to 108,000) can accommodate from 450 to 600 exhibit booths.

The Tucker has a 35,000-square foot exhibit hall, but columns make it suboptimal for events requiring open floor space. Tallahassee also has The Pavilion, which is a covered (but not conditioned) outdoor venue (50,000 square feet) primarily suited to concerts and festivals, though it occasionally hosts trade and consumer shows.

Ballroom Space Assessment

Ballroom spaces are often multipurpose, hosting banquets, large meetings, and light exhibit functions. In addition to social events (such as weddings and fundraisers) that host banquets, several other types of events, such as meetings and luncheons, typically require food services in a ballroom setting. General assemblies at conferences and large meetings use a ballroom with a theater or banquet set-up. As facility operators attempt to grow foodservice revenues at their facilities and event planners seek a higher level of service for their attendees, the size of the ballroom often determines a venue's event size capacity.

The figure below compares the amount of available ballroom space in comparable and competitive venues.

FIGURE 3-4
BALLROOM SPACE IN COMPARABLE VENUES

In-State Competitors

Name	Location	Ballroom Space (sf)
Rosen Shingle Creek	Orlando	195,000
Hyatt Regency Orlando	Orlando	133,880
Marriott Orlando World Center	Orlando	126,084
Hilton Orlando	Orlando	95,000
JW Marriott Orlando Grande Lakes	Orlando	77,650
Gaylord Palms	Orlando	77,628
Hilton Orlando Bonnet Creek	Orlando	55,032
Walt Disney World Dolphin	Orlando	54,238
Rosen Centre Hotel	Orlando	49,375
Loews Royal Pacific Resort	Orlando	41,503
Tampa Convention Center	Tampa	36,000
Palm Beach County Convention Center	West Palm Beach	21,978
Ocean Center	Daytona Beach	11,715
Prime Osborne Convention Center	Jacksonville	10,140
Lakeland Center	Lakeland	5,089
Bradenton Area Convention Center	Palmetto	none
Donald L. Tucker Civic Center	**Tallahassee**	**none**
Average		66,021

Regional Competitors

Name	Location	Ballroom Space (sf)
Von Braun Center	Huntsville	40,650
Mississippi Coast Convention Center	Biloxi	36,354
Columbus Georgia Trade Center	Columbus	35,840
TD Convention Center	Greenville	30,000
Savannah Convention Center	Savannah	25,000
Charleston Area Convention Center	North Charleston	24,960
Classic Center	Athens	18,000
Myrtle Beach Convention Center	Myrtle Beach	16,890
Arthur R. Outlaw Mobile Convention Center	Mobile	15,508
Birmingham-Jefferson Convention Complex	Birmingham	14,007
Augusta Convention Center	Augusta	10,758
Edgar H. Wilson Convention Center	Macon	9,100
Average		23,089

State Capitals

Name	Location	Ballroom Space (sf)
Raleigh Convention Center	Raleigh	32,617
Greater Richmond Convention Center	Richmond	30,550
Raising Cane's River Center	Baton Rouge	26,000
Jackson Convention Complex	Jackson	25,000
Statehouse Convention Center	Little Rock	18,362
Columbia Metropolitan Convention Center	Columbia	17,135
Montgomery Convention Center	Montgomery	13,920
Monona Terrace Convention Center	Madison	13,524
Lansing Center	Lansing	13,320
Salem Convention Center	Salem	11,400
Charleston Civic Center	Charleston	6,100
Average		18,903

Source: Respective Venues

At 195,000 square feet, the Rosen Shingle Creek in Orlando offers the largest ballroom in the competitive regional venue set. The Orlando venues outpace the other comparable venues in ballroom space with an average of 90,000 square feet. The non-Orlando venues average 19,900 square feet.

Meeting/Break-out Room Assessment

Meeting rooms can accommodate sub-groups as they break out of larger general sessions at conventions and tradeshows. Additionally, these smaller rooms can support self-contained meetings, training sessions, seminars, classes, and a variety of small meeting functions. A facility's meeting rooms are often its most frequently used function spaces. Generally, convention centers should offer meeting space proportionate to the amount of exhibition and ballroom space available at the facility. However, the optimum amount of meeting space can vary depending on a facility's target market. Many venues opt to develop a large, flexible ballroom space which can be divided into several sections and used as breakout meeting space.

The following figure presents a comparison of available meeting space in the regional and comparable venues.

FIGURE 3-5
MEETING SPACE IN COMPARABLE VENUES

In-State Competitors

Name	Location	Meeting Space (sf)
Hyatt Regency Orlando	Orlando	68,013
Rosen Centre Hotel	Orlando	56,625
Rosen Shingle Creek	Orlando	55,000
Tampa Convention Center	Tampa	42,767
Hilton Orlando	Orlando	38,837
Marriott Orlando World Center	Orlando	38,731
Gaylord Palms	Orlando	36,413
Ocean Center	Daytona Beach	32,000
Lakeland Center	Lakeland	30,987
Walt Disney World Dolphin	Orlando	30,197
Hilton Orlando Bonnet Creek	Orlando	24,657
JW Marriott Orlando Grande Lakes	Orlando	23,802
Prime Osborne Convention Center	Jacksonville	23,695
Palm Beach County Convention Center	West Palm Beach	19,297
Loews Royal Pacific Resort	Orlando	16,362
Donald L. Tucker Civic Center	**Tallahassee**	**16,000**
Bradenton Area Convention Center	Palmetto	8,820
Average		33,071

Regional Competitors

Name	Location	Meeting Space (sf)
Mississippi Coast Convention Center	Biloxi	84,116
Birmingham-Jefferson Convention Complex	Birmingham	57,788
TD Convention Center	Greenville	27,021
Arthur R. Outlaw Mobile Convention Center	Mobile	25,858
Classic Center	Athens	21,305
Savannah Convention Center	Savannah	20,462
Columbus Georgia Trade Center	Columbus	16,224
Charleston Area Convention Center	North Charleston	16,120
Von Braun Center	Huntsville	14,892
Myrtle Beach Convention Center	Myrtle Beach	14,241
Augusta Convention Center	Augusta	12,666
Edgar H. Wilson Convention Center	Macon	10,800
Average		26,791

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Chicago, Illinois

State Capitals

Name	Location	Meeting Space (sf)
Greater Richmond Convention Center	Richmond	47,350
Raleigh Convention Center	Raleigh	32,601
Jackson Convention Complex	Jackson	22,241
Columbia Metropolitan Convention Center	Columbia	15,145
Charleston Civic Center	Charleston	14,787
Montgomery Convention Center	Montgomery	14,191
Salem Convention Center	Salem	12,890
Monona Terrace Convention Center	Madison	12,106
Lansing Center	Lansing	12,038
Raising Cane's River Center	Baton Rouge	7,000
Statehouse Convention Center	Little Rock	6,696
Average		17,913

Source: Respective Venues

Meeting space in Florida venues ranges from 8,000 square feet to 68,000 square feet. The Pavilion does not have meeting space and is used exclusively as an event venue.

Regional Venues average approximately 26,800 square feet of meeting space and 18 rooms. The Mississippi Coast Convention Center in Biloxi has the most rooms and the largest space available, while the Wilson Convention Center in Macon has the least space and the fewest rooms.

Among the State Capitals, Richmond has the most meeting space while Little Rock has the least. These venues are smaller on average than the regional and in-state venues. Proportionally, they average 10,000 less square feet of meeting space than the other sets of venues.

Adjacent Hotel Capacity

The quality and proximity of hotel supply represent one of the most important selection factors for events with substantial lodging needs. Event planners consider proximity and connectivity as critical factors when evaluating an event destination. The number of rooms offered at adjacent or connected hotels is often a key point of comparison. Other important factors include hotel brands, service levels, building conditions, management, ease of access, and available meeting and banquet spaces in these hotels.

The figure below compares the ratio of adjacent hotel rooms to function space in comparable venues.

FIGURE 3-6
ADJACENT HOTEL ROOMS IN COMPARABLE VENUES

Name of Venue	Total Function Space (SF)	Number of Hotel Rooms	Function Space per Room (SF)
In-State Competitors			
Lakeland Center	63,924	127	503
Palm Beach County Convention Center	140,575	400	351
Tampa Convention Center	278,767	1,079	258
Gaylord Palms	292,541	1,406	208
Rosen Shingle Creek	250,000	1,501	167
Marriott Orlando World Center	269,815	2,003	135
Walt Disney World Dolphin	194,935	1,509	129
Hyatt Regency Orlando	201,893	1,641	123
JW Marriott Orlando Grande Lakes	101,452	998	102
Hilton Orlando	133,837	1,417	94
Hilton Orlando Bonnet Creek	79,689	1,001	80
Rosen Centre Hotel	106,000	1,334	79
Loews Royal Pacific Resort	57,865	1,000	58
Regional Competitors			
Columbus Georgia Convention & Trade Center	107,046	177	605
Classic Center	109,330	190	575
Charleston Area Convention Center	118,040	255	463
Arthur R. Outlaw Mobile Convention Center	141,366	372	380
Savannah International Trade & Convention Center	143,212	403	355
Myrtle Beach Convention Center	131,931	402	328
Birmingham-Jefferson Convention Complex	277,605	1,064	261
Edgar H. Wilson Convention Center	50,700	220	230
Augusta Convention Center	61,215	349	175
State Capitals			
Greater Richmond Convention Center	256,059	410	625
Raleigh Convention Center	212,061	400	530
Raising Cane's River Center	133,000	300	443
Montgomery Convention and Performing Arts Center	103,631	342	303
Monona Terrace Community and Convention Center	62,830	240	262
Statehouse Convention Center	107,950	418	258
Salem Convention Center	24,290	193	126

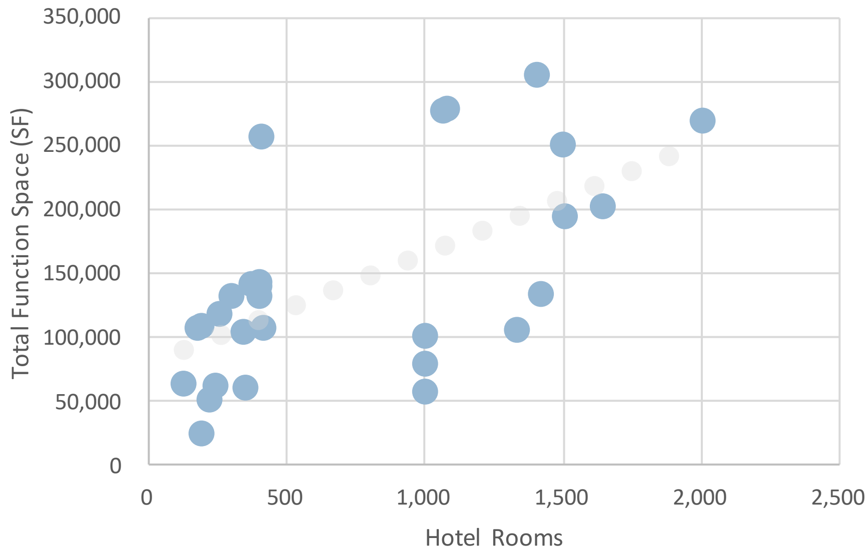
Source: Respective Venues

Most in-state and regional venues that have attached hotel rooms are conference centers or hotels that host meetings and conferences. These centers require attached guest rooms to be competitive in the meetings business. The average among all venues is 289 square feet per hotel room. This average is lower among the in-state competitors because hotel venues typically have enough hotel rooms to capture all event attendees as well as leisure and business travelers.

Almost all of the comparable convention centers are serviced by a primary adjacent or connected hotel. The Birmingham-Jefferson Convention Complex has two adjacent hotels and the Tampa Convention Center has two with a JW Marriott due to open in 2020.

The following figure plots the total function space against attached hotel rooms, with each blue dot representing an individual facility from the set of comparable venues.

FIGURE 3-7
ADJACENT HOTEL ROOMS AND FUNCTION SPACE IN COMPARABLE VENUES



Based on the comparable venues, a hotel with 400 rooms could support up to 100,000 square feet of function space.

Market Comparisons

Market factors, such as population, business establishments, and market-wide hotel rooms help determine the relative strength of the local economy, its ability to generate local events, and attendance potential. A strong local corporate presence indicates a greater ability to book corporate meetings and attract industry-wide events. Communities with larger populations have a greater potential for weddings, parties and other social events and larger attendance at public events. We compare Tallahassee to comparable markets in similar capital cities in the U.S. to assess the relative ability to generate events and attendance.

Market Population

Local area population data can provide evidence of a community's overall economic size and ability to support public services and visitor amenities for convention center users. Population can also determine the demand potential for certain types of events such as locally generated meetings, banquets, religious events, graduation ceremonies, and consumer shows. The following figures compare city and MSA population data for the State Capitals.

FIGURE 3-8
CITY POPULATION IN
COMPARABLE STATE CAPITALS

2018 Total Population	
Raleigh, NC	469,363
Madison, WI	258,275
Baton Rouge, LA	233,114
Richmond, VA	226,913
Montgomery, AL	207,148
Little Rock, AR	203,980
Tallahassee, FL	**191,649**
Salem, OR	166,530
Columbia, SC	137,578
Lansing, MI	117,289
Charleston, WV	49,970
Jackson, MS	32,951

Source: Esri

Tallahassee's population is near the median of this set of cities.

FIGURE 3-9
MSA POPULATION AND FUNCTION SPACE
IN COMPARABLE STATE CAPITALS

Name of Venue	City	State	MSA Population (2018)	Total Function Space (sf)
Raleigh Convention Center	Raleigh	NC	1,358,294	212,061
Greater Richmond Convention Center	Richmond	VA	1,307,000	256,059
Raising Cane's River Center	Baton Rouge	LA	866,601	133,000
Columbia Metropolitan Convention Center	Columbia	SC	840,419	56,980
Statehouse Convention Center	Little Rock	AR	746,561	107,950
Monona Terrace Convention Center	Madison	WI	662,724	62,830
Jackson Convention Complex	Jackson	MS	588,506	107,241
Lansing Center	Lansing	MI	482,662	97,118
Salem Convention Center	Salem	OR	421,762	24,290
Proposed Convention Center	**Tallahassee**	**FL**	**385,855**	**na**
Montgomery Convention Center	Montgomery	AL	384,342	103,631
Charleston Civic Center	Charleston	WV	221,625	98,413

Corporate Comparison

The density and breadth of a city's corporate base indicate demand potential in the meetings industry. Businesses generate demand for conventions, conferences, training, and other industry-specific events. The following figures demonstrate how the area compares with the comparable State Capitals with respect to the total number of business establishments.

FIGURE 3-10
NUMBER OF BUSINESS ESTABLISHMENTS IN COMPARABLE STATE CAPITALS

Number of Businesses	
Raleigh, NC	20,356
Baton Rouge, LA	11,533
Madison, WI	11,463
Little Rock, AR	11,458
Tallahassee, FL	**9,669**
Richmond, VA	9,454
Montgomery, AL	9,173
Columbia, SC	6,756
Salem, OR	6,433
Lansing, MI	4,361
Charleston, WV	3,661
Jackson, MS	1,733

Source: Esri

Among the local area competitors, Tallahassee has the fifth highest number of businesses, suggesting a moderate ability to generate local corporate demand for events.

City-wide Hotel Capacity

Larger events, such as conference and banquets may require the use of multiple hotels to accommodate event attendees. The overall number of hotel rooms available in the market provides an indicator of the capacity to provide adequate room blocks for large events. Additionally, meeting planners typically prefer hotels that classify as Upscale or above. The figure below shows the number of city-wide hotel rooms in comparable markets by hotel class.

FIGURE 3-11
CITY-WIDE HOTEL ROOMS BY HOTEL CLASS IN COMPARABLE MARKETS

	Luxury	Upper Upscale	Upscale	Upper Midscale	Midscale	Economy	Total
Raleigh	0	2,374	2,936	2,033	997	2,583	10,923
Richmond	254	2,172	1,860	1,847	1,025	2,592	9,750
Columbia	0	1,052	1,570	2,315	1,344	2,663	8,944
Baton Rouge	205	1,306	2,338	1,998	775	2,221	8,843
Madison	626	783	1,669	1,879	993	1,620	7,570
Little Rock	94	678	1,979	1,540	1,096	1,877	7,264
Montgomery	0	579	784	1,607	777	2,532	6,279
Tallahassee	**0**	**117**	**1,499**	**1,609**	**996**	**1,576**	**5,797**
Jackson	0	800	523	701	724	2,121	4,869
Lansing	0	0	1,149	455	856	459	2,919
Charleston	0	605	403	725	356	567	2,656
Salem	0	0	170	866	165	799	2,000

Source: STR and respective cities

Among comparable State Capitals, Tallahassee ranks eighth in total hotel rooms, despite having only one property that classifies as Upper Upscale (the Hotel Duval). According to the Tallahassee and Leon County planning department, Tallahassee has several hotels expected to enter the market in 2019 and 2020, which would increase the city's hotel room supply by 1,046 rooms. These include a Hotel Indigo, a Loews Hotel, a Drury Inn & Suites, and a Hyatt House.

Destination Analysis

The availability of amenities that support visitation and the overall attractiveness of a destination play important roles in event planner decisions. To assess the suitability of a site for convention center events, we defined the destination as the 20-minute walking radius from the venue, the reasonable distance that attendees can expect to travel.

HVS used Esri Business Analyst Online ("Esri") to compare the suitability of an event destination to competitive cities. Esri is a well-regarded forecasting service that applies geographic information system technology ("GIS") to produce extensive demographic, consumer spending, and business data analyses. Esri employs a sophisticated location-based model to forecast economic and demographic trends. Esri models rely on U.S. census data, the American Community Survey, and other primary research.

For available hotel rooms, HVS used STR to count the total number of rooms within seven-tenths of a mile (roughly equal to a 15- to 20-minute walk). This is the maximum distance for a hotel to be counted available for convention room blocks.

Using ESRI and STR data, HVS ranked the convention centers in the comparable State Capitals set on four indicators of destination quality.

- Arts, Entertainment, & Recreation Businesses —Arts, entertainment, and recreation business enhance the quality and attractiveness of a destination. This category includes museums, historical sites, amusement and entertainment venues, and recreation venues.

- Food Service & Drinking Businesses—The number of food service and drinking businesses measures the presence of restaurants, bars and other outlets that support local and tourism visitation.

- Storefront Businesses—A sum of the number of food and beverage stores, clothing and accessory stores, sports, hobby and music stores, general merchandise and miscellaneous stores. This indicates the presence of retail shopping, restaurants and bars, and other destination attractions for visitors.

- Hotel and Lodging Businesses—The quality and proximity of hotel supply represents one of the most important selection factors for facility users in recent years. To attract out-of-town groups, an adequate supply of nearby hotel rooms should support the lodging needs of delegates, exhibitors, and other attendees. In this ranking HVS added incoming supply for Tallahassee to indicate how it will compare to other destinations by the end of 2020. By 2020, it is expected to add 522 rooms within walking distance of the site.

The figures below rank Tallahassee among the comparable State Capitals.

FIGURE 3-12
COMPARABLE DESTINATION ANALYSIS

Arts, Entertainment Businesses	
Richmond, VA	56
Little Rock, AR	50
Raleigh, NC	48
Columbia, SC	44
Madison, WI	39
Tallahassee, FL	**35**
Baton Rouge, LA	32
Lansing, MI	31
Jackson, MS	29
Montgomery, AL	29
Salem, OR	25
Charleston, WV	17

Food Service & Drinking Businesses	
Madison, WI	213
Richmond, VA	186
Columbia, SC	135
Raleigh, NC	129
Little Rock, AR	103
Salem, OR	96
Tallahassee, FL	**86**
Charleston, WV	80
Baton Rouge, LA	73
Lansing, MI	69
Montgomery, AL	43
Jackson, MS	33

Storefront Businesses	
Charleston, WV	865
Salem, OR	860
Richmond, VA	810
Little Rock, AR	645
Madison, WI	610
Columbia, SC	550
Raleigh, NC	550
Lansing, MI	470
Tallahassee, FL	**400**
Jackson, MS	390
Montgomery, AL	265
Baton Rouge, LA	215

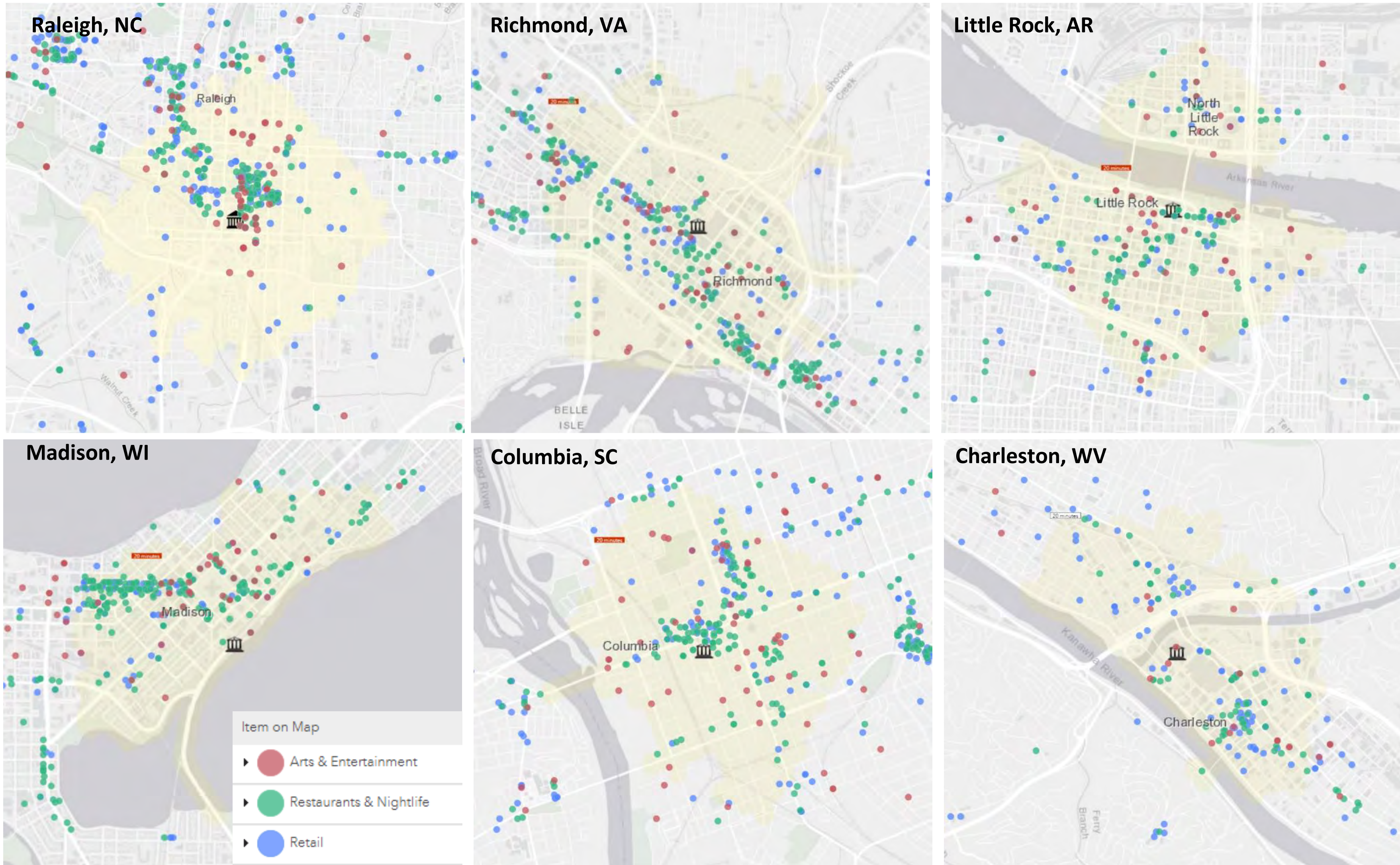
Available Hotel Rooms	
Richmond, VA	2,459
Little Rock, AR	2,263
Madison, WI	1,719
Tallahassee, FL	**1,564**
Charleston, WV	1,483
Columbia, SC	1,416
Baton Rouge, LA	1,176
Raleigh, NC	1,132
Montgomery, AL	1,013
Jackson, MS	716
Lansing, MI	256
Salem, OR	235

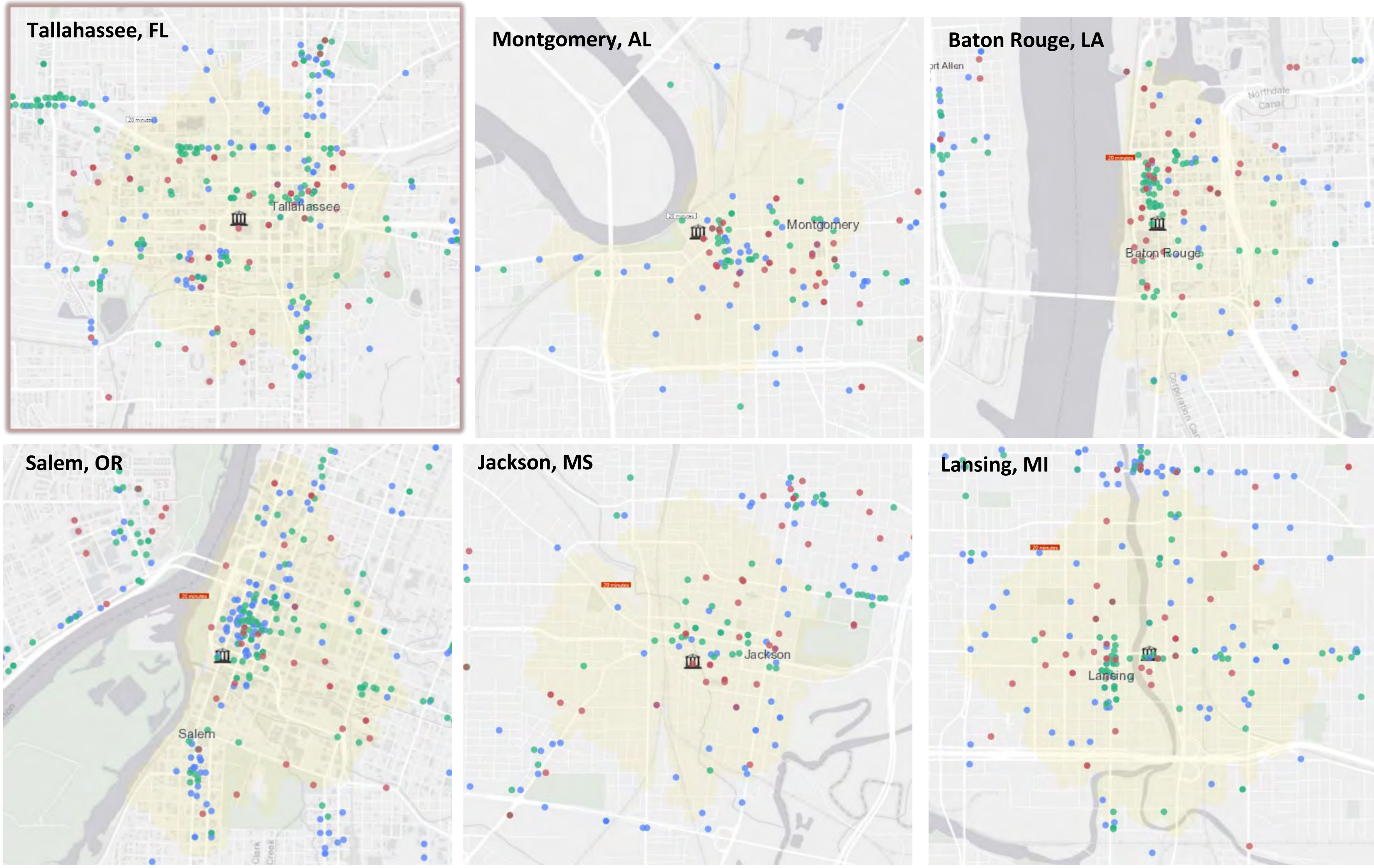
Source: ESRI

Mapping of Destination Indicators

The following figures display the quantity and density of amenities in these convention districts.

FIGURE 3-13
LOCATION OF PROXIMATE AMENITIES




Tallahassee, FL
Tallahassee
Montgomery, AL
Montgomery
Baton Rouge, LA
Baton Rouge
Salem, OR
Salem
Jackson, MS
Jackson
Lansing, MI
Lansing

Source: Esri

HVS
Convention, Sports & Entertainment
Facilities Consulting
Chicago, Illinois

Tallahassee's destination amenities fall within the mid-range of comparable cities, lacking the density of businesses evident in Raleigh, Richmond, Madison, and Little Rock but superior to Montgomery, Jackson, Lansing, and Baton Rouge. If hotel development continues as forecast, Tallahassee would have strong hotel room supply within walking distance of the proposed Convention Center. Tallahassee is close to average in arts, entertainment, and recreation establishments, but lacks storefront business and dining options near the proposed Convention Center site.

Destination Ranking

To assess the relative strength of each destination, HVS calculated a score for each convention area's ranking within the criteria. Destination quality criteria were weighted to reflect their importance to event planners. The figure below shows the overall rank among the competitive cities and the weights for each criterion.

FIGURE 3-14
RANK ON ALL DESTINATION CRITERIA

	Weight (1 to 5)	3	5	4	3	1	3	5	5			
Rank	**City**	**Arts, Entertainment Businesses**	**Available Hotel Rooms**	**Food Service & Drinking Businesses**	**Storefront Businesses**	**2018 Total Population**	**Number of Businesses**	**Cost Index**	**Airport Enplane-ments**	**Weighted Destination Score**	**Total Function Space (sf)**	**Adjacent Hotel Rooms**
1	Richmond, VA	1.00	1.00	0.85	0.92	0.44	0.41	0.14	0.29	0.621	256,059	410
2	Raleigh, NC	0.79	0.40	0.53	0.52	1.00	1.00	0.16	1.00	0.616	212,061	400
3	Little Rock, AR	0.85	0.91	0.39	0.66	0.39	0.52	0.67	0.15	0.576	107,950	418
4	Madison, WI	0.56	0.67	1.00	0.61	0.52	0.52	0.00	0.14	0.470	62,830	240
5	Columbia, SC	0.69	0.53	0.57	0.52	0.24	0.27	0.54	0.07	0.436	56,980	0
6	Charleston, WV	0.00	0.56	0.26	1.00	0.04	0.10	1.00	0.01	0.422	98,413	0
7	**Tallahassee, FL**	**0.46**	**0.60**	**0.29**	**0.28**	**0.36**	**0.43**	**0.42**	**0.04**	**0.357**	**39,000**	**na**
8	Montgomery, AL	0.31	0.35	0.06	0.08	0.40	0.40	0.81	0.01	0.305	103,631	342
9	Baton Rouge, LA	0.38	0.42	0.22	0.00	0.46	0.53	0.42	0.04	0.294	133,000	300
10	Salem, OR	0.21	0.00	0.35	0.99	0.31	0.25	0.16	0.00	0.236	24,290	193
11	Jackson, MS	0.31	0.22	0.00	0.27	0.00	0.00	0.71	0.06	0.229	107,241	0
12	Lansing, MI	0.36	0.01	0.20	0.39	0.19	0.14	0.42	0.01	0.202	97,118	0

Tallahassee ranks seventh overall in the destination ranking, due to the relatively high population and business presence. Tallahassee ranks behind other capital cities in airlift access, overall hotel rooms, and dining and retail establishments.

Conclusions and Implications for Tallahassee

The competitive and comparable venues presented in this analysis host a variety of event types and serve both local and visiting attendees. Most offer flexible event spaces that can be configured to accommodate varying event needs and sizes. Many have adjacent and attached guest rooms that provide the "under one roof" meeting package preferred by most event planners and attendees. Despite its business presence and status as the capital city of Florida, Tallahassee's destination amenities and meeting infrastructure improvements will be necessary to expand the city's ability to attract out-of-town events. However, Tallahassee needs a significant increase in the amount of function space to compete for State Association and corporate business.

4. Survey Findings

Survey Overview

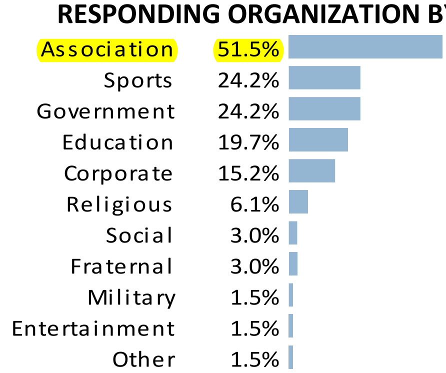
HVS designed and conducted a survey of event planners to provide a basis for a building program and event demand projections. The survey explored event planner needs and preferences and their interest in holding events in Tallahassee.

Visit Tallahassee provided HVS with a list of 888 event planners. There were 99 responses for an effective response rate of 11%. The true response rate is unknown because spam filters may have blocked a considerable number of emails. The following summary of responses highlights key results.

Survey Respondents

To understand the types of organizations responding to the survey, HVS asked respondents to describe the organizations they represent and their past use of venues in the market. Respondents may represent more than one type of organization, as shown in the figure below.

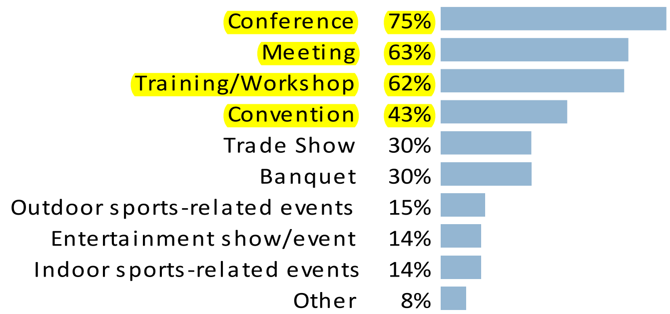
FIGURE 4-1
RESPONDING ORGANIZATION BY TYPE



Event planners representing associations make up 51.5% of the sample, followed by sports and governmental associations, making up a quarter each.

HVS asked event planners to identify all the types of events they plan.

FIGURE 4-2
TYPES OF EVENTS PLANNED



Meeting planners organize a wide variety of event types. Planners cited conferences, meetings, and training/workshops most often. A lower percentage of event planners plan host conventions. Approximately 30% of event planners host sports events and competitions.

The sample obtained through this survey reflects the current cross-section of event planners that consider Tallahassee for events.

Past Events

HVS asked event planners if they had planned an event in Tallahassee during the past five years. See the figure below.

FIGURE 4-3
ATTENDANCE AT EVENTS IN TALLAHASSEE

Most respondents (70%) had attended an event or meeting in Tallahassee in the last five years.

For those planners who responded “yes” to the above question, HVS asked them to identify the venues in which the event was held to better understand the current supply of event space in Tallahassee, as well as potential competitors if the convention center is built.

FIGURE 4-4
FACILITY IN TALLAHASSEE IN WHICH EVENT WAS HOSTED

Local Hotel(s)	15%
Donald L. Tucker Civic Center	11%
Augustus B. Turnbull Conference	10%
The University Center Club/Dunlap Champions Club	10%
FSU Alumni Center	4%
Tallahassee Automobile Museum	4%
Governor's Club	4%
FSU Oglesby Union	3%
Goodwood Museum	3%
Capitol Complex	3%
TCC Center for Innovation	2%
TCC Center For Workforce Development	2%
Alfred Lawson Jr. Multipurpose Center	2%
The Pavilion at Centre of Tallahassee	2%
North Florida Fairgrounds	2%
Magnetic Field Laboratory	2%
FAMU Grand Ballroom	1%

Event planners are currently hosting events in a variety of venues in Tallahassee, including hotels. The Tucker Center, Turnbull, and the University Center Club are the most popular, capturing 36% of all events.

HVS then asked event planners to identify the hotels that participated in their hotel room block.

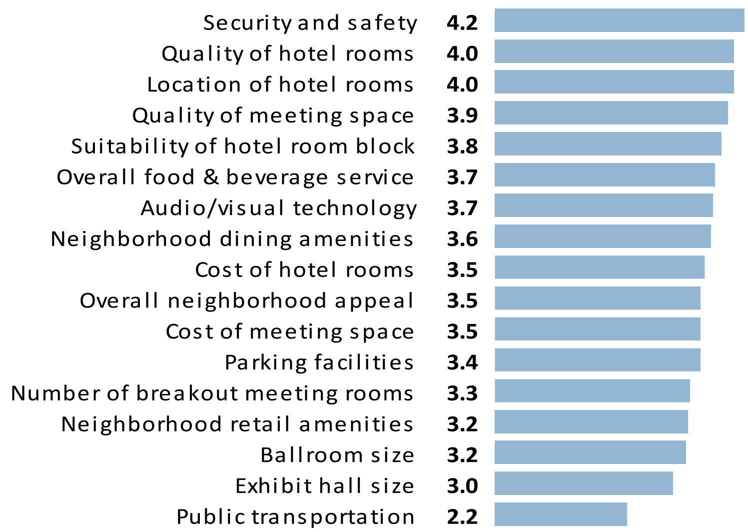
FIGURE 4-5
HOTELS IN ROOM BLOCK

Hotel Name	Hotel Class	Percent of Respondents
DoubleTree by Hilton Hotel Tallahassee	Upscale	51%
Aloft Tallahassee Downtown	Upscale	30%
Hotel Duval, Autograph Collection	Upper Upscale	25%
Home2 Suites by Hilton Tallahassee	Upper Midscale	23%
Four Points by Sheraton Tallahassee Downtown	Upscale	21%
Hilton Garden Inn Tallahassee Central	Upscale	21%
Courtyard by Marriott Capitol	Upscale	18%
Hampton Inn & Suites Capitol University	Upper Midscale	16%
Residence Inn Universities at the Capitol	Upscale	16%
Comfort Suites Tallahassee Downtown	Upper Midscale	12%
Springhill Suites Tallahassee Central	Upscale	12%
Wyndham Garden Tallahassee Capitol	Upper Midscale	11%

Respondents most frequently mentioned the DoubleTree hotel followed by the Aloft, Hotel Duval, and Home2 Suites. All the hotels mentioned by respondents were upper midscale Class or above, and upscale class hotels had the highest number of respondents.

HVS asked event planners who had hosted an event in Tallahassee to rate their satisfaction with the venue's event space, service, and other amenities. In the following figure, a score of five indicates fully satisfied, and a score of one indicates extremely dissatisfied with their experience at the venue.

FIGURE 4-6
PLANNERS SATISFACTION WITH TALLAHASSEE VENUES

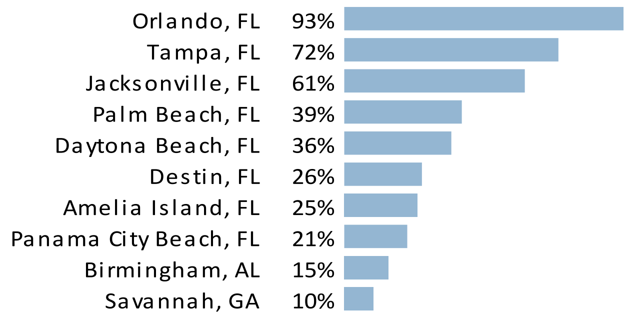


Most planners who have hosted events in Tallahassee have been satisfied with the safety of the city. The location and quality of the city's function spaces hotels were also considered moderately satisfactory. Planners are less satisfied with public transportation, the size of available function space, and neighborhood amenities.

In unaided answers to questions, planners who have not held an event in Tallahassee stated their reasons for not doing so. Event planners' stated reasons included the location of the city within the state of Florida, client or attendee demand, lack of meeting space, and hotel, venue, and air travel costs.

HVS asked all event planners to identify other cities in which they have recently held events. Planners reported hosting events in over 25 cities across the Southeastern US. The following figure shows the cities in which event planners most frequently place events.

FIGURE 4-7
OTHER VENUES BY CITY

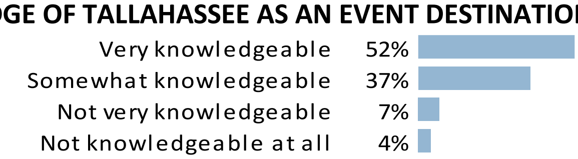


Venues throughout Florida received the most mentions from the event planners. The most popular cities for other events were Orlando, followed by Tampa and Jacksonville.

Meeting Planner Perceptions

Before responding to a series of questions regarding their perception of Tallahassee as a group event location, HVS asked meeting planners to identify their level of knowledge about the destination.

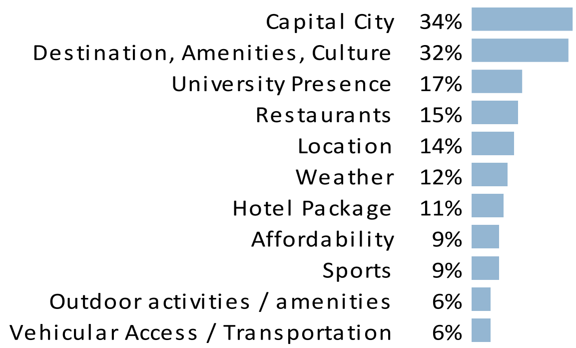
FIGURE 4-8
KNOWLEDGE OF TALLAHASSEE AS AN EVENT DESTINATION



Almost 90% of respondents reported that they are at least somewhat knowledgeable of Tallahassee.

HVS asked meeting planners to identify Tallahassee's main strengths and weaknesses as an event destination. We classified their unaided responses as shown in the following figures.

FIGURE 4-9
STRENGTHS AS AN EVENT DESTINATION



Just over a third of event planners cite the connection of the city to the legislator and the state capital as a destination strength. Many planners the cultural amenities, hospitality, and overall quality as a strength. Only two respondents mentioned venue quality as a strength.

FIGURE 4-10
WEAKNESSES AS AN EVENT DESTINATION

Over a third of planners cite Tallahassee's air access as a significant weakness for an event destination. Planners also cited a lack of event space capacity, inadequate hotel package, and a lack of venues.

Some attributes, such as location and destination amenities, were cited as both strengths and weaknesses, which reflects the variety of locations, perspectives, and needs of event planners.

HVS asked survey respondents to identify their five most important criteria when selecting an event destination. The following figure presents the percentage of survey respondents who selected each selection criteria in their top five.

FIGURE 4-11
EVENT PLANNER SELECTION CRITERIA

Selection Criteria	% of Planners Who Consider Criteria Most Important
Availability of facility event space	74%
Availability of hotel rooms	62%
Price of facility rentals	62%
Price of hotel rooms	56%
Proximity of hotels to event spaces	29%
Availability of air travel	25%
Availability of convenient nearby parking	24%
Cleanliness	22%
Convenience for drive-in visitors	21%
Overall level of destination appeal	21%
Geographic location within state	18%
Quality of hotel rooms	18%
Safety	15%
Ability to attract attendees	13%
Dining, retail & entertainment options	10%
Adequate technology services	9%
Recreation, tourism & cultural activities	7%
Green building and conferencing practices	2%

Four selection criteria emerged as the most important to event planners, with over half to almost three-quarters of all event planners having selected these as top five criteria. The availability and affordability of the facility event space and hotel rooms are barriers to entry for most planners. Other criteria, such as cultural activities and dining options are important, but matter less than the more unyielding features of an event—the required spaces for attendees and the limits of event budgets.

HVS then asked event planners to rate Tallahassee on these same criteria. In the following figure, HVS indicates Tallahassee's average ratings on the criteria ranked in Figure 4-11, a rating of five means excellent and a rating of one means poor.

FIGURE 4-12
TALLAHASSEE RATING ON SELECTION CRITERIA, RANKED BY IMPORTANCE

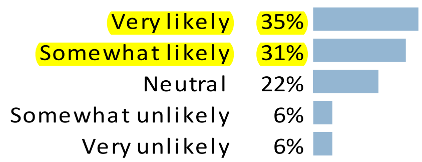
Selection Criteria	Tallahassee Rating
Availability of facility event space	2.4
Availability of hotel rooms	2.8
Price of facility rentals	2.6
Price of hotel rooms	3.0
Proximity of hotels to event spaces	3.3
Availability of air travel	2.0
Availability of convenient nearby parking	3.1
Cleanliness	4.4
Convenience for drive-in visitors	2.5
Overall level of destination appeal	3.0
Geographic location within state	2.8
Quality of hotel rooms	3.4
Safety	3.5
Ability to attract attendees	2.3
Dining, retail & entertainment options	2.4
Adequate technology services	4.0
Recreation, tourism & cultural activities	2.8
Green building and conferencing practices	4.0

Tallahassee received average ratings for the relatively important criteria of the price of hotel rooms and the proximity of hotels to events spaces. It also ranks high on other criteria, such as safety and cleanliness. However, these criteria are less important to event planners and therefore do not create a significant advantage for the destination. Tallahassee received below average ratings on availability and affordability of event spaces, availability of hotel rooms, and availability of air travel.

Event Characteristics and Facility Requirements

HVS told event planners that a hotel and convention center development is being considered in downtown Tallahassee, FL and that the development would be adjacent or connected to the Tucker Civic Center and the Turnbull Conference Center. Based on this information, HVS asked respondents how likely they would be to book an event at the facility if the venue and hotel package met their event needs. The following figure presents the results of these responses.

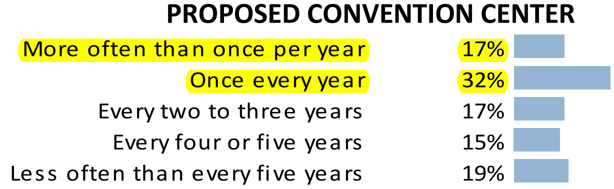
FIGURE 4-13
LIKELIHOOD OF BOOKING EVENTS AT PROPOSED CONVENTION CENTER



Well over half of the event planners (66%) would be very likely or somewhat likely to book an event at the proposed Convention Center. Almost one-quarter of the planners remain neutral, suggesting that continued marketing efforts are warranted to persuade planners to bring their events to the venue. Only 6% of planners report that they would be very unlikely to host an event at the Proposed Convention Center.

The figure below shows the frequency with which event planners would book events at the proposed Convention Center.

FIGURE 4-14
FREQUENCY OF EVENTS WITH PROPOSED CONVENTION CENTER

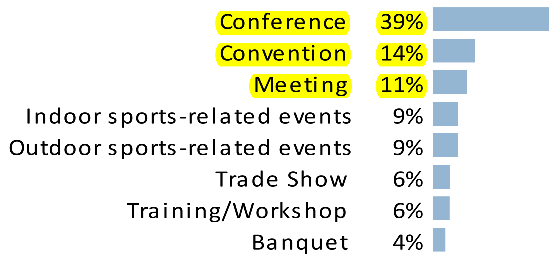


Almost half of event planners (49%) would rotate an event to the proposed Convention Center at least once a year. Around 19% would book less than once every five years or never.

To determine preferences for events, HVS asked event planners to identify and describe their most typical or important event. This information included the name of the event, the type of event, venue needs, approximate attendance, scheduling, and lodging requirements.

The following figure breaks down the events by type.

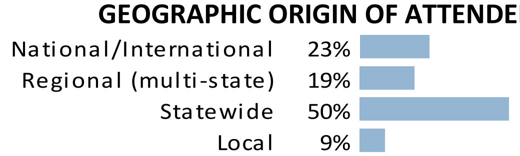
FIGURE 4-15
EVENTS BY TYPE



About 40% of the events described by meeting planners are conferences. Conventions and meetings make up an additional 14% and 11%, respectively. Indoor and outdoor sports-related events and competitions make up 18% of events.

HVS asked survey participants to identify the scope (geographic origin of attendees) of their most typical event.

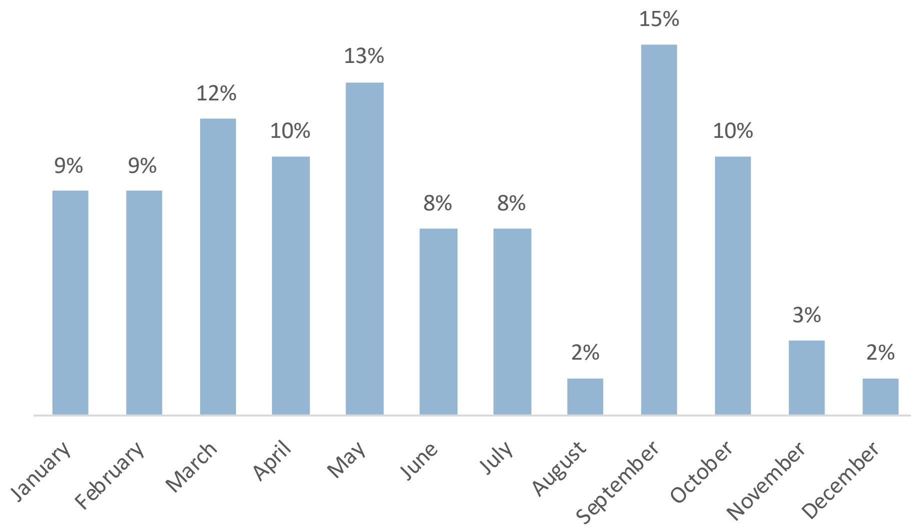
FIGURE 4-16
GEOGRAPHIC ORIGIN OF ATTENDEES



About half of meeting planners report that their events attract a statewide base of attendees. Just over 40% of planners report that their events attract multi-state or national attendees.

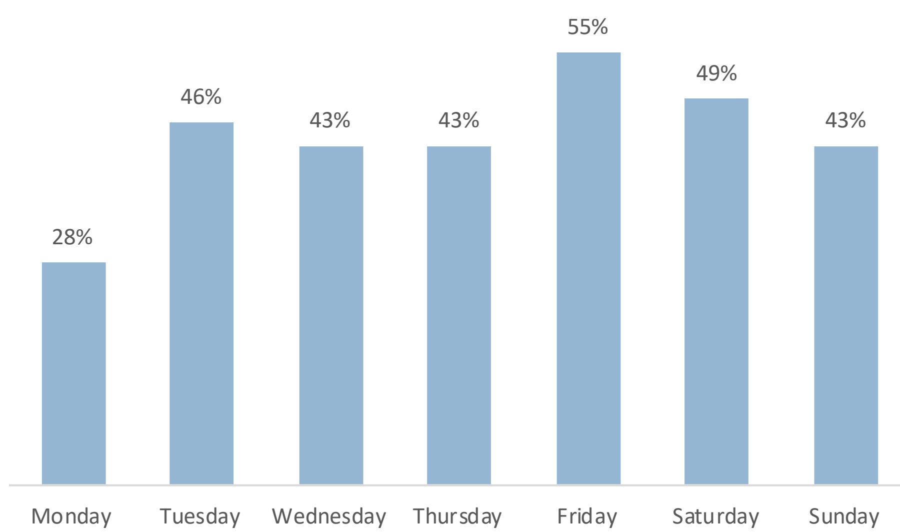
HVS asked event planners to identify the month and the days of the week in which the typical event takes place.

FIGURE 4-17
EVENTS BY MONTH



Events occur year round with months in the spring and fall the most active. August, November, and December have the fewest events.

FIGURE 4-18
EVENTS BY DAY OF WEEK



Events take place throughout the week with most occurring Friday and Saturday. Mondays have the fewest events.

HVS asked event planners to indicate attendance and event length for their events. Event attendance levels indicate the quantity and size of function spaces that events require. Event length indicates how long events occupy function spaces and hotel rooms. HVS calculated the average attendance and event length for each event type reported as presented in the following figure.

FIGURE 4-19
AVERAGE ATTENDANCE AND LENGTH BY TYPE OF EVENT

Event Type	Attendance	Event Length
Conference	470	2.7
Convention	770	4.2
Meeting	280	2.0
Indoor sports-related events	1,560	3.5
Outdoor sports-related events	820	1.8
Trade Show	240	1.3
Training/Workshop	760	1.8

Sports-related events attract the largest number of attendees. Conventions and trainings/workshops attract a similar number of attendees, while trade shows and meetings tend to have lower attendance. Conventions have the longest event length, followed by indoor sports events, and trade shows and meetings have the shortest events.

HVS asked event planners to identify the type of venue in which they typically place their event.

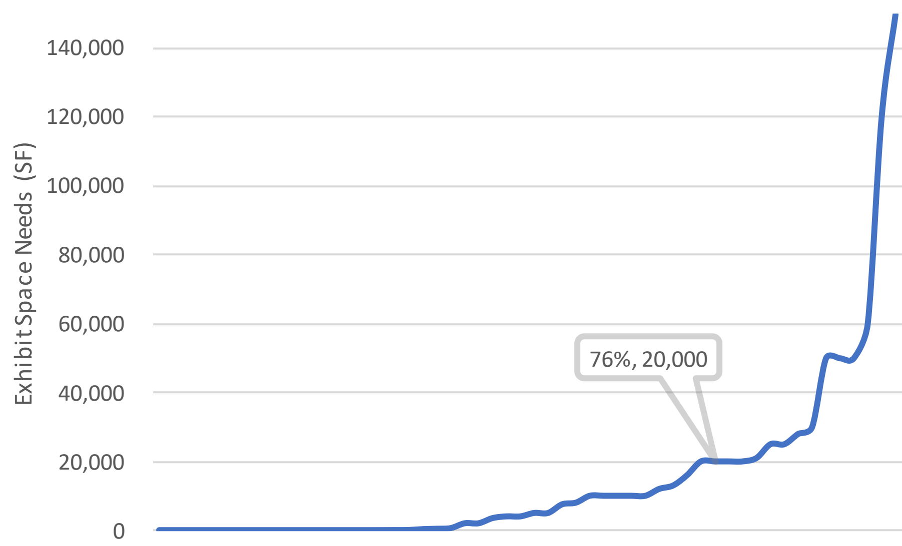
FIGURE 4-20
TYPE OF VENUE

Hotel	20%
Convention Center (Exhibit, Banquet & Meeting)	15%
Resort	13%
University Venue	13%
Conference Center (Banquet & Meeting Space)	12%
Event Center/Arena	7%
Sports Complex	7%
In-house at our business location	1%

The greatest percentage of events are in hotels, followed by convention centers, resorts, and university venues.

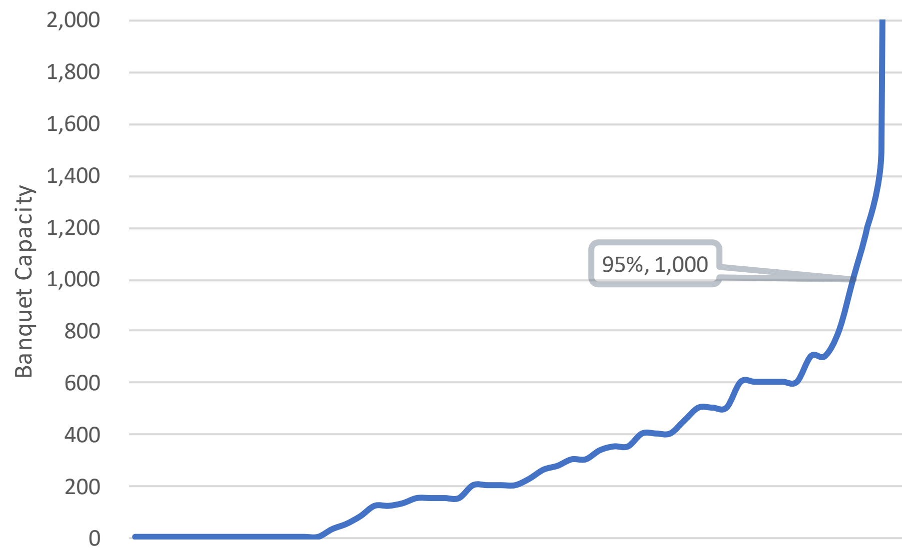
HVS asked event planners to identify facility exhibit space, banquet seating, and meeting room needs for their events. HVS considers only those events which require a specific function. The following figures present distributions of space requirements for exhibit space, banquet seating, general session seating, and meeting rooms.

FIGURE 4-21
EXHIBIT SPACE NEEDS



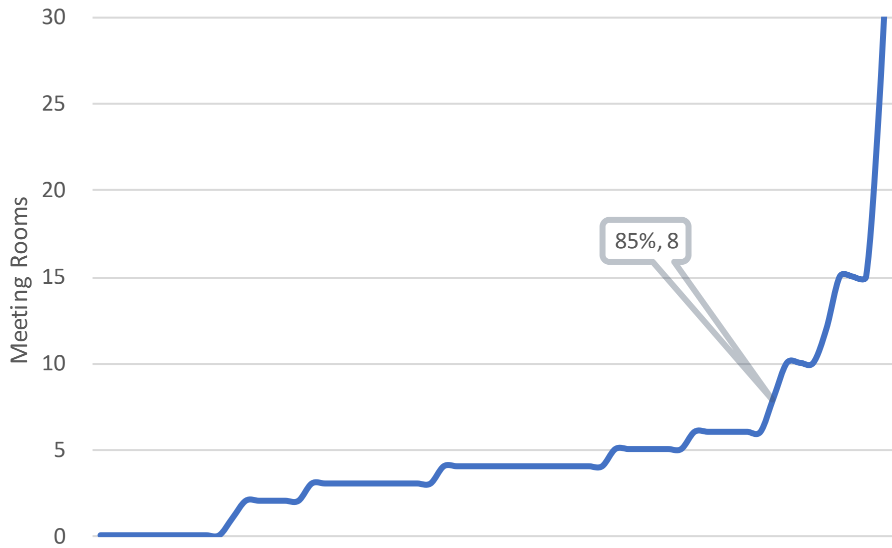
A 20,000-square foot exhibit hall would service over 75% of respondents.

FIGURE 4-22
BANQUET SEATING REQUIREMENTS



A ballroom with a capacity of 1,000 would serve approximately 95% of respondents.

FIGURE 4-23
MEETING ROOM REQUIREMENTS

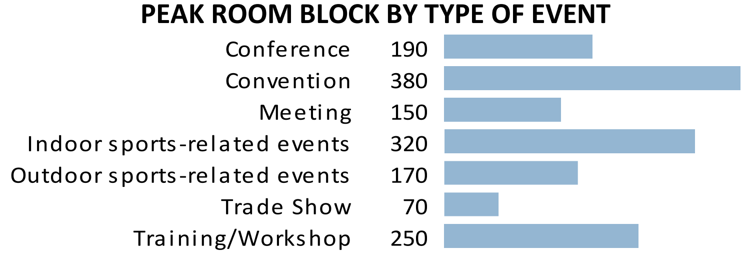


A venue with eight meetings rooms would serve 85% of respondents.

Lodging Requirements

HVS asked event planners to indicate the peak room night needs for their events. HVS calculated the average peak room nights for each event type reported as presented in the following figure.

FIGURE 4-24
PEAK ROOM BLOCK BY TYPE OF EVENT



Despite having a lower average attendance, conventions attract a greater number of attendees that require lodging and have relatively higher peak room night requirements. Indoor Sports events also require many peak room nights.

HVS asked event planners to identify the hotel service level and hotel chain scale they prefer for their event attendees.

FIGURE 4-25
PREFERRED HOTEL SERVICE LEVEL

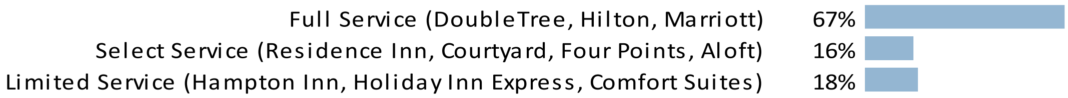
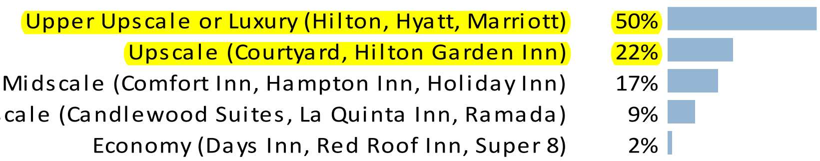


FIGURE 4-26
PREFERRED HOTEL CHAIN SCALE

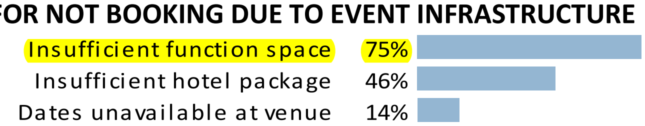


Most planners (67%) prefer a full-service hotel with much fewer preferring a select service or limited service property. About half of event planners prefer upper upscale or luxury brands with a smaller percentage preferring upscale or upper midscale properties.

Event Infrastructure Needs

To further evaluate the specific meeting infrastructure needs in Tallahassee, HVS asked event planners whether they had ever wanted to host an event in Tallahassee but did not due to insufficient event infrastructure. Approximately 46% of survey respondents reported that they had been unable to host an event in Tallahassee for this reason. HVS asked them to specify the type of event infrastructure that was insufficient (respondents could give more than one answer).

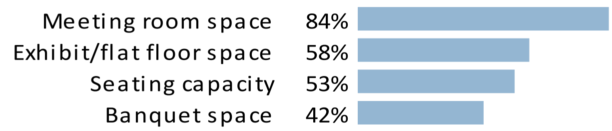
FIGURE 4-27
REASONS FOR NOT BOOKING DUE TO EVENT INFRASTRUCTURE



Most planners (75%) indicated that they could not book their event in Tallahassee due to insufficient function space. Insufficient hotel package was also frequently chosen. Dates unavailable at venue received only a few mentions.

For those planners who have not been able to host in Tallahassee due to insufficient function space, HVS asked them to identify the specific space that was lacking. For the following analysis, respondents could give more than one answer.

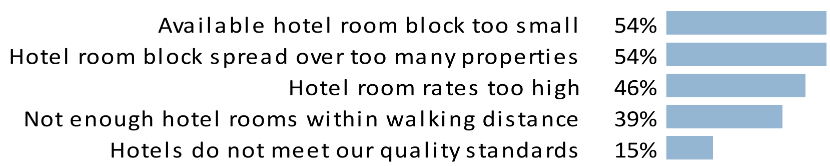
FIGURE 4-28
SPECIFIC EVENT FUNCTION SPACE THAT WAS INSUFFICIENT



Almost all respondents identified a lack of meeting rooms in Tallahassee. Over half respondents indicated a lack of flat floor space and seating capacity. A smaller percentage felt there is a lack of ballroom space.

For those planners who cited an insufficient hotel package as the reason for not booking an event in Tallahassee, HVS asked them to identify the specific reasons. For the following analysis, respondents could give more than one answer.

FIGURE 4-29
SPECIFIC REASON WHY HOTEL PACKAGE WAS INSUFFICIENT



Over half of responding event planners who have not booked in Tallahassee due to hotel insufficiencies indicated that hotel room blocks are too small and spread out over too many properties. High hotel rates also received several mentions.

Key Findings and Conclusions

Survey respondents provide a good sample for evaluating the existing demand for events in Tallahassee. The majority plan events for associations, sports groups, and government or educational organizations. Key findings and conclusions include the following:

- Most of the survey respondents have booked an event in Tallahassee over the past five years. Overall, planners found the facility events space and hotel package wanting.
- Based on historical bookings, the proposed Convention Center's strongest competition comes from convention centers and hotels in Orlando, Tampa, and Jacksonville.
- Aside from external factors, such as geographic location and weather, the greatest deterrents to event planners considering the proposed Convention Center for an event include Tallahassee's challenging airlift access, inadequate hotel package, and lack of availability of venues and event space.

- Tallahassee has several strengths as a group event destination, including its university presence and connection to the State Legislature. Other planners noted it as a destination with a pleasant and hospitable culture.
- For a significant majority of planners, a sufficient number of hotel rooms within walking distance is an absolute necessity. Planners prefer to book room blocks in full-service properties in upper upscale brands.
- Lodging requirements vary by event type with conventions requiring an average peak room block of approximately 380 rooms. Other event types, on average, require 200 rooms at peak.
- For those planners who have not been able to book an event in Tallahassee, three-quarters indicate that reason was insufficient function space.
- 66% of planners indicate that they would be very likely or likely to book an event at the proposed Convention Center.

The survey results indicate that the development of a proposed Convention Center would satisfy the most pressing needs obstructing event planners. A 20,000-square foot multipurpose space could address that exhibit needs of 75% of respondents and be used as banquet space for over 95% of respondents. The development of the proposed Convention Center space would allow Tallahassee to accommodate larger events and attract events that are currently going elsewhere in Florida.

5. Building Program Recommendations

In this section, HVS provides a building program recommendation for the development of a Convention Center. Our market area analysis, interviews and surveys, and analysis of comparable and competitive markets indicate that the development of a Convention Center would allow the City to serve the needs of the local community and offer event planners an option for conventions and conferences in Tallahassee. A Convention Center would increase Tallahassee's attractiveness to rotating association-based events that currently do not consider Tallahassee an event destination.

The building program described in this section includes the floor areas of various types of function spaces and other important convention center amenities. To formulate the function space sizes for the proposed development, HVS relied on the following.

- A review of existing meeting and convention infrastructure in Tallahassee,
- An analysis of event space programming in competitive venues and comparable markets,
- An event planner survey,
- Knowledge of standard industry practices, and
- Interviews with representatives of FSU, FAMU, TCC, Visit Tallahassee, the City of Tallahassee and Leon County, and other stakeholders.

The building program presented in this section could serve as a guide for subsequent physical planning aimed at providing the desired facility elements.

Event Types

HVS considered a range of venue development options and assessed how well each option could accommodate a variety of event types. The following are definitions of the event types that Tallahassee may want to accommodate through new venue development.

University Conferences—Conferences are multi-day events that require a mix of banquet and breakout space set-up and occasional assembly space, but they typically do not require a large exhibit set-up. This category includes any larger university-affiliated events, National High Magnetic Field Laboratory events, and academic conferences that could not fit in existing venues or require significant non-classroom space. Existing academic events are supported with campus space and

University event spaces, such as the Turnbull, the University Center, and the FAMU Grand Ballroom.

Association Conferences—Professional associations often host conferences, but this demand category also includes religious and other SMERF groups that would rotate to Tallahassee for their recurring events as shown in the survey results in Section 4. This includes the over 400 associations headquartered in Tallahassee and over 1,000 Florida state associations as well as national associations with significant presence in Florida.

State & Regional Conventions and Trade Shows—Conventions require a combination of exhibition, banquet, and meeting space. The source of conventions would be primarily associations and corporations from Florida and the Southeastern US. These events occur less frequently than conferences but typically have greater attendance and room night generation. Similarly, trade shows are typically exhibit-oriented events in which people display and demonstrate products. Trade shows require some meeting and meal space; however, they require less meeting space than conventions.

National Conventions & Trade Shows—National conventions are large events organized by national industry organizations, national and international associations, and corporations that rotate around the US annually. These events are some of the most valuable because of the number of visitors they generated. Tallahassee's air service, city-wide hotel supply, and destination appeal will limit its ability to attract nation al conventions and trade shows.

Corporate Meetings—Most corporate meetings are relatively small and use meeting space. But some events, such as shareholder meetings, may require large ballroom space. Food service is limited to coffee breaks, breakfasts, or luncheons in meeting rooms. Local and regional corporations, nonprofit organizations, and other groups all host meetings. Local government, civic organizations, and other local groups would use meeting space for meetings, information sessions, training, and exams. Although the size of meetings ranges from ten to over 500 persons, most meetings are small events that have approximately 100 attendees and take place in breakout meeting space.

Banquets & Social—Banquets are stand-alone social events, weddings, luncheons, and other meals typically booked by local corporations, schools, social and civic organizations, and private clients. The flexibility of the ballroom and pre-function spaces would allow for a variety of banquet sizes and multiple simultaneous events. Since the ballroom must also accommodate the needs of the venue's conference clients, this flexibility is crucial to operating the facility with minimal scheduling conflicts.

Convention, Sports & Entertainment
Facilities Consulting
Chicago, Illinois

Consumer Shows/Fairs—Consumer shows are public events that attract local and regional attendees. The proposed Convention Center would be available for light exhibit events such as craft shows, food and wine expos, and art shows. The multipurpose ballroom and lobby spaces would be the primary exhibit space for vendors. These events would need some meeting space for support and back of house uses. Food and beverage services would be limited to concessions.

Sports/Competitions—There is potential for growth in Tallahassee among indoor sports, including tennis and volleyball tournaments as well as mat sports competitions, such as gymnastics, martial arts, dance, and cheerleading. This category would also include other events, such as Esports, card tournaments, and robotics competitions. Many of the tournaments and competitions already exist and could rotate to Tallahassee given the proper facilities.

Entertainment & Concerts—These include a variety of concerts, comedy shows, and theatrical productions. These events are currently well-served at the Tucker Civic Center and the Pavilion.

The figure below summarizes the demand potential for Tallahassee and space utilization for each type of event.

FIGURE 5-1
CONVENTION CENTER SPACE OPTIONS

Event Types	Demand Level	SPACE UTILIZATION		
		Exhibition	Ballroom	Meeting Rooms
University Conferences	Medium	↓	↑	↑
Association Conferences	High	↑	↑	↑
State & Regional Conventions	Medium	→	↑	↑
National Conventions	Low	↑	↑	↑
Corporate Meetings	Medium	↓	→	↑
Banquets & Social Events	High	↓	↑	↑
Consumer Shows	High	↑	→	↓
Sports Competitions	High	↑	↓	↓
Entertainment Events	Low	→	→	↓

The market analysis, event planner surveys, lost business reports, and analysis of comparable venues discussed previously in this report indicate that association conferences, banquets and social events have high demand potential in Tallahassee. While a larger venue could accommodate nearly all potential events, a proportional Convention Center could serve local needs for banquets and corporate meetings, and also address space needs for regional and State association events with less than 1,600 attendees.

Meeting Planner Survey

A survey of event planners indicates that respondents host a variety of events, including conferences, meetings, banquets, and workshops. While Tallahassee's existing venues are suitable for smaller events, respondents often identified a lack of function space and inadequate hotel package prevents them from booking events in Tallahassee. Currently, event planners host events in competitive cities like Orlando, Tampa, and Jacksonville that offer more meeting infrastructure than Tallahassee. Most respondents indicated interest in hosting events in Tallahassee if a venue and hotel were developed that suits their needs.

Building Program

The development of an events venue in Tallahassee could address a variety of needs. Tallahassee has the potential to host university events, state-wide and regional associations events, corporate meetings, local private and social events. HVS identified a building program that could fit on the proposed site. The venue we recommend would be part of the hotel and have proportionate space to the hotel guest room count. The hotel would contain a 20,000 square foot ballroom, a 9,000 square foot junior ballroom, and 10,000 square feet of meeting space.

Functional requirements of the proposed Convention Center revolve around the principle that the venue must host simultaneous events with different venue needs, such as meetings that may use a combination of meeting and banquet space and social events that only need banquet space. Back of house spaces, including the loading dock and storage areas, should serve multiple events without hindering the efficiency of another event's operation.

The following figure provides a summary of the combined meeting space for the Convention Center function spaces. Detailed descriptions of event functions and support spaces follow.

FIGURE 5-2
CONVENTION CENTER BUILDING PROGRAM

Event Space	Total Area (SF)	Seating Capacities		
		Theatre	Banquet	Classroom
Ballrooom	**20,000**	**2,220**	**1,670**	**1,380**
Division 1	3,750	420	310	260
Division 2	3,750	420	310	260
Division 3	3,750	420	310	260
Division 4	3,750	420	310	260
Sub-division 4a	1,250	140	100	90
Sub-division 4b	1,250	140	100	90
Sub-division 4c	1,250	140	100	90
Junior Ballroom	**9,000**	**1,000**	**750**	**620**
Division 1	3,000	330	250	210
Division 2	3,000	330	250	210
Division 3	3,000	330	250	210
Meeting Rooms	**10,000**			
Room Block 1	3,333	370	280	230
Room Block 2	3,333	370	280	230
Room Block 3	3,333	370	280	230
Boardrooms (2)	400			
TOTAL FUNCTION SPACE	**39,000**			

Multipurpose Ballroom

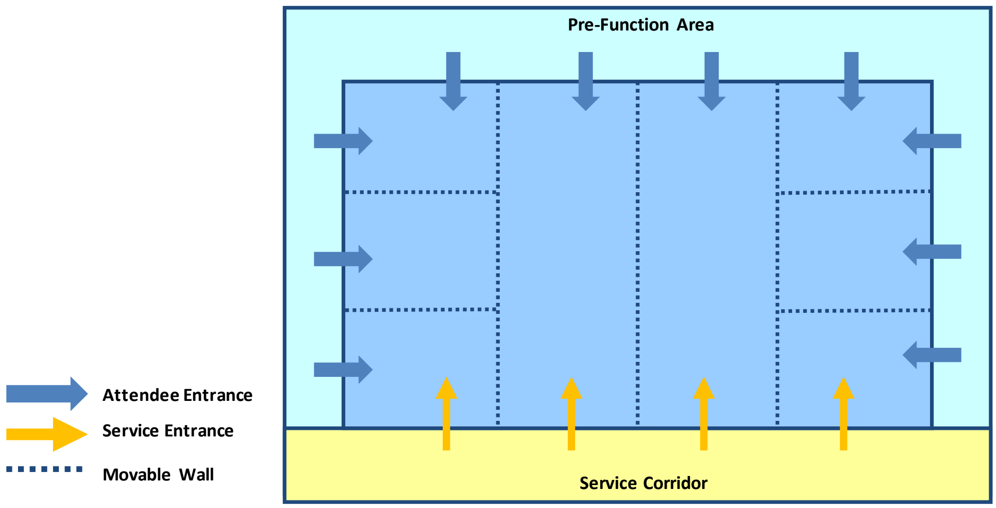
The ballroom should have convenient access to the main lobby and other pre-function spaces which are either stand-alone or shared with other function spaces. Service access should be such that each division of the ballroom has independent rear access allowing an event to take place in one division while another is being serviced for a separate event. The space could serve multiple purposes and event types and should contain the following amenities.

- a minimum of 21-foot ceiling heights,
- movable walls that provide good sound separation,
- acoustical wall and ceiling treatments for amplified voice and music,
- built-in sound and AV systems,
- rigging points, lights, signs, and decorations (500-pound live load),
- in-floor utility boxes with communications and power,
- floor loads of at least 150 lbs. per square foot,

- variable lighting options with pre-set and dimming capabilities controllable at wall panels, and
- blackout capability for visual presentations.

The following figure provides a conceptual floor plan of the proposed ballroom.

FIGURE 5-3
BALLROOM CONCEPTUAL LAYOUT



Meeting Spaces

Meeting space is essential to provide breakout space for larger conference and meeting events and to support stand-alone meetings and food and beverage functions. Many events require banquet space which is separate from a meeting room block. The configuration of the meeting room block should be such that they conveniently support the multipurpose hall and ballroom. HVS recommends that the new meeting space be located in flexible blocks in areas which are conveniently accessible for attendees and efficiently serviced by event staff and contain the following amenities.

- minimum 12-foot ceiling heights,
- movable walls that provide good sound separation,
- built-in sound and AV systems,
- good acoustics for amplified voice and music,
- in-wall communications and power, and one-floor box per division,
- variable lighting options with pre-set and dimming capabilities controllable at wall panels, and

- blackout capability for visual presentations.

Event Support and Service Spaces

In addition to the function spaces provided above, the gross floor area of the proposed Convention Center would include the following elements:

- Lobby and Pre-function Areas – A well-appointed lobby and pre-function areas provide meeting planners areas for greeting and registration, social gatherings, and well-defined public access to the multipurpose hall and meeting rooms. This space is also appropriate for stand-alone receptions, meals, and other community events.
- Circulation – Circulation space provides for the movement of attendees into and through the proposed Convention Center. These areas would include hallways and connecting walkways as required. Depending on the concept plan, these areas could also include vertical circulation (stairwells, elevators, and escalators).
- Service access – Service corridors provide non-public access to the event hall and meeting rooms as well as connection to the facility's loading docks, mechanical rooms, and storage.
- Drop-off zone – The proposed Convention Center should have a well-defined vehicular drop-off area and pedestrian access solely for the use of event attendees.
- Loading areas – Service access that is separate from the drop-off zone, truck docks, and waste disposal areas necessary to support the proposed Convention Center.
- Kitchen – Further investigation should determine whether a full production kitchen is necessary. The relationship between the proposed Convention Center with the proposed Hotel operation will be a determining factor. At a minimum, we recommend incorporating a catering kitchen, capable of supporting a meal for 1,500 guests.
- Storage – Adequate and convenient equipment storage is important to the efficient operation of the facility.
- Facility Operations – Spaces needed to support facility management and physical plant, including offices, HVAC, plumbing, electrical and fire protection systems.

Relationship with Turnbull Conference Center

Turnbull currently operates under an educational mandate and according to the demands of the academic calendar. The facility lacks meeting spaces that are connected or divisible, and consequently, the venue does not offer a flexible range of floor areas. Demand typically skews toward the most attractive rooms and some rooms are left underutilized. A linked or integrated operation between the proposed Convention Center and Turnbull could offer almost 59,000 square feet of meeting space to planners (see Figure 5-4), but would require some effort to make the operation and buildings work as a continuous event facility. Such an integration would require re-evaluating Turnbull's mission and an over-the-street connection between the facilities.

Relationship with Tucker Civic Center

A connection between the proposed Convention Center and Tucker would not be optimal without substantial reconfigurations and renovations of the Tucker function space. Tucker contains a 12,500-seat arena with an 18,000 square foot arena floor, a 35,000-square-foot exhibition hall, and Six meeting rooms contain 16,000 square feet in a variety of meeting configurations. However, Tucker's meeting space has critical limitations, including overall flexibility, technological capabilities, and circulation to the spaces. The meeting rooms are substandard in condition and lack appropriate service access. Potential exhibit hall use is limited by columns that impede contiguous floor space, limit views, and limit divisibility.

HVS recommends that FSU engage a physical planner to explore connections to and conversions of the existing Tucker exhibit and meeting space. Further study should consider improvements to the existing exhibit hall. An improved and connected exhibit hall could complement the ballroom and meeting spaces in the proposed convention center.

Combined Event Spaces

The proposed Convention Center near Tucker and Turnbull would expand Tallahassee's function spaces and may be used jointly for events that require large amounts of function space. Coordination of the scheduling of the venues is critical to avoid conflicts and maximize space utilization. While corporate or association events are unlikely to use all three venues due to their distinct market orientations, some consumer shows or other public-driven events may opt to use multiple spaces across the three venues.

FIGURE 5-4
PROPOSED AND EXISTING VENUES

Function Area	Proposed Convention Center	Existing Venues		Total Assemblage of Spaces
		Tucker Civic Center	Turnbull Conference Center*	
Exhibit Hall	0	35,000	0	35,000
Ballrooms	20,000	18,000	4,828	42,828
Meeting Spaces	19,000	16,000	15,148	50,148
Total	39,000	69,000	19,976	127,976

With the addition of the proposed Convention Center, the Arena District would offer over 120,000 square feet of rentable space. While the destination would lack state-of-the-art exhibit hall space, it would supply approximately 43,000 square feet of banquet space and 45,000 square feet of meeting space.

Recommendations for the Proposed Hotel

A supporting hotel would be essential to the success of the proposed Convention Center. HVS recommendations for hotel development are preliminary and subject to change based on the findings of the companion hotel feasibility study.

Like the hotels adjacent to competitive and comparable venues, HVS recommends that the hotel be a branded full-service hotel conforming to brand-specific guidelines, including construction and operational brand standards.

We recommend the proposed Hotel have the room distribution, amenities, and support spaces that enable the property to host association and corporate conventions. A full-service hotel typically features a restaurant, a lounge, a coffee shop, a pool, an exercise room, a business center, and a gift shop. The hotel should include back-of-house space necessary to support full-service hotel operations. Our forecast assumes that the property will be maintained in a competitive condition, undergoing regular renovations of soft goods and case goods funded primarily by a reserve for replacement.

Parking

While this study does not include an analysis of parking, we recognized that the site for the proposed Convention Center is an existing parking lot. With 590 spaces, the lot is the primary parking area for FSU Basketball games and any fairs and trade shows that occur in the Tucker Civic Center. Additionally, the parking lot itself is used to shuttle visitors to FSU Football games and occasionally for festivals or outdoor events.

Other nearby parking options are the FSU St. Augustine Garage, State Garages E and D, the Kleman Plaza Garage, the FSU Pensacola Meter Lot, as well as street parking. But these parking options are not sufficient to absorb the parking demand from the proposed Convention Center and the Tucker Center. Further physical planning efforts beyond the scope of this study will be necessary to determine whether the site has the capacity to support the development of the proposed Convention Center and adequate parking to serve the increased parking demand.

Three hundred or more spaces would be necessary to support the proposed Hotel and the existing 590 parking spaces displaced by the project would most likely need to be replaced. Based on estimates of peak attendance, the proposed Convention Center may require 1,000 parking spaces. Accommodation of these parking needs requires future study and physical planning.

Cost Estimate

In the absence of any physical planning efforts, precise cost estimates for the development are not available. But rough order-of-magnitude estimates can be generated based on the cost of similar venue developments. The convention and conference center construction costs can range from $325 to $400 per gross square foot depending on the type and quality of construction. Following is a rough estimate of construction costs.

FIGURE 5-5
EXSTIMATED CONVENTION CENTER BUILDING COST

Net Function Space (sf)	39,000	
Estimated Gross Floor Area* (sf)	88,000	
	Low	**High**
Cost per SF	$325	$400
Construction Cost ($ millions)	$28.6	$35.2

*2.25 times the net floor area which accounts for pre-function, circulation, mechanical, and other support spaces.

The costs shown above exclude the structures that would be built as a part of the proposed hotel development and supporting parking.

Comparison to Comparable and Competitive Venues

The following figure compares the proposed building program to the facilities from our sets of comparable and competitive venues described in Section 3. This comparison provides a benchmark for the building program recommendation and indicates the space required for the venue to be competitive for the most attractive events in the State of Florida and the surrounding area.

FIGURE 5-6
FUNCTION SPACE AMONG COMPARABLE AND COMEPTIVE VENUES

Name of Venue	Location	Exhibiton Space	Ballroom Space	Meeting Space
In-State Competitors				
Gaylord Palms	Orlando	178,500	77,628	36,413
Tampa Convention Center	Tampa	200,000	36,000	42,767
Marriott Orlando World Center	Orlando	105,000	126,084	38,731
Rosen Shingle Creek	Orlando	none	195,000	55,000
Ocean Center	Daytona Beach	167,760	11,715	32,000
Hyatt Regency Orlando	Orlando	none	133,880	68,013
Walt Disney World Dolphin	Orlando	110,500	54,238	30,197
Palm Beach County Convention Center	West Palm Beach	99,300	21,978	19,297
Hilton Orlando	Orlando	none	95,000	38,837
Prime Osborne Convention Center	Jacksonville	78,540	10,140	23,695
Rosen Centre Hotel	Orlando	none	49,375	56,625
JW Marriott Orlando Grande Lakes	Orlando	none	77,650	23,802
Hilton Orlando Bonnet Creek	Orlando	none	55,032	24,657
Lakeland Center	Lakeland	27,848	5,089	30,987
Loews Royal Pacific Resort	Orlando	none	41,503	16,362
Donald L. Tucker Civic Center	Tallahassee	35,000	none	16,000
Bradenton Area Convention Center	Palmetto	32,400	none	8,820
Proposed Convention Center	**Tallahassee**	**none**	**20,000**	**19,000**
Regional Competitors				
TD Convention Center	Greenville	280,000	30,000	27,021
Birmingham-Jefferson Convention Complex	Birmingham	205,810	14,007	57,788
Mississippi Coast Convention Center	Biloxi	133,086	36,354	84,116
Von Braun Center	Huntsville	105,084	40,650	14,892
Savannah Convention Center	Savannah	97,750	25,000	20,462
Arthur R. Outlaw Mobile Convention Center	Mobile	100,000	15,508	25,858
Myrtle Beach Convention Center	Myrtle Beach	100,800	16,890	14,241
Charleston Area Convention Center	North Charleston	76,960	24,960	16,120
Classic Center	Athens	70,025	18,000	21,305
Columbus Georgia Trade Center	Columbus	54,982	35,840	16,224
Augusta Convention Center	Augusta	37,791	10,758	12,666
Edgar H. Wilson Convention Center	Macon	30,800	9,100	10,800
Proposed Convention Center	**Tallahassee**	**none**	**20,000**	**19,000**
State Capitals				
Greater Richmond Convention Center	Richmond	178,159	30,550	47,350
Raising Cane's River Center	Baton Rouge	100,000	26,000	7,000
Statehouse Convention Center	Little Rock	82,892	18,362	6,696
Jackson Convention Complex	Jackson	60,000	25,000	22,241
Montgomery Convention Center	Montgomery	75,520	13,920	14,191
Charleston Civic Center	Charleston	77,526	6,100	14,787
Lansing Center	Lansing	71,760	13,320	12,038
Monona Terrace Convention Center	Madison	37,200	13,524	12,106
Columbia Metropolitan Convention Center	Columbia	24,700	17,135	15,145
Proposed Convention Center	**Tallahassee**	**none**	**20,000**	**19,000**
Salem Convention Center	Salem	none	11,400	12,890

Source: Respective Venues

Under the recommended Convention Center Building Program outlined in Figure 5-1, the proposed Convention Center would make Tallahassee and the Arena District a more competitive destination for events.

6. Demand Analysis

HVS based event demand projections for the proposed Convention Center in Tallahassee on the following research and analysis:

- the building program scenarios presented in Section 5 of this report,
- a survey of potential users of the facility in Section 4,
- industry data and trend reports,
- key market and economic indicators outlined in Section 2,
- comparable venue program and demand data presented in Section 3, and
- discussions with representatives from FSU, FAMU, TCC, Visit Tallahassee, Leon County, the Tucker Civic Center, and Turnbull Conference Center.

For the purposes of this study, HVS assumes that the proposed Convention Center is fully operational by January 1, 2022. HVS estimates that event demand would stabilize in 2024, the third year of operation. Demand projections also assume the presence of a highly qualified, professional sales and management team for the proposed Convention Center.

Historical Demand

Tucker staff provided HVS with a summary of the number of events and corresponding attendance and room nights that occurred at the facility from fiscal years 2016 through 2018. The historical data includes events that are appropriate for a convention center and exclude sports events that use the arena. The Tucker Center's fiscal year begins in July and ends in June. HVS summarized events according to event categories provided by Tucker staff.

FIGURE 6-1
SUMMARY OF TUCKER DEMAND HISTORY

Category*	Fiscal Year		
	2016	2017	2018
Events			
Banquets	59	48	53
Tradeshow	21	23	20
Meetings	141	120	79
Cheerleading	0	8	7
Other/Parking Lot	17	19	27
Charity/Community/Orientation	0	0	12
Total	238	218	198
Attendance			
Banquets	27,673	23,826	28,412
Tradeshow	21,691	22,003	22,022
Meetings	19,607	22,117	13,705
Cheerleading	0	1,369	866
Other/Parking Lot	36,285	22,029	20,041
Charity/Community/Orientation	0	0	5,956
Total	105,256	91,344	91,002
Room Nights			
Banquets	2,520	3,585	1,945
Tradeshow	40	990	40
Meetings	170	350	1,120
Cheerleading	0	750	225
Other/Parking Lot	0	250	7,500
Charity/Community/Orientation	0	0	2,000
Total	2,730	5,925	12,830

Source: Tucker Civic Center

From FY 2016 through 2018, the Tucker Center averaged 218 events and 95,000 attendees with only 7,000 room nights.

Turnbull staff provided HVS with a summary of the number of events and corresponding total attendance that occurred at the facility from 2015 through 2018. The following figure presents the event and attendance history at Turnbull for the past four years.

FIGURE 6-2
SUMMARY OF TURNBULL DEMAND HISTORY

	2015	2016	2017	2018
Events				
General Public	66	69	67	59
FSU	76	91	84	89
Contracts/State	19	8	5	3
Total Events	162	169	156	150
Attendance				
Total	23,691	23,206	22,910	21,802

Source: Turnbull Conference Center

In the past four years, Turnbull averaged 159 events and 22,900 attendees, for an average of 144 attendees per event. Due to its educational mission, Turnbull's most frequent users are FSU affiliated departments and organizations.

Turnbull staff also provided HVS with a summary of event length for 2018 events.

FIGURE 6-3
TURNBULL EVENT LENGTH (2018)

Event Length	Percentage of Events
One Day	79%
Two Day	13%
Three day	5%
4 or more	3%

Source: Turnbull Conference Center

The majority of events at Turnbull are single-day events. Only 21% of events last two or more days.

Lost Business Analysis

Management of Tucker Center and Turnbull provided lost business records. Lost business means events for which event planners tentatively reserved dates but ultimately decided to hold in another venue. Information on the reasons for lost business indicates the amounts of existing demand that could be accommodated in the proposed Convention Center.

Lost business does not represent the total universe of events that could be held in Tallahassee. Some existing events that might book in the proposed Convention Center do not currently consider Tallahassee an option due to the lack of an appropriate venue. For example, the Tucker Center is limited by the amounts and flexibility of its space and many event planners do not consider holding their events at Tucker due to these constraints.

Tucker staff provided HVS with a list of lost events that would have occurred from 2016 through 2018. These events range from weddings, banquets, fundraisers, university events, and SMERF assemblies and conferences.

The following figure summarizes the number of events and event days in this period.

FIGURE 6-4
TUCKER EVENTS LOST OR CANCELED
(2016–2018)

	2016	2017	2018
Events	37	23	28
Event Days	51	29	66

Source: Tucker Civic Center

Over this period, 88 events were lost or canceled, and 75% of them were one-day events. Based on historical event attendance (420 to 460 attendees per event), these events could represent 12,000 to 13,000 additional attendees to the Tucker Center.

Turnbull staff summarized events lost in 2018 by reason the event was lost. See the following figure.

FIGURE 6-5
TURNBULL EVENTS LOST
BY CATEGORY (2018)

Reason for Lost or Cancellation	Percentage of Events Lost
Not Interested	26%
Duplicate Event	15%
Lack of Funds	15%
Date Conflict	13%
Pricing Conflict	8%
Low Enrollment	8%
Booking Error	6%
Space not available	4%
Weather	4%
Insufficient Space	2%

Source: Turnbull Conference Center

In 2018, 53 events were lost or canceled. Only 6% of events canceled due to constraints of available space, and 13% were lost due to a lack of available dates for booking. While there is some potential for event growth or attracting academic conferences to Tallahassee, most academic meeting needs are met by existing spaces on respective university and college campuses.

Convention Center Operation and Management

The management and operational structure of the proposed Convention Center has not been determined as of the date of this study. Several potential management options for convention center facilities should be considered. Management agreements determine the priorities and limitations of facility operation, and facility managers typically determine key criteria such as marketing and sales, facility pricing, and facility efficiency and utilization. HVS has identified three potential options, as shown in the figure below.

FIGURE 6-6
MANAGEMENT OPTIONS

<table>
<tr><th>Venue</th><th>Option 1
Unitary</th><th>Option 2
Combined</th><th>Option 3
Separate</th></tr>
<tr><td>Tucker</td><td rowspan="3">Third Party Manager</td><td rowspan="2">Third Party Manager</td><td>Third Party Manager</td></tr>
<tr><td>Convention Center</td><td>Hotel Manager</td></tr>
<tr><td>Turnbull</td><td>FSU</td><td>FSU</td></tr>
</table>

In all operating scenarios, the proposed Hotel, including its function spaces, would be operated by a professional hotel management company. This form of management would be necessary to obtain a national hotel brand and to finance the hotel.

1. **Option 1: Unitary Operation**—A third-party manager would operate the Tucker Civic Center, the proposed Convention Center and Turnbull. The current manager of Tucker or its successor would assume responsibility for operating all three venues.

2. **Option 2: Combined Operation**—A third-party manager would operate the Tucker Civic Center and the proposed Convention Center. Turnbull would continue to be operated by the current FSU management.

3. **Option 3: Separate Operation**—Current operating arrangements for Tucker and Turnbull would remain in place. The hotel manager would operate the proposed Convention Center.

HVS identified key operational and relationship criteria that determine the performance and desirability of the possible management options. The following matrix indicates the strength of each management option according to key operational criteria.

FIGURE 6-7
EVALUATION OF MANAGEMENT OPTIONS

Operational Consideration	Management Options		
	Option 1 Unitary	Option 2 Combined	Option 3 Separate
Fulfill Operational Goals	↓	→	↑
Event Coordination	↑	→	↓
Marketing and Sales Capability	↓	→	→
Maximize Convention Center Financial Performance	↓	↓	↑

Fulfilling Operation Goals

Each of the three venues has different operational objectives. Tucker primarily serves as a civic center and sports facility, addressing the needs of the FSU sports programs and community needs for local civic and social events. Turnbull primarily serves the academic needs of FSU and offers continuing educational opportunities. The proposed Convention Center would operate with the primary objectives of generating new business tourism and overnight stays. Under a Unitary operation, the operator would necessarily prioritize the marketing, sales, and scheduling of events with one of the aforementioned goals. While the managers could seek to fulfill multiple goals, existing priorities would be compromised. A Combined operation would allow Turnbull to continue to perform its current mission. A Separate operation would allow each venue to pursue its own objectives.

Event Coordination

Events place demands on the surrounding infrastructure such as traffic and parking needs, lodging, and use nearby amenities. Sometimes simultaneous events are not compatible with each other. For example, the family attendees to a cheer competition may not be compatible with a business conference. Coordination of the sales and scheduling of all the venues may be necessary at times to avoid such conflicts. This coordination could be most easily accomplished through a Unitary operation. However, information sharing between separate building managers and the use of a common building operating system could also improve event coordination.

Marketing and Sales Capability

Each venue operates in distinct markets. Tucker seeks sports, concerts, and entertainment events as well as local social and civic events. Turnbull serves academic and governmental markets. The proposed Convention Center would be primarily focused on state and regional association and corporate business. A Unitary operator of all three venues is unlikely to have marketing and sales capacity in all the industries and market sectors to which the venues need to appeal. Unlike a third-party operator, a hotel manager would have the resources of a national market and sales support of the chosen hotel brand. Consequently, a Separate operation would bring the strongest marketing and sales potential to the proposed Convention Center. In any management option, the sales and marketing staff at the venue will need to coordinate their efforts with Visit Tallahassee.

Maximizing Convention Center Financial Operations

Most convention centers in the US do not generate enough operating income to cover operating expenses. They rely on unearned income such as lodging tax revenues to support their capital development and ongoing operations. The proposed Convention Center is expected to operate at a loss if a third-party manager operates it. Operation by a hotel manager would combine the food and beverage operations and management of the proposed Convention Center which would allow it to operate without a deficit. See the following Section 7 of this report for a detailed discussion of projected financial operations.

Because of the advantages of Separate operation in fulfilling operational goals, marketing and sales capability, and improved financial performance, HVS recommends Option 3. Issues of event coordination would need to be addressed with priority booking policies and information sharing among the three venues.

Convention Center Demand Projections

HVS's analysis of local and competitive venues and survey results suggest that the proposed Convention Center could serve unaccommodated local events and better serve those currently using smaller, older facilities in Tallahassee. In addition, it would allow Tallahassee to compete against other cities in Florida and the region for corporate and rotating association-based business. The proposed Convention Center would also offer a higher quality banquet and exhibit space to local social and civic groups.

Demand projections consider the competitive position of the proposed Convention Center with local and regional venues. A hotel and convention center with the ability to combine function spaces and guest room under one roof would be the preferred venue in Tallahassee, particularly for those events that produce a considerable number of overnight stays. Projections consider events booked by Visit Tallahassee and a dedicated sales team as well as meetings booked internally by the proposed Hotel.

To project event demand, HVS assumed the proposed Convention Center would open by January 1, 2022. HVS estimates that following the completion of the proposed venue, event demand would ramp up and stabilize after two years, during the calendar year 2024. The figure below breaks down convention center event projections by type of event. Projections begin in the 2022 calendar year and go through 2026, two years following stabilized demand. Total attendance figures represent individual event attendees and attendee days counts visitors to the venue for every day they are present. A brief description of potential sources of event demand can be found in Section 5 of this report.

FIGURE 6-8
CONVENTION CENTER DEMAND PROJECTIONS

	Opening		Stabilized		
	2022	**2023**	**2024**	**2025**	**2026**
Events					
Conventions	5	8	10	10	10
Conferences	28	34	40	40	40
Meetings	63	94	125	125	125
Banquets	38	56	75	75	75
Assemblies	14	17	20	20	20
Hotel Overnight Meetings	49	60	70	70	70
Hotel Day Meetings	20	30	40	40	40
Total	216	298	380	380	380
Attendees					
Conventions	10,000	15,000	20,000	20,000	20,000
Conferences	21,000	25,500	30,000	30,000	30,000
Meetings	6,250	9,380	12,500	12,500	12,500
Banquets	9,380	14,060	18,750	18,750	18,750
Assemblies	7,000	8,500	10,000	10,000	10,000
Hotel Overnight Meetings	9,800	11,900	14,000	14,000	14,000
Hotel Day Meetings	2,000	3,000	4,000	4,000	4,000
Total	65,430	87,340	109,250	109,250	109,250
Attendee Days					
Conventions	40,000	60,000	80,000	80,000	80,000
Conferences	63,000	76,500	90,000	90,000	90,000
Meetings	12,500	18,760	25,000	25,000	25,000
Banquets	9,380	14,060	18,750	18,750	18,750
Assemblies	24,500	29,750	35,000	35,000	35,000
Hotel Overnight Meetings	19,600	23,800	28,000	28,000	28,000
Hotel Day Meetings	2,000	3,000	4,000	4,000	4,000
Total	170,980	225,870	280,750	280,750	280,750

The projections include events that would occupy space in the proposed Convention Center and events booked only by the proposed Hotel operation. We assume that some of the events that currently use Tucker meeting space would move to the proposed Convention Center because it would offer superior space. Depending on the physical development plan, the exhibit and meeting space in Tucker and Turnbull could be combined with the proposed Convention Center or re-purposed.

HVS based projections on the following observations and conclusions about demand sources:

- Conventions and Trade Shows include rotating state and regional associations events and trade shows sponsored by industry organizations.

- Many rotating state and regional events are conferences that are smaller than conventions and do not require the use of dedicated exhibition space. These events like to occur "under one roof," and the proposed Convention Center would be the only such venue in Tallahassee.

- Meetings would be primarily local events, some of which would be generated by the academic needs of FSU and FAMU. The proposed Convention Center could augment the space in Turnbull and accommodate meetings that have date conflicts with existing Turnbull events.

- The large social gatherings that require more contiguous ballroom space than is currently offered in Tallahassee would occur at the proposed Convention Center. These events include fund-raising events sponsored by not-for-profit organizations and academic institutions, as well as civic events sponsored by state and local government or political parties.

- Assemblies are primarily events sponsored by religious organizations and educational institutions. These events may include religious revivals, graduations, and other assemblies.

- Hotel meetings are events booked by in-house staff at the proposed Hotel and represent typical demand for a hotel of this size. [This is subject to change based on the based on the findings of the companion hotel feasibility study]

HVS projects that the proposed Convention Center would attract 109,000 attendees per year once it achieves a stabilized demand.

Room Night Projections

HVS calculated the potential generation of room nights by the proposed Convention Center. The following figure presents HVS's assumptions used to generate room night estimates. HVS based room night assumptions on comparable venue data, survey results, and industry research.

FIGURE 6-9
ROOM NIGHT PARAMETERS

Event Type	Percent Lodgers	Length of Stay	Lodgers per Room
Conventions	50%	3.0	1.10
Conferences	50%	2.0	1.10
Meetings	50%	1.5	1.10
Banquets	10%	1.0	1.50
Assemblies	10%	1.0	1.50
Hotel Overnight Meetings	90%	2.0	1.00
Hotel Day Meetings	10%	1.0	1.00

Based on the above assumptions, the following figure presents an estimate of room nights for Convention Center events through the calendar year 2026, two years following stabilized demand.

FIGURE 6-10
CONVENTION CENTER ROOM NIGHT PROJECTIONS

	Opening 2022	2023	Stabilized 2024	2025	2026
Occupied Room Nights					
Conventions	13,700	20,500	27,300	27,300	27,300
Conferences	19,100	23,200	27,300	27,300	27,300
Meetings	4,300	6,400	8,500	8,500	8,500
Banquets	700	1,000	1,300	1,300	1,300
Assemblies	500	600	700	700	700
Hotel Overnight Meetings	17,600	21,400	25,200	25,200	25,200
Hotel Day Meetings	200	300	400	400	400
Total	56,100	73,400	90,700	90,700	90,700

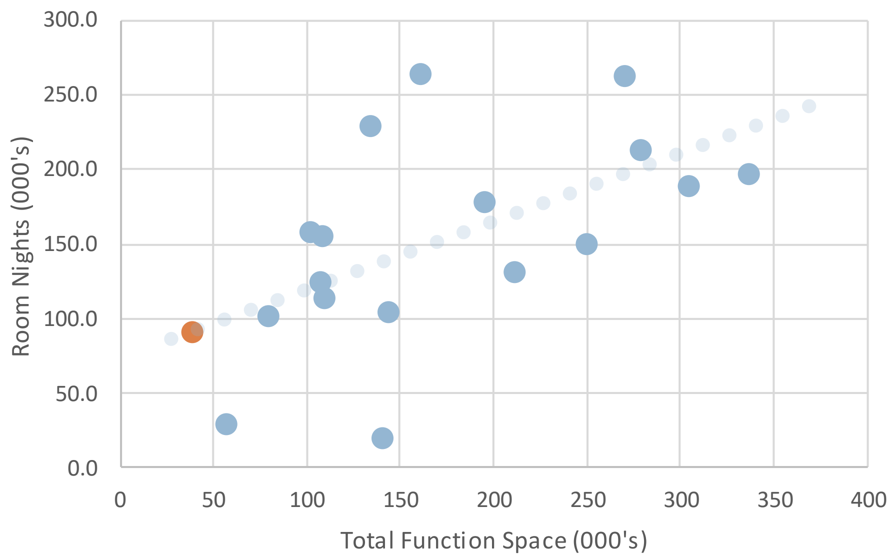
Since most conventions and conferences are multiday events requiring lodging in hotels, these events would generate nearly half of the room nights that the proposed Convention Center would generate in the Tallahassee lodging market.

Comparable Convention Center Demand Analysis

To test the reasonableness of these demand projections, HVS analyzed demand at comparable facilities and markets. HVS gathered room night data on 18 of the comparable and competitive venues evaluated in Section 3. The facilities analyzed include ten venues in Florida, five Regional competitors, and three State Capitals convention centers. In terms of facility type, ten of the venues plotted are convention centers and eight are hotel or resort venues.

The following figure summarizes plots meeting and group room nights against total function space. The orange dot represents the positioning of the proposed Convention Center.

FIGURE 6-11
COMPARABLE ROOM NIGHT DEMAND BY TOTAL FUNCTION SPACE



Sources: HVS and Respective Venues

Because of the unique operating characteristics of exhibit and meeting facilities, no single facility or market can be considered a direct comparable to the proposed Convention Center. The averages from a large set of event data provide evidence for the reasonableness of the projections for the proposed Convention Center. Our projections of the demand the proposed Convention Center would capture is appropriate for this set of venues.

HVS intends demand projections to show smooth growth over time. However, event demand and booking cycles do not always move smoothly. Business can shift due to unpredictable local and national economic factors. Event demand often runs in cycles based on rotation patterns and market conditions. HVS demand projections should be interpreted as a mid-point of a range of possible outcomes and as an average of multiple years.

7. Financial Analysis

HVS uses a proprietary financial operating model to estimate revenues and expenses at convention centers. This model quantifies the key variables and operating ratios that determine revenue potential and expense levels. Unless otherwise indicated, the model assumes an annual inflation rate of 3% applies to both revenues and expenses.

The convention center industry does not use a standardized set of accounts to report financial performance. Financial statements from different convention centers organize revenues and expenses differently. However, a few major revenue and expense categories are common to most convention facilities. HVS developed a financial operating model that organizes financial operations according to these primary revenue and expense categories.

For this analysis, we project the financial operation for the proposed Convention Center based on management Option 3 (the Separate option) described in Section 6 of this report. Under this management option, the proposed Convention Center is operated as a part of the proposed Hotel. In addition to absorbing the rooms revenues and banquet and catering revenues, some cost savings may be available through shared staff performing administrative, marketing, and building maintenance functions. Certain costs may also increase, such as food & beverage franchise fees related to a hotel franchise and maintaining brand standard.

Revenues and expenses described in this section are based on the demand projections described in Section 6.

Operating Revenues

Operating revenue line items include facility rental, food and beverage sales, event services, and miscellaneous revenues. HVS uses a series of revenue parameters based on attendance and floor area utilization. Floor area utilization is measured in Gross Square Foot Days (“GSFD”)—the amount of floor area rented times the number of days it is rented including move-in and move-out days.

To formulate the revenue parameters, HVS relied on industry information, knowledge of the performance of comparable venues, and information on price levels from local area sources. We adjusted the parameters for inflation and other anticipated trends in price levels.

The figure below summarizes the income assumptions by type of event. A brief description of each revenue item follows.

FIGURE 7-1
REVENUE PARAMETERS

Revenue Line Item and Demand Source	Revenue Estimation Unit	Amount per Unit
Facility Rental		
Conventions	GSFD	$0.11
Conferences	GSFD	0.10
Meetings	GSFD	0.12
Banquets	GSFD	0.14
Assemblies	GSFD	0.14
Food & Beverage (Gross)		
Conventions	Attendee	$45.00
Conferences	Attendee	40.00
Meetings	Attendee	25.00
Banquets	Attendee	5.00
Assemblies	Attendee	15.00
Hotel Overnight Meetings	Attendee	60.00
Hotel Day Meetings	Attendee	10.00
Technology & Audio Visual		
Conventions	GSFD	$0.10
Conferences	GSFD	0.12
Meetings	GSFD	0.15
Banquets	GSFD	0.08
Assemblies	GSFD	0.08
Hotel Overnight Meetings	GSFD	0.15
Hotel Day Meetings	GSFD	0.20
Event Services		
Conventions	GSFD	$0.12
Conferences	GSFD	0.12
Meetings	GSFD	0.15
Banquets	GSFD	0.12
Assemblies	GSFD	0.10
Hotel Overnight Meetings	GSFD	0.10
Hotel Day Meetings	GSFD	0.10

Facility Rental—Facility rental revenue includes the revenue the convention center receives from clients that reserve one or more function areas in the facility. Average rates by event type reflect blended rates that include discounted rental rates or waived rental rates. Some facilities offer discounted rates during non-peak seasons for rentals by affiliated or non-profit organizations. The proposed Convention Center and adjoining hotel operation may opt to waive space rental fees in order to book an event that has a high impact on room nights or food and beverage spending. Ballroom rental rates are typically different from those for meeting spaces and exhibit halls.

Food and Beverage—Most events that use the convention center's function spaces will also arrange food service for their attendees during events. This food service includes catering, which can range from coffee breaks associated with a meeting to a full dinner associated with a conference or banquet. Most conventions and conferences generate demand for multiple meals during the course of these multi-day events. Meetings and banquets generally include a single meal or refreshment services. HVS projects estimated gross food and beverage revenues on a per attendee basis depending on the type of event.

Technology & Audio Visual—Event technology include the fees charged to tenants for services that could include audio and video technical assistance, set-up and take down of presentation stages, internet services, electricity and other utilities, and any technological services. Many events require audio, video, communications and internet services, and service charges vary by type of event. Some of these services may be included in the rental charges for using the facility, but others will be add-on service charges.

Event Services—Other event services include the fees charged to tenants for services that could include business services, set-up and take down of function spaces, cleaning services, security services, commissions from decorators and other services provided by third-party contractors at events. Banquets and other upscale events can often require elaborate decorating services. We estimate event services revenues based on the number of gross square foot days consistent with industry averages**.**

Operating Expenses

HVS estimated operating expenses as a blend of fixed costs and variable percentage of operating revenues, as summarized in the figure below. HVS based these fixed and variable assumptions on multiple years of comparable revenue and expense data and other industry standards. A brief description of each expense line item follows.

FIGURE 7-2
EXPENSE ASSUMPTIONS

Expense Line Item	Estimation Method	Unit	Amount Per Unit
Operating Expense			
Salaries & Benefits	Ratio to Sales	Total Revenue	45.00%
Food & Beverage Costs	Ratio to Sales	Food & Beverage (Gross)	25.00%
Technology & Audio Visual Costs	Ratio to Sales	Technology & Audio Visual	40.00%
Event Services Costs	Ratio to Sales	Event Services	25.00%
Supplies & Equipment	Ratio to Sales	Total Revenue	3.00%
Other Expenses			
Administrative & General	Ratio to Sales	Total Revenue	4.00%
Marketing & Sales	Ratio to Sales	Total Revenue	5.00%
Repairs & Maintenance	Ratio to Sales	Total Revenue	4.50%
Utilities	Ratio to Sales	Total Revenue	6.00%
Non-Operating Expense			
Management Fee	Ratio to Sales	Total Revenue	3.00%
Insurance	Ratio to Sales	Total Revenue	2.00%
Reserve for Replacement	Ratio to Sales	Total Revenue	4.00%

Operating Expenses

Salaries & Benefits—HVS estimated the staffing level, salaries, and associated benefits for permanent full- and part-time employees dedicated to administration, marketing, building operations, and other functions.

Food & Beverage Costs—The food and beverage operation would be operated by an in-house food service operator or through the hotel. Costs of food service include the raw costs of food and beverages sold as well as the labor associated with food preparation and service. HVS used historical margins based on total food and beverage revenue as the basis for these costs.

Event Services Costs—Event services costs are the costs incurred by the facility for client reimbursed expenses such as audio-visual set-up, security, cleaning, and event set-up. HVS estimated event services costs as a percentage of gross event services based on industry averages.

Supplies & Equipment—This category includes items such as computers, office machines, furniture, consumables, and chemicals that are required to support and maintain the operations of the facility.

Other Expenses

Repair & Maintenance—This category includes both routine and one-time facility maintenance expenses that are primarily the responsibility of in-house facility operations personnel. It also includes more specialized activities, such as HVAC system maintenance, electrical work, and maintenance of other mechanical systems, often contracted out to third parties.

Administrative & General—Office and administrative operations incur day-to-day facility expenses. Such expenses typically include travel, telephone, printing, permits, and other miscellaneous professional services.

Marketing & Sales—This category includes costs associated with the promotion and marketing of the proposed convention center. These costs may include travel and entertainment expenses and the costs of producing marketing materials.

Utilities—Utilities, including electricity, gas, water, and other charges often represent one of the largest expenses incurred by facility operators.

Non-Operating Expenses

Management Fee—As described in Section 6 of this report, HVS recommends a third-party manager jointly operate the proposed convention center. We estimated a management fee as a percentage of gross revenues based on typical industry rates.

Insurance—Insurance costs include property insurance and other liability insurance required for facility operations.

Reserve for Replacement—We recommend the establishment of a capital maintenance reserve fund to be used for major repairs, equipment replacement, and other updates to the facility.

Operating Pro Forma

The following figure presents a financial forecast for a stabilized year of operation assuming the proposed Convention Center is operated as a part of the proposed Hotel.

FIGURE 7-3
FINANCIAL PROJECTIONS FOR A STABILIZED YEAR
(IN INFLATED $000S)

	Stabilized Year (2024)	
	Amount	**% Total**
Revenue		
Facility Rental	$1,835	19.3%
Food & Beverage (Gross)	4,307	45.3%
Technology & Audio Visual	1,539	16.2%
Event Services	1,832	19.3%
Total Revenue	$9,514	100.0%
Operating Expense*		
Salaries & Benefits	$4,281	45.0%
Food & Beverage Costs	1,077	25.0%
Technology & Audio Visual Costs	616	40.0%
Event Services Costs	458	25.0%
Total Operating Expense	$6,717	70.6%
NET OPERATING INCOME (LOSS)	$2,797	29.4%
Other Expenses		
Administrative & General	$381	4.0%
Marketing & Sales	476	5.0%
Repairs & Maintenance	428	4.5%
Utilities	571	6.0%
Total Other Expenses	$1,855	19.5%
Non-Operating Expense		
Management Fee	$285	3.0%
Insurance	190	2.0%
Reserve for Replacement	381	4.0%
Total Non-Operating Expense	$856	9.0%
TOTAL NET INCOME (LOSS)	$85	0.9%

*Operating expenses are expressed as a percentage of departmental revenue as shown in Figure 7-2.

As a part of the hotel, the proposed Convention Center would be supported by an efficient operation due to the combined staffing, marketing, and other economies of scale. HVS projects the proposed Convention Center would generate $85,000 in net income in a stabilized year or operation. The hotel would additionally benefit from the generation of room revenue from guests attending group events in the proposed Convention Center.

The figure below presents the five-year financial projections for the proposed Convention Center. The projections are in inflated dollars beginning January 1, 2022, the projected opening of the proposed facility.

FIGURE 7-4
CONVENTION CENTER FINANCIAL PROJECTIONS ($000)

	Opening		Stabilized		
	2022	2023	2024	2025	2026
Revenue					
Facility Rental	$981	$1,397	$1,835	$1,891	$1,947
Food & Beverage (Gross)	2,533	3,395	4,307	4,436	4,569
Technology & Audio Visual	844	1,182	1,539	1,585	1,633
Event Services	987	1,398	1,832	1,887	1,944
Total Revenue	$5,345	$7,372	$9,514	$9,799	$10,093
Operating Expense					
Salaries & Benefits	$3,465	$3,863	$4,281	$4,410	$4,542
Food & Beverage Costs	767	918	1,077	1,109	1,142
Technology & Audio Visual Costs	435	523	616	634	653
Event Services Costs	321	388	458	472	486
Total Operating Expense	$5,207	$5,943	$6,717	$6,919	$7,126
NET OPERATING INCOME (LOSS)	$138	$1,429	$2,797	$2,881	$2,967
Other Expenses					
Administrative & General	$308	$343	$381	$392	$404
Marketing & Sales	412	443	476	490	505
Repairs & Maintenance	371	399	428	441	454
Utilities	495	532	571	588	606
Total Other Expenses	$1,586	$1,717	$1,855	$1,911	$1,968
Non-Operating Expense					
Management Fee	$160	$221	$285	$294	$303
Insurance	179	185	190	196	202
Reserve for Replacement	214	295	381	392	404
Total Non-Operating Expense	$553	$701	$856	$882	$908
TOTAL NET INCOME (LOSS)	($2,001)	($989)	$85	$88	$91

HVS intends for financial projections to show the expected levels of revenues and expenses. Projections show smooth growth over time. However, event demand and booking cycles are not always smooth. Unpredictable local and national economic factors can affect business. Event demand is often cyclical, based on rotation patterns and market conditions. Therefore, HVS recommends interpreting the financial projections as a mid-point of a range of possible outcomes and over a multi-year period rather than relying on projections for any one specific year.

8. Statement of Assumptions and Limiting Conditions

1. This report is to be used in whole and not in part.
2. All information, financial operating statements, estimates, and opinions obtained from parties not employed by HVS are assumed to be true and correct. We can assume no liability resulting from misinformation.
3. Unless noted, we assume that there are no encroachments, zoning violations, or building violations encumbering the proposed subject property.
4. The proposed facility is assumed to be in full compliance with all applicable federal, state, local, and private codes, laws, consents, licenses, and regulations (including a liquor license where appropriate), and that all licenses, permits, certificates, franchises, and so forth can be freely renewed or transferred to a purchaser.
5. We are not required to give testimony or attendance in court by reason of this analysis without previous arrangements, and only when our standard per-diem fees and travel costs are paid prior to the appearance.
6. If the reader is making a fiduciary or individual investment decision and has any questions concerning the material presented in this report, it is recommended that the reader contact us.
7. We take no responsibility for any events or circumstances that take place subsequent to the date of our report.
8. The quality of a facility's on-site management has a direct effect on a property's economic performance. The demand and financial forecasts presented in this analysis assume responsible ownership and competent management. Any departure from this assumption may have a significant impact on the projected operating results.
9. The analysis presented in this report is based upon assumptions, estimates, and evaluations of the market conditions in the local and national economy, which may be subject to sharp rises and declines. Over the projection period considered in our analysis, wages and other operating expenses may increase or decrease due to market volatility and economic forces outside the control of the convention center’s management.

10. We do not warrant that our estimates will be attained, but they have been developed on the basis of information obtained during the course of our market research and are intended to reflect reasonable expectations.

11. Many of the figures presented in this report were generated using sophisticated computer models that make calculations based on numbers carried out to three or more decimal places. In the interest of simplicity, most numbers have been rounded. Thus, these figures may be subject to small rounding errors.

12. It is agreed that our liability to the client is limited to the amount of the fee paid as liquidated damages. Our responsibility is limited to the client, and use of this report by third parties shall be solely at the risk of the client and/or third parties. The use of this report is also subject to the terms and conditions set forth in our engagement letter with the client.

13. Although this analysis employs various mathematical calculations, the final estimates are subjective and may be influenced by our experience and other factors not specifically set forth in this report.

14. HVS, is not a municipal advisor and HVS is not subject to the fiduciary duty set forth in section 15B(c)(1) of the Act (15 U.S.C. 78o-4(c)(1)) with respect to the municipal financial product or issuance of municipal securities. The reader is advised that any actual issuance of debt would be done under the advice of its bond counsel and financial advisors. Financial advisor would provide advice concerning the specific structure, timing, expected interest cost, and risk associated with any government loan or bond issue. Potential investors should not rely on representations made in this report with respect to the issuance of municipal debt.

15. This report was prepared by HVS Convention, Sports & Entertainment Facilities Consulting. All opinions, recommendations, and conclusions expressed during the course of this assignment are rendered by the staff of this organization, as employees, rather than as individuals.

16. This report is set forth as an market study of the proposed subject project; this is not an appraisal report.

9. Certification

The undersigned hereby certify that, to the best of our knowledge and belief:

1. the statements of fact presented in this report are true and correct;
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;
3. we have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
4. HVS is not a municipal advisor and is not subject to the fiduciary duty set forth in section 15B(c)(1) of the Act (15 U.S.C. 78o-4(c)(1)) with respect to the municipal financial product or issuance of municipal securities;
5. we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
6. our engagement in this assignment was not contingent upon developing or reporting predetermined results;
7. our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this market study;
8. Thomas A Hazinski, MPP personally inspected the area described in this report.

DRAFT DOCUMENT

Thomas Hazinski
Managing Director

DRAFT DOCUMENT

Jorge Cotte
Senior Associate

June 15, 2021

City Hall
Mr. Reese Goad
City Manager
City of Tallahassee
300 S. Adams Street
Tallahassee, FL 32301

Dear Mr. Goad,
Valencia Development Corporation is pleased to present this offer to purchase two city blocks in downtown Tallahassee identified as the Johns Block and the Chevron Block. Our offer to purchase accompanies this transmittal letter.

It is our intention to prepare a Master Plan to develop two hotels on the subject sites totaling approximately 400 guest rooms. Phase I of the Master Plan would be a luxury hotel of approximately 220 guest rooms on the Johns Block. Phase II would be an upper-upscale (four star) hotel on the Chevron Block.

We would intend to brand the luxury hotel as Hotel Valencia Tallahassee or something similar. It would front on Duval Street and, in addition to its guest rooms, have:

- Two restaurants concepted to be destinations for the local community and visitors to Tallahassee,
- An intimate bar off the hotel lobby, an enoteca café, and a rooftop bar/restaurant,
- A grand ballroom appropriate in size to service 400 guest rooms, 10,000 to 12,000 sf,
- Break out meeting space to accommodate various sizes of meetings for both hotel conferees and community associations and groups,
- A resort style swimming pool with cabanas and a pool bar, and
- Room service, valet parking, fitness center and other services and amenities necessary for a luxury hotel.

The Phase II hotel would be our Courts Concept with approximately 180 guest rooms. This would be a full-service hotel centered around a large courtyard with a pool, fireplaces and/or pits, extensive landscaping, and live music several times per week. Both hotels would be researched and designed to reflect the history, culture, and architecture of Tallahassee.

These hotels would employ approximately 175 employees at Hotel Valencia and about 75 employees at the Courts hotel. There will be no minimum-wage jobs at either hotel. We encourage promotion within and there is a definitive path from entry level staff positions to high-paying salaried management positions. All our current general managers were promoted up the ranks, usually from entry-level positions.

Valencia Development Corporation
4400 Post Oak Parkway, Suite 2800
Houston, Texas 77027

Valencia looks forward to working with the renowned Dedman College of Hospitality at FSU to set up paid internships in formal programs developed in partnership with the College.

Valencia is active in each community in which we operate:

- every executive in a hotel's executive committee joins a separate local board that serves the community,
- all employees receive 40 hours of Philanthropic Paid Time Off per year to serve the approved charity or community service organization of their choice,
- each property has a robust annual budget for donations of hotel services to local organizations.

Valencia hotels are best in class in every market where we have hotels. Our hotels consistently achieve recognition from such organizations as the *SBID International Hospitality Design Awards* and *Condé Nast Traveler* and maintain the highest rankings on *TripAdvisor* year after year. Every hotel is unique and embraces the local culture in a visceral way, we never build the same hotel twice. We do not yet know what these hotels will look like, but we know two things for certain: they will look like they belong in Florida, and you will be proud of these distinctive and unique hotels in your community.

Very truly yours,

Valencia Development Corporation

Doyle A. Graham Jr.
President & CEO

c: Wayne Tedder, Assistant City Manager

CITY OF
TALLAHASSEE

Agenda Item Details

Meeting	Jul 07, 2021 - City Commission Meeting
Category	13. POLICY FORMATION AND DIRECTION
Subject	13.02 Approve the Sale of the Chevron and Johns Parcels (5.09 acres) to Valencia Development Corporation -- Raynetta Curry Marshall, Underground Utilities & Public Infrastructure
Type	Action, Discussion
Preferred Date	Jul 07, 2021
Fiscal Impact	Yes
Dollar Amount	8,000,000.00
Budgeted	Yes
Budget Source	The net proceeds from the proposed sale ($8,000,000 sale price less brokerage fee and closing costs) will be deposited into the deficiencies reserve fund per City Policy. The Land Bank Fund will be reimbursed for appraisal fees incurred prior to the sale ($2,900). The brokerage fee is six percent (6%) of the purchase price.
Recommended Action	Option 1 - Approve the sale of the Chevron and Johns parcels on W. Gaines Street to Valencia Development Corporation in the amount of $8,000,000, without competitive bid solicitation, authorizing the City Manager, or his designee, to execute documents related to completing the transaction, and approve a deviation from the Real Estate Policy requiring a second appraisal.

For more information, please contact: Robert Culverhouse, Underground Utilities & Public Infrastructure, 850-891-8068.

Statement of Issue

Staff is seeking City Commission approval to sell two City parcels for the purpose of constructing two hotels, restaurants, and meeting spaces. The City received a written offer (Attachment 1) to purchase both the Chevron and Johns parcels. These parcels are bounded by W. Gaines Street, S. Martin Luther King, Jr. Boulevard, W. Madison Street and S. Duval Street. On September 25, 2019, the City Commission authorized staff to release a Request for Proposals (RFP) for the sale of the two parcels. However, due to COVID-19, the RFP was not released. The sale of the parcels for hotel, restaurant and meeting space uses is consistent with the Downtown Plan, the Tallahassee-Leon County Comprehensive Plan, and the Gaines Street Revitalization Plan and further advances the City's goal to create an 18-hour downtown.

Staff is seeking approval for a sale to Valencia Development Corporation in the amount of $8,000,000 without competitive bid solicitation and requests authorization for the City Manager, or his designee, to execute documents related to completing the transaction.

Recommended Action

Option 1 - Approve the sale of the Chevron and Johns parcels on W. Gaines Street to Valencia Development Corporation in the amount of $8,000,000, without competitive bid solicitation, authorizing the City Manager, or his designee, to execute documents related to completing the transaction, and approve a deviation from the Real Estate Policy requiring a second appraisal.

Fiscal Impact

The net proceeds from the proposed sale ($8,000,000 sale price less brokerage commission and closing costs) will be deposited into the deficiencies reserve fund per City policy. The Land Bank Fund will be reimbursed for appraisal fees incurred prior to the sale

($2,900). The brokerage fee is six percent (6%) of the purchase price ($480,000).

Supplemental Material/Issue Analysis

History/Facts & Issues

The City of Tallahassee received an unsolicited written offer from Valencia Development Corporation to purchase the Chevron parcels (two parcels totaling 2.41 +/- acres) and the Johns parcel (one parcel - 2.68 +/- acres) for $8,000,000. The parcels were purchased from the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida in 2005 for $5,850,000. The properties are primarily used for surface parking.

The Johns Block on S. Duval Street is improved with 132 paved parking spaces (19 are metered), two sand volleyball courts and a food truck court. The Chevron Block, on S. Bronough Street has 165 parking spaces; approximately 10 of these spaces are paved, and the remaining spaces are gravel.

Per policy, Real Estate Management staff contacted the City's Leadership Team for comments regarding the potential use and/or disposition of the properties. No department responded with a foreseeable need for these parcels, though the City's Electric & Gas Department identified existing utility facilities on the property. As such, any sale of the properties would require a reservation of easement in favor of the City for any existing or planned infrastructure.

Notices of a potential sale were mailed to 246 adjacent and surrounding property owners and residents within 1,000 feet of the properties in accordance with City Commission Real Estate Policy #136. Public notice of a potential sale was advertised in the Tallahassee Democrat and the Capital Outlook. Multiple signs were posted on the sites, and a notice of a potential sale has been posted on the City's website since August 6, 2019.

Limited response was received as a result of the notifications. Two local real estate brokers contacted Real Estate Management for additional information about the parcels. In addition, Real Estate Management was contacted by two out-of-town development companies, both of whom were interested in receiving information about any potential sale of the parcels.

Per the proposed purchase and sale agreement, the closing and related due diligence will be broken into two phases.

Phase 1 (Johns Block) – $4,000,000

- Buyer will have 120 days for inspections followed by 180 days for permitting (plus a 30-day extension option for each period); 300 to 360 days
- Closing shall occur within 60 days after the due diligence period unless buyer chooses to extend the closing date (i.e. $25,000 nonrefundable deposit for each 60-day extension, not to exceed two extensions); 0 to 180 days
- Phase 1 could take as few as 300 days or as long as 540 days.

Phase 2 (Chevron Block) - $4,000,000

- Buyer will have 210 days from the Phase 1 Certificate of Occupancy for Phase 2 permitting (plus a 30-day extension option); 210 to 240 days
- Closing shall occur within 60 days after the due diligence period unless buyer chooses to extend the closing date (i.e. $25,000 nonrefundable deposit for each 60-day extension, not to exceed two extensions); 0 to 180 days
- Phase 2 could take as few as 210 days or as long as 420 day
- Note: The Phase 2 due diligence time does not start until Phase 1 has a Certificate of Occupancy

The Valencia Development Corporation has indicated their intent to provide meaningful community benefits consistent with other Valencia locations:

"These hotels would employ approximately 175 employees at Hotel Valencia and about 75 employees at the Courts hotel. There will be no minimum-wage jobs at either hotel. We encourage promotion within and there is a definite path from entry level staff positions to high-paying salaried management positions. All our current general managers were promoted up the ranks, usually from entry-level positions."

"Valencia looks forward to working with the renowned Dedman College of Hospitality at FSU to set up paid internships in formal programs developed in partnership with the College"

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- all employees receive 40 hours of Philanthropic Paid Time Off per year to serve the approved charity or community service organization of their choice,
- each property has a robust annual budget for donations of hotel services to local organizations."

The proposed sale has been reviewed and approved by the Real Estate Committee subject to the buyer providing information demonstrating their financial ability to complete the acquisition and proposed development. In addition, the Committee requested that the purchase and sale agreement contain written assurances the buyer will develop the property as proposed in their letter of intent.

Staff seeks approval for the sale to Valencia Development Corporation in the amount of $8,000,000 without competitive bid solicitation and requests authorization for the City Manager, or his designee, to execute documents related to completing the transaction. Per City Commission Policy #136.13, surplus property shall be marketed for sale or disposition by competitive bid solicitation. However, real estate may be offered for sale without using competitive bid solicitation if the Commission deems the sale to be in the best interest of the City.

A value determination by a staff state-certified appraiser estimated the value of the property to be approximately $35 per square foot (or $7,700,000 to $7,800,000). A report from an independent state-certified appraiser in 2015 indicated a value conclusion of $30 per square foot (or $6,700,000). Given that the current offer exceeds the appraised value range, staff is seeking a deviation from the Real Estate Policy requiring a second appraisal.

Department(s) Review

Resource Management, City Attorney's Office

Options

1. Approve the sale of the Chevron and Johns parcels on W. Gaines Street to Valencia Development Corporation in the amount of $8,000,000, without competitive bid solicitation, authorizing the City Manager, or his designee, to execute documents related to completing the transaction, and approve a deviation from the Real Estate Policy, requiring a second appraisal.

Pros:

1. Promotes comprehensive plan priorities such as infill development and redevelopment.
2. The sale facilitates redevelopment, returns the property to the tax roll, and removes maintenance responsibilities from the City.

Cons:

1. Loss of two surface parking lots, sand volleyball courts and food truck court.

2. Do not approve the sale to Valencia Development Corporation and provide alternate direction to staff.

Attachments/References

1. Cover Letter
2. Location Map

Attachment 1 - Cover Letter.pdf (759 KB) | Attachment 2 - Location Map.pdf (192 KB)


Martin Luther King Jr. Boulevard
Chevron Block
2.41 Acres+/-
340'+/-
340'+/-
Bronough Street
Johns Block
2.68 Acres+/-
340'+/-
340'+/-
Duval Street
ackground Info
Attachment 2

2023 PROPOSED TDC MEETING SCHEDULE

Thursday, February 2, 2023 – 9:00 AM

Thursday, May 4, 2023 – 9:00 AM

Thursday, July 13, 2023 – 9:00 AM

Thursday, September 14, 2023 – 9:00 AM

Thursday, November 2, 2023 – 9:00 AM