

# STRATEGIC PLANNING FOR A REDEVELOPED DAYTON CONVENTION CENTER

January 18, 2022





January 18, 2022

Ms. Pam Plageman  
Executive Director  
Montgomery County Convention Facilities Authority  
22 East 5<sup>th</sup> Street  
Dayton, Ohio 45402

Dear Ms. Plageman:

Conventions, Sports & Leisure International (CSL) has completed a draft report summarizing strategic guidance regarding a potential redevelopment of the Dayton Convention Center, as well as an update to past hotel research. The purpose of the analysis is to assist the Montgomery County Convention Facilities Authority in evaluating key market and building program aspects of a potentially redeveloped Dayton Convention Center and/or headquarter hotel development.

The analysis presented in this report is based on estimates, assumptions and other information developed from industry research, data and certain assumptions provided by Dayton Convention Center management, discussions with industry participants, surveys of existing and potential facility users, and analysis of competitive/comparable facilities and communities. The sources of information, the methods employed, and the basis of significant estimates and assumptions are stated in this report.

The findings presented herein are based on analysis of present and near-term conditions in the Dayton, Ohio area (including consideration of both pre- and post-pandemic environments), as well as existing interest levels by the potential base of users for a redeveloped Dayton Convention Center product. Any significant future changes in the characteristics of the local community, such as growth in population, corporate inventory, competitive inventory and visitor amenities/attractions, could materially impact the key market conclusions developed as a part of this study. As in all studies of this type, the estimated results are based on competent and efficient management of the potential facilities and assume that no significant changes in the event markets or assumed immediate and local area market conditions will occur beyond those set forth in this report. Furthermore, all information provided to us by others was not audited or verified and was assumed to be correct.

This report has been prepared for the internal use of the Montgomery County Convention Facilities Authority and other related stakeholders and should not be relied upon by any other party. The report has been structured to provide the Authority with a foundation of research to provide decision makers with the information necessary to strategically plan for Dayton's future in the convention and exhibition industries, with a focus on protecting and growing its competitive position in the evolving regional and national convention industry and should not be used for any other purpose. This report, its findings or references to CSL may not be included or reproduced in any public offering statement or other financing document.

We sincerely appreciate the opportunity to assist you with this project and would be pleased to be of further assistance in the interpretation and application of the study's findings.

Very truly yours,

A handwritten signature in cursive script that reads "CSL International".

CSL International



# TABLE OF CONTENTS

Executive Summary	4
1. Introduction	8
2. Local & Regional Conditions	10
3. Industry Trends	20
4. Comparable Facilities	30
5. Market Demand	37
6. Supportable Program	47
7. Economic Impact	49





## Introduction & Background

Conventions, Sports & Leisure International (CSL) was retained by the Montgomery County Convention Facilities Authority to provide market guidance on event space, configuration, demisement and other amenities best suited for the Dayton Convention Center (DCC). The purpose of the analysis is to assist the Authority and other stakeholders in evaluating key market, program, financial, and economic aspects of a possible redevelopment of the DCC.

The study results detailed herein are based on extensive research and analysis, including a comprehensive set of market-specific information derived from the following:

- **PROJECT EXPERIENCE:** Experience garnered through more than 1,000 convention, exhibition, sports, recreation, and other event facility planning and benchmarking projects in communities of all sizes throughout the country.
- **EXISTING CONDITIONS:** Review of operations and lost business at the DCC as well as the conditions of the Dayton marketplace.
- **INDUSTRY TRENDS:** Detailed evaluation of macroeconomic trends in the convention and exhibition industries, as well as survey results provided by national meeting planners regarding changing event space and destination preferences during/after the COVID-19 pandemic.
- **COMPARABLE BENCHMARKING:** Analysis of 16 competitive and comparable convention centers regionally and nationally, with a focus on their event space and supporting hotel inventories relative to existing Dayton convention product offerings.
- **INTERVIEWS & OUTREACH:** Telephone interviews with 17 planners of past and current DCC events, as well as email surveys of 75 potential future users, including state/regional/national association tradeshow and conventions, corporate events, amateur sports tournaments, public/consumer shows and other such groups/events.

Key takeaways from our research, analysis and findings related to market demand for a redeveloped DCC are described and segmented by key topic below.

- **HOTEL INVENTORY:** There are currently 287 rooms within ½-mile of the Dayton Convention Center, housed within the Radisson Hotel. An additional 252 rooms will be added in this area in 2022 with the opening of the Ardent Hotel (118 rooms) and AC Hotel (134 rooms), which will enhance DCC's convention package. Today, event planners must often book rooms at the Marriott at University of Dayton to support their room block needs, which can be challenging due to its distance (> 1 mile) from the DCC.
- **HOTEL COMMITTABILITY:** CSL asked DCC management to provide their estimates as to the low, high and typical room block allotments provided by existing and soon to be opened hotel properties. When factoring in soon to be opened hotel properties, the Dayton convention destination will be able to offer between 385 and 575 total sleeping rooms, with 430 representing a typical room block figure among these properties. However, it should be noted that 230 of these rooms are located outside of a mile radius from the DCC. This represents a challenge for some convention events with significant hotel needs.
- **LOST BUSINESS ANALYSIS:** An analysis of the DCC's lost business leads was conducted focusing on unrealized bookings that were scheduled to occur from 2016 through 2030. The most frequent reason given for not booking the DCC (27 percent of lost leads) has been facility-related. Comments provided by planners oftentimes indicate that the DCC is short on ballroom space, and that its pre-function space is challenging. The second most frequent reason related to the hotel package for conventions (18 percent). Many of these planners noted that the destination is short on proximate hotel rooms, and that they would prefer more headquarter hotel rooms.
- **CONVENTION INDUSTRY TRENDS:** CSL's ongoing industry research shows that event planners and attendees increasingly prefer emerging types of amenities at their host facilities and destinations. These include virtual/hybrid technology, outdoor event space, vibrant walkable districts, larger and more dynamic multipurpose rooms, unique and authentic food & beverage, spacious and flexible pre-function space, and augmented/virtual reality applications, among other amenities. It will be important for a redevelopment of the DCC to include many of these elements.



# EXECUTIVE SUMMARY

- **COMPARABLE FACILITY EVENT SPACE:** Eleven convention facilities were inventoried nationally based on their event space offerings, hotel inventories, walkable surrounding environments, and market population characteristics. Analysis of these facilities' event space and supporting hotel inventories produced several important observations:
  - The 287 rooms offered at the Radisson Hotel ranks below the median and average of the comparison set's headquarter hotel inventory. Further, when the broader ½-mile area surrounding each convention center is considered, the hotel package in downtown Dayton is last in the comparison set, and this figure includes the soon-to-be-opened AC and Ardent Hotel properties.
  - DCC's meeting-to-exhibit space ratio is above the median of the comparison set, indicating sufficient meeting space for future DCC market needs.
  - The ballroom-to-exhibit space ratio ranks low among the comparison set, indicating a need for more ballroom space. This is consistent with comments made by planners of events previously held at the DCC.
  - Dayton ranks below the average and median of the comparison set in terms of largest contiguous space and total sellable event space.
- **SURVEY OUTREACH:** 75 planners of nationally and regionally rotating events responded to a CSL survey regarding their potential interest in the DCC, event space and hotel requirements, and other items. Key feedback is listed below.
  - 61 percent of respondents would at least "possibly" consider rotating one or more events to the DCC in the future, suggesting a likelihood for an improved product to gain market share in the future. Planners also rated the destination ahead of key competitive facilities in Wichita, Fort Wayne, Covington, Toledo and Sharonville.
  - The DCC exhibit hall can currently accommodate 82 percent of identified demand. For contextual purposes, a smaller 50,000-square foot hall could still accommodate 76 percent of event demand.
  - The DCC's total ballroom space offering of 14,200 square feet can only accommodate approximately 49 percent of the market. A 20,000-square ballroom or multipurpose room would be able to accommodate 75 percent of identified demand.
  - The existing DCC meeting space can accommodate 72 percent of the identified potential event market.
  - These data suggest that a "rebalancing" of existing DCC space could improve overall market capture. Converting a portion of the existing exhibit space into carpeted multi-use space suitable for food functions, general sessions and other such activity would be beneficial. This is discussed in greater detail in the recommended program section of this Summary.
  - Planner demand suggests a median need of approximately 250 committable hotel rooms on peak for their rotating events. The typical committable room inventory estimated by DCC management of 430 (which includes soon to be opened downtown hotels) can accommodate 74 percent of market demand. However, a share of these rooms are over one mile from the DCC, creating a competitive challenge when trying to attract non-local events.
- **CURRENT/PAST EVENT PLANNER INTERVIEWS:** Planners of 17 events were interviewed regarding their past use of the DCC and their ideas/suggestions for the facility's improvement as part of a future redevelopment. Key feedback is summarized below.
  - Thirty-eight percent of planners of unrealized bookings have issues with the DCC's facilities, compared with 82 percent of current/past events. Key issues with existing facilities include outdated interior aesthetic (46 percent of lost and current/past respondents noted this as an issue), restrooms (38%), parking and loading infrastructure (25%), dated technology (17%), and staffing levels (17%), among other items.
  - Sixty-nine percent of planners of unrealized bookings have issues with Dayton as a host destination, compared with 45 percent of current/past events. Key destination challenges include hotel inventory (63%), safety perceptions (29%), and restaurant inventory (25%), among other items.



# EXECUTIVE SUMMARY

- **RECOMMENDED BUILDING PROGRAM:** The market supportable program for a redeveloped Dayton Convention Center and supporting hotel product provides a convention destination that would be optimized in terms of size and finish to address the majority of Dayton’s measured market demand, and to maximize economic impacts and incremental revenue. Based on the previous observations presented, key aspects of a market supportable facility program for a redeveloped Dayton Convention Center are presented below.

## DAYTON CONVENTION CENTER RECOMMENDATIONS

### Exhibit Hall:

- Repurpose 18,000 to 20,000 square foot portion of Exhibition Hall into carpeted multipurpose space
  - Will require replaceable carpet, enhanced light fixtures, stylized ceiling/overhead fixtures, enhanced wall treatment, acoustical panels and other investments
- Install additional airwalls between repurposed space and remaining exhibit space. This will allow for events to use the multi-use space for food functions, general session and other uses, while allowing for the full 68,000 square feet to be used larger tradeshow events

### Supporting Event Space:

- Repurpose Room 103 into unique, cutting-edge and programmable pre-function space
  - Invest in FF&E and technology to support highly dynamic gathering environments, in addition to interior aesthetic improvement.
- Invest in aesthetic and technology improvements to breakout meeting rooms

### Pre-Function Space:

- Aesthetic improvements
- More natural light
- Public art and trend forward furnishings

### Outdoor Event Space:

- Prioritize patio and/or rooftop terrace product
- ~5,000 square feet of usable event space
- Tent put-ins and/or permanent kiosks
- Electrical and fiber internet access

### Other Investments:

- Expand the loading dock area
- Improve bathroom conditions

## DAYTON CONVENTION CENTER HOTEL RECOMMENDATIONS

### Hotel Inventory:

- Maintaining the existing Radisson will be critical to attracting non-local events
- Development of an additional attached or adjacent hotel property at some point in the future should be prioritized
- Target 150+ additional committable rooms
- Prioritize full-service property and/or pairing of full-service with limited-service + property

### Additional Downtown Hotel Support:

- In addition to headquarter hotel development, an additional 200 committable rooms elsewhere in downtown would be beneficial
- To achieve committable room target, 400 to 500 total rooms likely required
- Most likely to be distributed between several select service properties
- This development goal could ideally be achieved over 5-7 year timeline

- **UTILIZATION ESTIMATES:** Based on the market and program assumptions discussed herein, upon stabilization of operations (assumed to be a fourth full year), an improved DCC is estimated to attract 205 events annually, generating approximately 195,300 attendee days (a product of the number of unique attendees and the number of days they attend events at the DCC) and 31,600 hotel room nights. This represents an increase of nearly 100,000 attendee days and 17,000 room nights compared to historical levels.
- **ECONOMIC IMPACT:** The direct spending associated with historical DCC event activity approximates \$10.4 million annually. This total is negatively impacted by conditions at the DCC and nearby hotel inventory. An improved DCC with added hotel inventory is estimated to generate nearly \$22.6 million in direct spending, representing a spending increase of 118%. When considering how dollars are distributed throughout the economy after initial spending, the improved DCC is estimated to generate nearly \$38.8 million per year in total economic output annually, approximately \$21 million more than the existing DCC. Further, these incremental dollars generated are estimated to result in an additional \$7.1 million in annual earnings in the area (from \$6.0 million to \$13.1 million), as well as an additional 230 jobs per year from (200 jobs to 430 jobs).



1

# INTRODUCTION



# 1 BACKGROUND & SITUATION

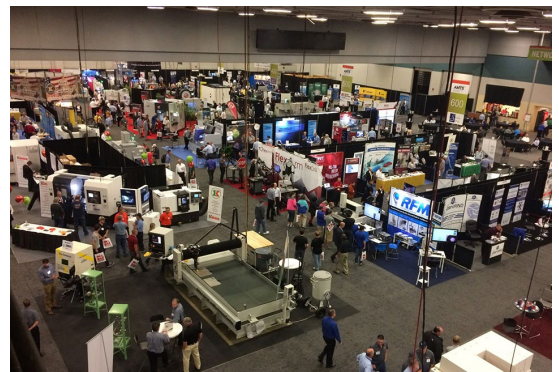
## Introduction & Background

Conventions, Sports & Leisure International (CSL) was retained by the Montgomery County Convention Facilities Authority to provide market guidance on event space, configuration, demisement and other amenities best suited for the Dayton Convention Center. The purpose of the analysis is to assist the Authority and other stakeholders in evaluating key market, program, financial, and economic aspects of a possible redevelopment of the DCC.

Based on our research, many stakeholders and event planners feel that current conditions with respect to DCC facility space and amenities, and nearby hotel inventory has negatively impacted the ability to attract high economic impact event activity, including conventions, conferences and tradeshows.

Our research is used to assist the City and project architects to develop a plan of enhancement for the DCC that will result in increases in non-local event capture, economic impact and room nights.

With potential shifts in the event industry due to the COVID-19 pandemic, the analysis herein is also designed to provide insights and recommendations as to future DCC program elements that may respond to these shifts.



The study results detailed herein consisted of extensive research and analysis, including a comprehensive set of market-specific information derived from the following:

- **PROJECT EXPERIENCE:** Experience garnered through more than 1,000 convention, exhibition, sports, recreation, and other event facility planning and benchmarking projects in communities of all sizes throughout the country.
- **EXISTING CONDITIONS:** Review of operations and lost business at the DCC as well as the conditions of the Dayton marketplace.
- **INDUSTRY TRENDS:** Detailed evaluation of macroeconomic trends in the convention and exhibition industries, as well as survey results provided by national meeting planners regarding changing event space and destination preferences during/after the COVID-19 pandemic.
- **COMPARABLE BENCHMARKING:** Analysis of 16 competitive and comparable convention centers regionally and nationally, with a focus on their event space and supporting hotel inventories relative to existing Dayton convention product offerings.
- **INTERVIEWS & OUTREACH:** Telephone interviews and email surveys of potential user groups, including state/regional/national association tradeshows and conventions, corporate events, amateur sports tournaments, public/consumer shows and other such groups/events.

The study's contracted scope of work includes the following elements:

1. Kickoff, Project Orientation, and Interviews
2. Existing Market Conditions Analysis
3. Analysis of Existing Dayton Convention Center Operations
4. Industry Trends Review
5. Competitive/Comparable Facility and Destination Benchmarking
6. Market Outreach
7. Market Supportable Facility Development Options
8. Updated Hotel Analysis
9. Preparation and Presentation of Final Report





2

# LOCAL & REGIONAL CONDITIONS

# 2 LOCAL & REGIONAL CONDITIONS

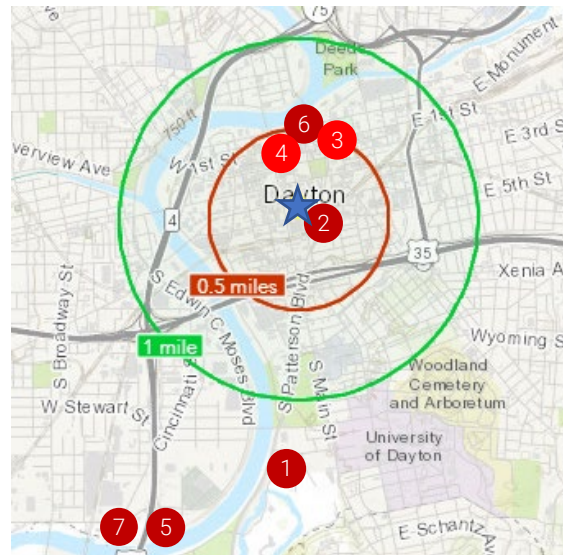
## Hotel Inventory

An important component in assessing the potential success of an expanded DCC is the existing hospitality infrastructure and demographics of the local and regional market. The strength of a market in terms of its ability to support and utilize a new event facility is measured, to some extent, by its existing hospitality assets such as hotels, attractions, restaurants, and retail. In addition to hospitality infrastructure, other local market characteristics have relevance when considering the attractiveness of a particular community as a host for convention events and attendance. These include items such as the demographic and socioeconomic profile of the local and regional area, transportation accessibility, ingress/egress convenience, and corporate and resident base, among others. The remainder of this section reviews each of these items.

We begin with a review of the DCC’s supporting hotel inventory. The chart and map below summarize the key lodging facilities located in the downtown Dayton area. There are 287 rooms within ½-mile of the Dayton Convention Center, housed within the Radisson Hotel. An additional 252 rooms will be added in this area in 2022 with the opening of the Ardent Hotel (118 rooms) and AC Hotel (134 rooms), which will benefit DCC’s convention package. Today, event planners must often book rooms at the Marriott at University of Dayton to support their room block needs, which is more than a mile away from the DCC.

Hotel Property	Room Count	Distance to Site (in miles)
1 Marriott at University of Dayton	399	1.6
2 Radisson Hotel	287	0.0
3 AC Hotel (opening 2022)	134	0.5
4 Ardent Hotel (opening 2022)	118	0.4
5 Courtyard by Marriott	101	2.2
6 Fairfield Inn & Suites	79	0.7
7 Holiday Inn Express & Suites	74	2.7
<b>Total</b>	<b>1,192</b>	<b>1.2</b>
		<b>Average</b>

Source: Dayton Convention and Visitors Bureau, Google Maps, 2021.



## Hotel Committability

Committable hotel room inventory is one of the most critical aspects of a convention destination. When factoring for rooms occupied by corporate and leisure visitors, hotel rooms within an urban area can typically commit between 40 percent to 70 percent of their hotel room inventory. To determine the room committability of the properties above for events at the Dayton Convention Center, CSL asked Dayton Convention & Visitors Bureau and DCC management to provide their estimates as to the low, high and typical room block allotments provided by existing and soon to be opened hotel properties. As shown, when factoring in soon to be opened hotel properties, the Dayton convention destination will soon be able to offer between 385 and 575 total sleeping rooms, with 430 representing a typical room block figure among these properties. However, it should be noted that 230 of these rooms are located outside of a mile radius from the DCC. These factors will be considered later herein as part of the Market Demand section.

Hotel Property	Room Count	Committable Rooms-Low	Committable Rooms-High	Committable Rooms-Typical
1 Marriott at University of Dayton	399	150	250	200
2 Radisson Hotel	287	150	200	150
3 AC Hotel (opening 2022)	134	25	30	25
4 Ardent Hotel (opening 2022)	118	10	15	10
5 Courtyard by Marriott	101	25	50	30
6 Fairfield Inn & Suites	98	10	15	15
7 Holiday Inn Express & Suites	96	15	15	0
<b>Total</b>	<b>1,233</b>	<b>385</b>	<b>575</b>	<b>430</b>
		<b>Total - Low</b>	<b>Total - High</b>	<b>Total - Typical</b>

Source: Dayton Convention and Visitors Bureau, Dayton Convention Center, 2021.

# 2

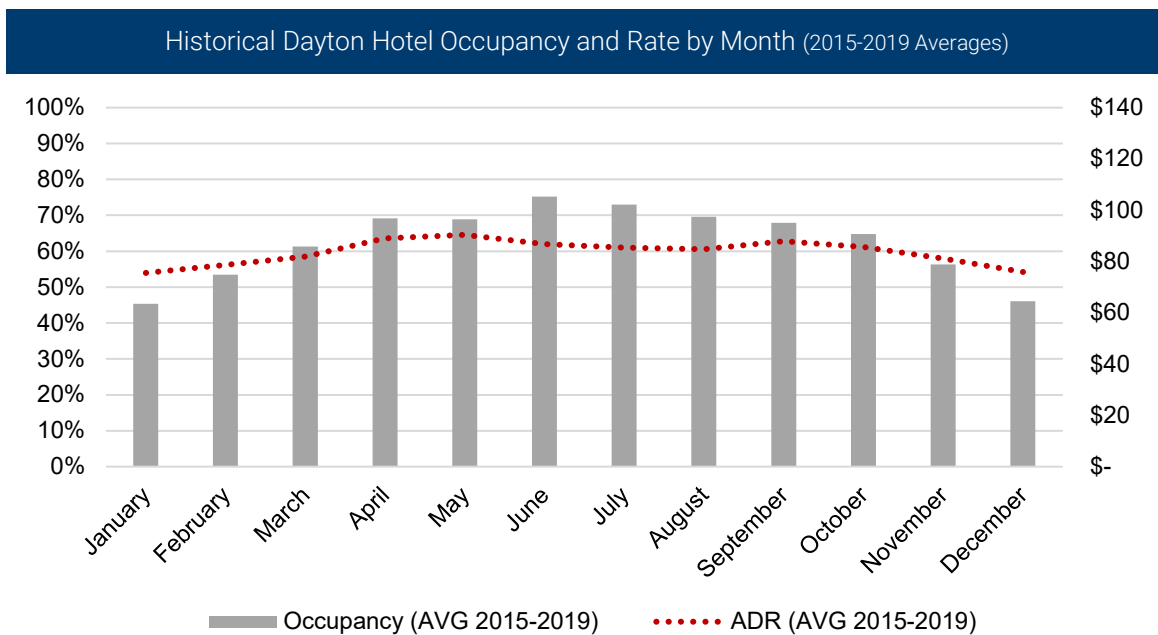
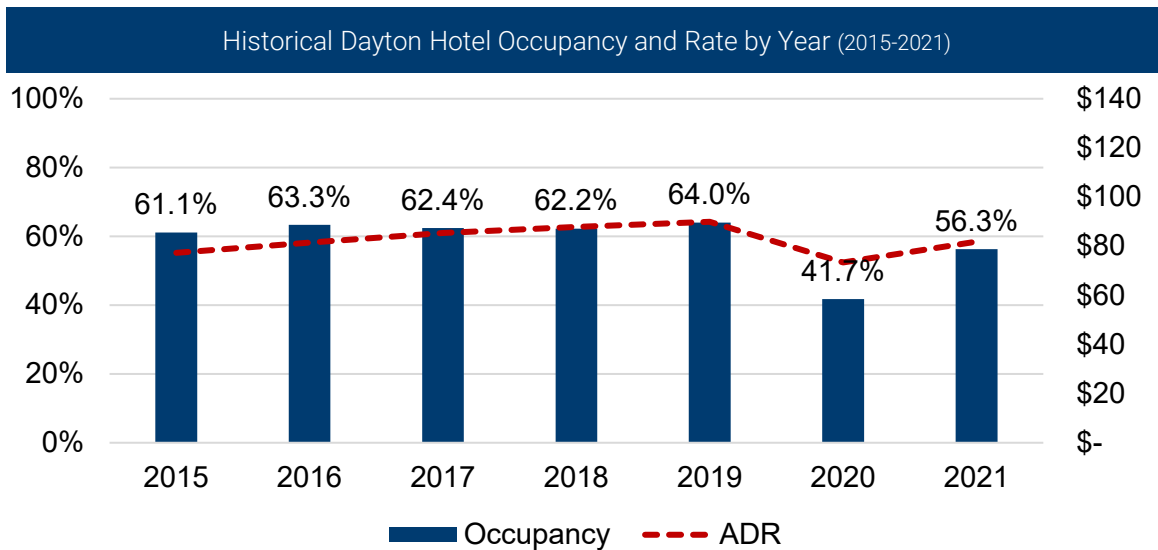
## LOCAL & REGIONAL CONDITIONS

### Hotel Occupancy & ADR Data

Decisions as to the future of any substantial hospitality-related investment such as a new convention center or hotel development should consider the overall performance of a given area’s hospitality sector, which is partly defined by overall hotel occupancy and room rates. Markets with substantial leisure, group, and/or corporate transient demand often experience hotel occupancy levels ranging between 70 percent and 80 percent. In these cases, additional hotel inventory may be supported. The average daily rate (ADR) is also important to consider as part of any convention-related investment, as event planners typically seek competitive hotel rates when selecting a host destination.

As shown below, hotel occupancy remained relatively steady between 2015 and 2019, ranging between 61% and 64%. In 2020 there was a sharp decline due to the pandemic. Occupancy totals in 2021 have recovered significantly, but are still 5% lower than average pre-pandemic levels. ADR rose steadily from 2015 to 2019, increasing from \$77 in 2015 to \$90 in 2019 and recording an average annual growth of 4%.

During the period spanning 2015 through 2019, hotel performance tended to peak during the summer months, averaging an occupancy of 75 percent in June. Low performing months occur from November through February, with shoulder months occurring during the spring and fall. Considering the national convention industry’s tendency to surge during the spring and fall months, new convention business could likely bolster hotel performance during these shoulder months.



Source: STR, Dayton CVB, 2021.



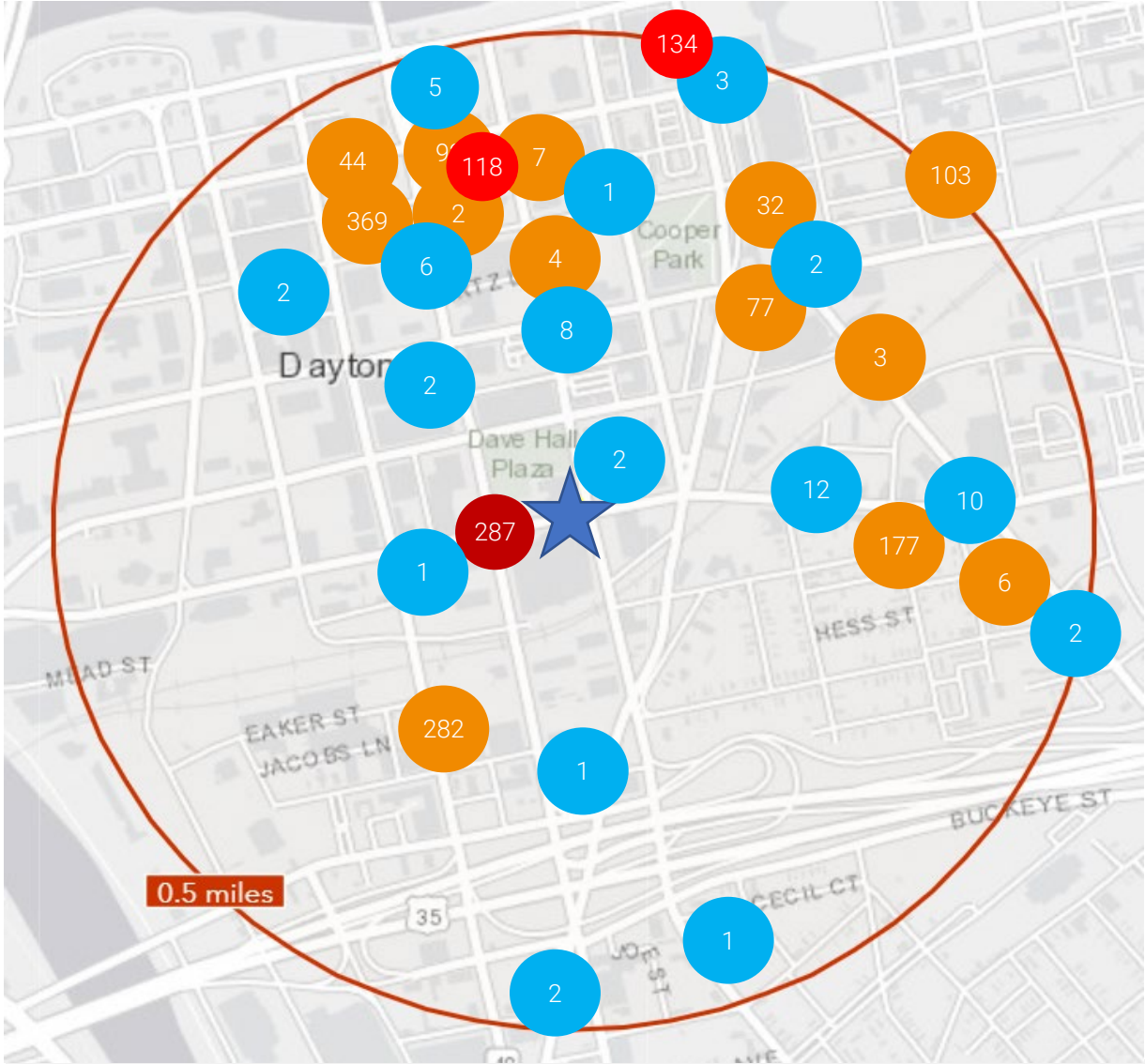
# 2

## LOCAL & REGIONAL CONDITIONS

### Downtown Attractions & Amenities

Event planners increasingly consider the destination outside of the host facility when selecting sites for their events. To evaluate the appeal and vibrancy of the area around the Dayton Convention Center, we have prepared the map below that displays the hotel, attractions, and dining inventory within a half mile of the facility. There are a total of 60 dining establishments within ½-mile of the Convention Center, as well as 13 attractions listed on TripAdvisor. The most reviewed attractions include Benjamin & Marian Schuster Performing Arts Center (369 reviews), America’s Packard Museum (282), and the Oregon District (177). Other attractions include Belle of Dayton Distillery, Warped Wing Brewing Company, The Funk Music Hall of Fame, The Dayton Beer Company, 2<sup>nd</sup> Street Market, Dayton Visual Arts Center, Victoria Theater, and Dayton Philharmonic Orchestra.

Some interviewed past users of the DCC indicated that the walkability between the Dayton Convention Center and Oregon District could use improvement. Although the walk is short, many planners noted that the walking experience could be enhanced through placemaking or street-level beautification.



#### Downtown Attractions and Amenities

Total Count and Definition within ½-mile of the Site  
 Source: Dayton CVB, CSL research, facility interviews, Tripadvisor, Google maps, 2021.

- 1,198
 Attraction Reviews  
 (number of Trip Advisor positive reviews)
- 539
 Hotels  
 (number of hotel rooms)
- 60
 Dining Options  
 (number of establishments)

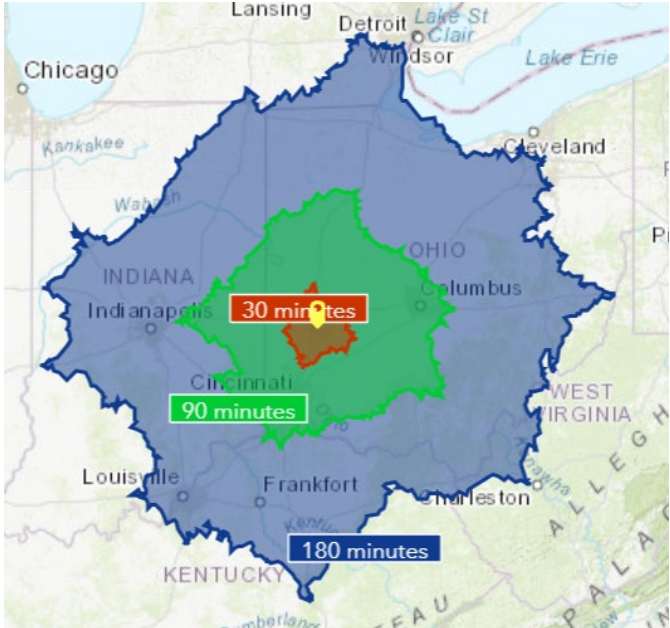
# 2

# LOCAL & REGIONAL CONDITIONS

## Location & Accessibility

The exhibits below illustrate the proximity of Dayton with other nearby markets and the markets/land area captured within an estimated 30-, 90- and 180-minute drive of the Dayton Convention Center. Key population centers within 67 minutes include Springfield, Cincinnati and Columbus. Others within 150 minutes include Indianapolis, Fort Wayne, Toledo, and Louisville. These markets represent potential drive-in traffic for state and regional event activity at a potentially expanded Dayton Convention Center.

These driving distances will be utilized on the subsequent page and later in the report for purposes of comparing demographic and socioeconomic variables.



Market	Distance to Site (in miles)	Drive Time (hrs:mins)	Market Population
Springfield, OH	29	0:32	167,051
Cincinnati, OH	54	0:57	301,394
Columbus, OH	71	1:07	878,553
Indianapolis, IN	117	2:00	864,447
Fort Wayne, IN	128	2:14	265,752
Toledo, OH	150	2:14	276,614
Louisville, KY	153	2:30	617,790
Akron, OH	195	2:50	198,051
Charleston, WV	193	3:08	48,006
Detroit, MI	210	3:04	674,841
Cleveland, OH	212	3:08	385,282

Source: Esri, 2021.



### Demographic & Socioeconomic Characteristics

The exhibit below presents a summary of key demographic metrics associated within the aforementioned driving distances surrounding the Dayton Convention Center, along with city of Dayton, Montgomery County, state of Ohio, and United States benchmarking data. Approximately 953,000 people live within 30-minutes of the Dayton Convention Center, a figure that has grown by 2.7 percent since 2010. This growth falls well below the average growth rate throughout the state and the country. More growth has been experienced within the 90-minute drive time range, but this still falls below the national average.

The area's population generally skews older and more diverse than the national average, while median household income is slightly below the national average. Given these demographic conditions, it is not anticipated that a redeveloped DCC will greatly increase its local event bookings (i.e., civic events, public consumer shows, and local banquets, meetings, and other events).

DEMOGRAPHIC VARIABLE	30-Minutes	90-Minutes	180-Minutes	City of Dayton	Montgomery County	State of Ohio	United States
<b>POPULATION:</b>							
2010 Total Population	928,057	5,356,331	15,335,259	141,542	535,153	11,536,504	308,745,538
2021 Total Population	953,043	5,687,962	16,185,224	138,534	532,752	11,839,300	333,934,112
2026 Total Population	963,193	5,837,659	16,567,447	137,055	530,246	11,966,163	345,887,495
Historical Annual Growth Rate (2010 to 2020)	2.69%	6.19%	5.54%	-2.13%	-0.45%	2.62%	8.16%
Projected Annual Growth Rate (2021 to 2026)	1.07%	2.63%	2.36%	-1.07%	-0.47%	1.07%	3.58%
<b>AGE:</b>							
Median Age	40.9	38.7	39.1	36.3	41.0	36.3	38.5
Population age 25 to 44	24.85%	26.32%	25.98%	25.48%	24.83%	25.17%	26.60%
<b>AGE DISTRIBUTION:</b>							
Under 15	28.39%	18.39%	18.03%	17.71%	17.00%	17.43%	18.4%
15 to 24	12.74%	13.25%	13.23%	16.85%	12.74%	12.71%	13.0%
25 to 34	12.88%	13.54%	13.38%	13.82%	12.94%	12.99%	14.0%
35 to 44	11.97%	12.78%	12.60%	11.66%	11.89%	12.18%	12.6%
45 to 54	11.98%	12.14%	12.16%	11.37%	11.86%	12.18%	12.5%
55 and over	33.26%	29.90%	30.60%	28.59%	33.57%	32.51%	29.50%
<b>HOUSEHOLD INCOME:</b>							
Median Household Income	\$58,572	\$63,318	\$59,035	\$34,318	\$54,227	\$57,725	\$62,203
Per Capita Income	\$32,412	\$34,474	\$32,052	\$20,006	\$30,551	\$32,094	\$34,136
<b>INCOME DISTRIBUTION:</b>							
\$0 to \$24,999	19.38%	17.85%	19.03%	37.63%	22.06%	19.97%	19.1%
\$25,000 to \$49,999	22.69%	20.66%	22.34%	26.56%	23.60%	22.51%	20.9%
\$50,000 to \$74,999	18.23%	18.38%	18.87%	16.30%	18.48%	18.78%	17.3%
\$75,000 to \$99,999	13.96%	13.23%	13.19%	9.97%	13.93%	13.00%	12.6%
\$100,000 to \$149,999	15.03%	16.27%	14.96%	6.97%	13.94%	14.53%	15.3%
\$150,000 or more	10.72%	13.61%	11.60%	2.57%	7.99%	11.20%	14.8%
<b>POPULATION BY RACE/ETHNICITY:</b>							
White/Caucasian	78.17%	73.61%	81.08%	50.48%	71.25%	79.79%	72.4%
Black/African American	14.78%	14.09%	10.93%	42.30%	21.51%	12.97%	12.6%
American Indian	0.26%	0.23%	0.27%	0.32%	0.25%	0.25%	0.9%
Asian	2.49%	3.56%	2.95%	1.20%	2.45%	2.63%	4.8%
Pacific Islander	0.05%	0.07%	0.06%	0.05%	0.05%	0.05%	0.2%
Other Race	1.15%	1.59%	1.94%	1.84%	1.19%	1.52%	6.2%
Two or More Races	3.10%	2.93%	2.76%	3.82%	3.29%	2.79%	2.9%
Hispanic Origin	3.39%	3.92%	4.77%	4.45%	3.53%	4.29%	16.3%
Diversity Index	40.8	42.5	39.1	60.3	48.3	40	60.6
<b>BUSINESS:</b>							
Total Business 2021	28,927	177,995	517,249	4,441	17,117	374,840	11,994,763
Total Employees 2021	467,318	2,950,631	7,936,726	90,654	291,540	6,024,997	146,120,824
Employee to Residential Population Ratio	0.49:1	0.52:1	0.49:1	0.65:1	0.55:1	0.51:1	0.44:1

Source: Esri, 2021.



## 2 LOCAL & REGIONAL CONDITIONS

### Corporate Base

The depth of the inventory of local corporations and employers can provide an indication of potential for corporate meeting activity in a market. Often, the major employers in a local market are an important source of facility usage with regard to corporate meetings, banquets and other similar uses, all of which are important to maintain the utilization and financial viability of a convention center. Indirectly, the size of a local corporate base also tends to correlate with the level and breadth of supporting community amenities (i.e., hotels, restaurants, transportation infrastructure, etc.), which are relevant when considering the ability to attract non-local events. Also, attracting events consistent with industry clusters that are prioritized by local economic development organizations can create important business generation synergies.

The chart below provides a listing of the top 20 employers within the Greater Dayton region measured by employee count. Of the 20 listed, the entities with the highest employment are Wright-Patterson Air Force Base, Premier Health, and Kettering Health Network. Improvements to the DCC could help increase corporate event capture.



Summary of Largest Employers in Greater Dayton Region

	Name	Number of Employees	Industry/ Sector
1	Wright-Patterson Air Force Base	27,500	Military
2	Premier Health	13,800	Healthcare
3	Kettering Health Network	8,400	Healthcare
4	Montgomery County	4,300	Government
5	Miami University	3,750	Education
6	Honda of America-Anna	3,300	Manufacturing
7	Crown Equipment Corporation	3,000	Conglomerate
8	Sinclair Community College	3,000	Education
9	LexisNexis	3,000	Technology
10	University of Dayton	2,900	Education
11	Cincinnati Financial Corporation	2,800	Financial Services
12	Dayton Children's Hospital	2,500	Healthcare
13	Butler County	2,500	Government
14	Mercy Health - Springfield	2,400	Education
15	Wright State University	2,400	Education
16	AK Steel	2,400	Manufacturing
17	Fuyao Glass American	2,300	Manufacturing
18	Dayton VA Medical Center	2,300	Healthcare
19	CareSource	2,200	Healthcare
20	Dayton Public Schools	2,000	Education

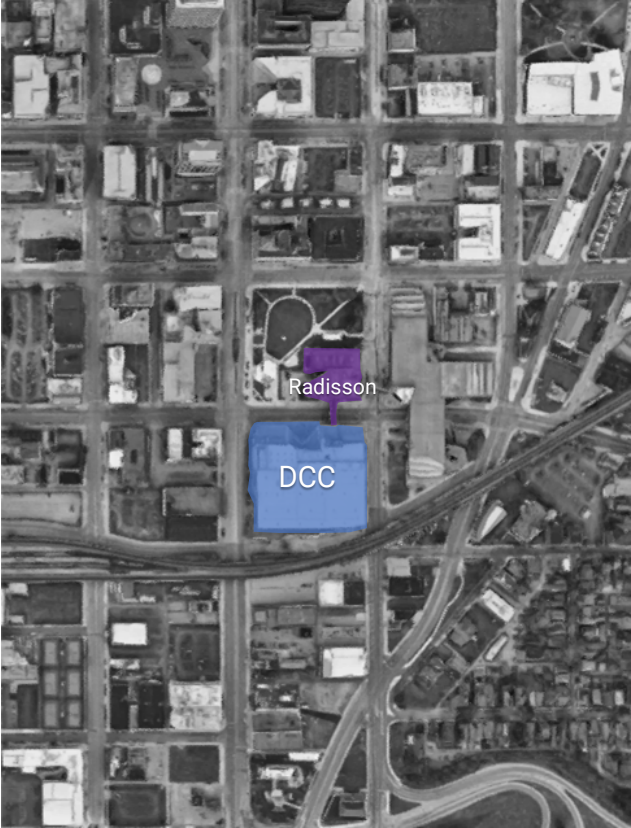
Source: Dayton Daily News, 2021.

# 2

# LOCAL & REGIONAL CONDITIONS

## Existing Dayton Convention Center

Located in downtown Dayton and originally opened in 1973, the Dayton Convention Center continues to serve as the destination's primary convention facility. The Center has undergone various expansions and renovations through the decades, with its most recent renovation taking place in 2006.



### Dayton Convention Center Existing Building Program

	Square Feet	# of Spaces
<b>Flat Floor Event Space</b>		
Exhibit Space	68,400	1
Ballroom Space	14,200	2
Meeting Space	18,400	17
<b>Total Sellable Space</b>	<b>101,000</b>	<b>20</b>
<b>Fixed Seating</b>		
Theater 312		672 seats
<b>HQ Hotel</b>		
Radisson		287 rooms



The DCC is connected to the 287-room Radisson Hotel, which serves as the facility's primary headquarter hotel property, as well as the 1,500-space Oregon District Parking Garage. Enclosed skyways connect to both important amenities, providing DCC event goers with need climate control during winter months across Dayton's "convention campus".

The DCC itself offers 68,400 square feet of concrete floor exhibit space within its exhibit hall, which can be divided into two spaces (21,400 square feet and 47,000 square feet, respectively). Room 103 serves as the facility's largest ballroom, offering 9,000 square feet of carpeted multipurpose space, while Room 106 (5,200 square feet) fills the role as the building's junior ballroom. The DCC houses 17 breakout meeting rooms, totaling approximately 18,400 square feet of meeting space. The DCC's third floor also houses a 642-seat theater.

According to facility management and the Dayton CVB, the DCC has historically hosted local corporate meetings, youth and amateur sporting events, and other various civic events. Other, less frequently occurring event types have included conventions and tradeshows from the corporate, government and association sectors, state association events, and public consumer shows and festivals.

Many stakeholders believe that significant improvements of the DCC are needed in order to host more economically impactful events such as conventions and tradeshows. Many of these types of events have considered the DCC in the past but ultimately chose an alternate destination due to issues with the DCC and its supporting hotel package. A summary of these "lost" pieces of business is presented on the following page.

Source: CSL research, interviews with facility management, facility websites, Google maps, 2021.

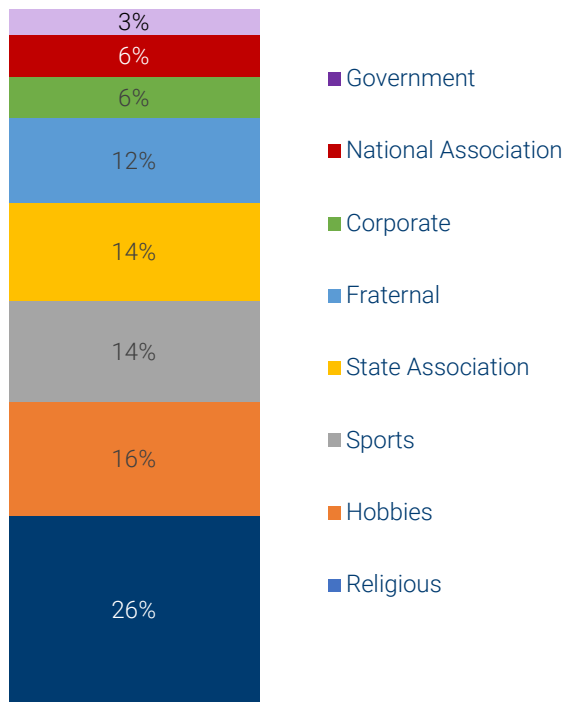
# 2

## LOCAL & REGIONAL CONDITIONS

### DCC Lost Business

The exhibits below summarize the characteristics of lost leads that considered hosting at the DCC. In total, 347 events were recorded as “lost” that were scheduled to occur between 2016 and 2030. Many of these events are organized by religious, state association, sport, hobby, and fraternal groups. On average, these events were relatively sizable, with attendance levels of approximately 1,000 and total room night counts of 770 (250 on peak). In total, the 347 events reviewed represented a total of nearly 360,600 event attendees and 266,400 total room nights.

Lost Business by Event Type



Source: Facility management, Dayton CVB, 2021.



347  
lost events  
(2016-2030)



360,600  
“lost” attendees  
(2016-2030)



266,400  
“lost” room nights  
(2016-2030)

It is important to evaluate the reasons for these unrealized events and room nights. As such, a review of reasons given for not booking was conducted. The results from this exercise are illustrated below, quantified by the hotel room nights that were lost due to the top two most frequently mentioned reasons. The most frequent reason given for not booking has been facility-related. Comments provided by planners oftentimes indicate that the DCC is short on ballroom space, and that its pre-function space is challenging. The second most frequent reason given related to the Dayton hotel package for conventions. Many of these planners noted that the destination is short on proximate hotel rooms, and that they would prefer more headquarter hotel rooms. With investment in the DCC facilities and the supporting hotel package, it is reasonable to assume that Dayton could capture many of these unrealized event bookings in the future.

Top 2 Reasons for Not Booking the DCC  
(lost events, 2016-2030)

27%



of room nights lost due to  
facility-related issues

18%



of room nights lost due to  
hotel-related issues

Further analysis of these issues are explored as part of lost business survey results included in the Market Demand chapter later herein.



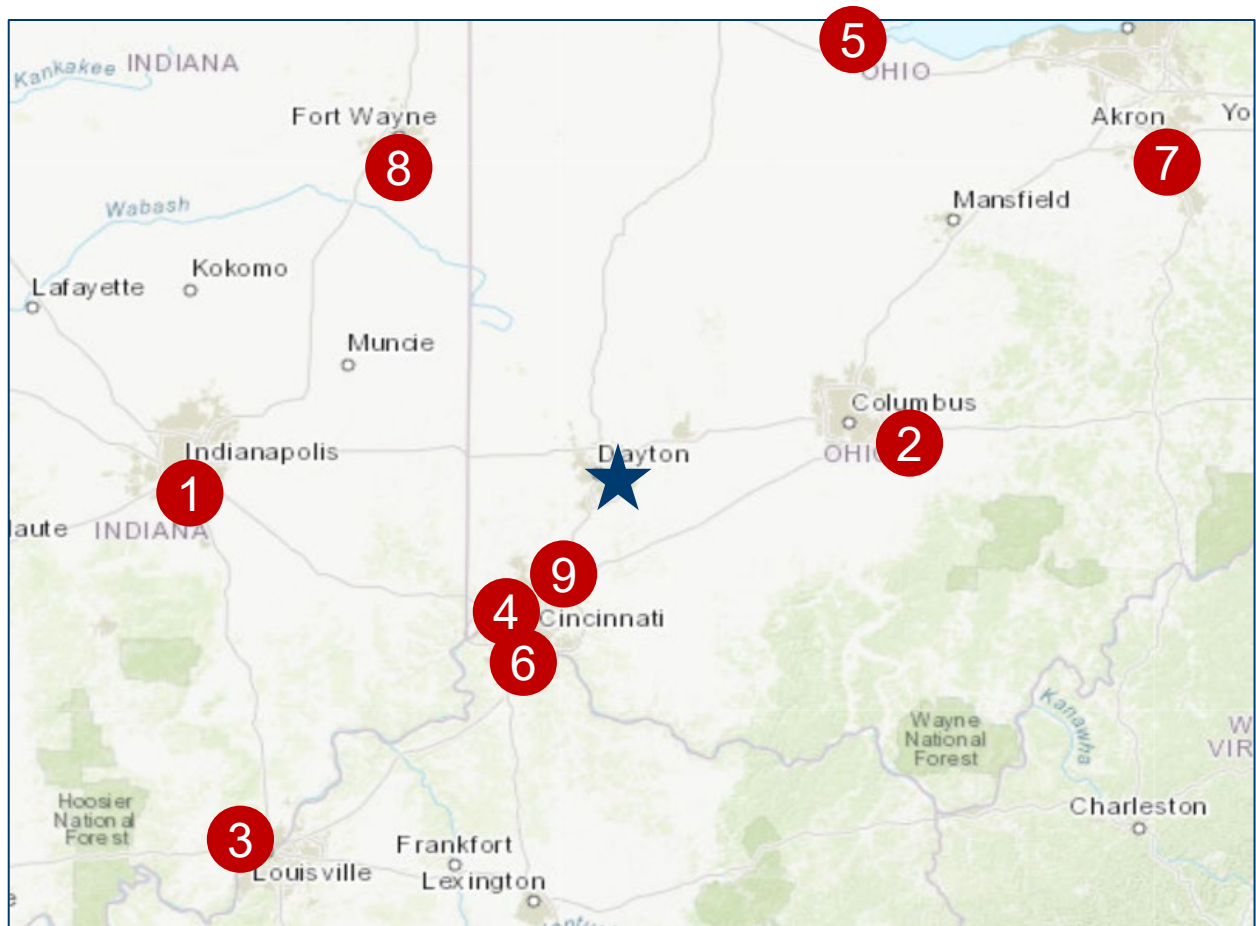
## 2 LOCAL & REGIONAL CONDITIONS

### Competitive Facilities

As a part of this analysis, we identified nine convention facilities throughout the regional marketplace that may offer some level of competition for event activity with a redeveloped DCC. These are shown in the map and table below.

The compared set of facilities averages 122,500 square feet of exhibit space, with a median of 60,600. These facilities also feature a median of 530 hotel headquarter hotel rooms. The facilities are sorted by largest contiguous space. As shown, the 68,400 square feet offered within DCC's exhibit hall falls between the exhibit halls at the SeaGate Convention Centre in Toledo (75,000 square feet) and the Northern Kentucky Convention Center in Covington (46,200 square feet). Other facilities reviewed offer much smaller or larger exhibit space products.

In terms of headquarter hotel room offering, DCC falls well below the median and average of the competitive set. This is further discussed throughout the remainder of this report.



Facility	City, State	Distance from Dayton (miles)	Exhibit Space (SF)	Ballroom Space (SF)	Meeting Space (SF)	Total Sellable (SF)	Largest Contiguous (SF)	Rooms at HQ Hotel(s)	
1	Indiana Convention Center	Indianapolis, IN	117	602,000	62,100	125,500	789,600	558,000	2,228
2	Greater Columbus Convention Center	Columbus, OH	71	373,000	89,700	77,800	540,500	373,000	1,524
3	Kentucky International Convention Center	Louisville, KY	153	200,500	40,300	58,900	299,700	200,500	1,625
4	Duke Energy Convention Center	Cincinnati, OH	54	195,300	57,300	44,300	296,900	195,300	872
5	SeaGate Convention Centre	Toledo, OH	150	75,000	0	17,100	92,100	75,000	400
6	Northern Kentucky Convention Center	Covington, KY	56	46,200	17,500	13,300	77,000	46,200	547
7	John S. Knight Convention Center	Akron, OH	195	28,600	11,700	13,100	53,400	28,600	144
8	Grand Wayne Convention Center	Fort Wayne, IN	128	41,100	11,600	18,100	70,800	24,500	495
9	Sharonville Convention Center	Sharonville, OH	40	20,500	14,100	24,400	59,000	20,500	512
Average			105.9	122,500	30,300	33,400	186,200	120,500	765
Median			99.5	60,600	15,800	21,300	84,600	60,600	530

Dayton Convention Center	Dayton, OH	-	68,400	14,200	18,500	101,000	68,400	287
--------------------------	------------	---	--------	--------	--------	---------	--------	-----

Source: CSL research, interviews with facility management, facility websites, Google maps, 2021.



3

# INDUSTRY TRENDS



# 3 INDUSTRY TRENDS

## Visitor-Focused Event Facilities

The economy of any destination can be influenced by many factors outside the control of community leaders. Economic conditions, corporate relocations, changes in governmental or institutional presence and other factors will influence employment, income, tax revenues and other critical aspects of an economy.

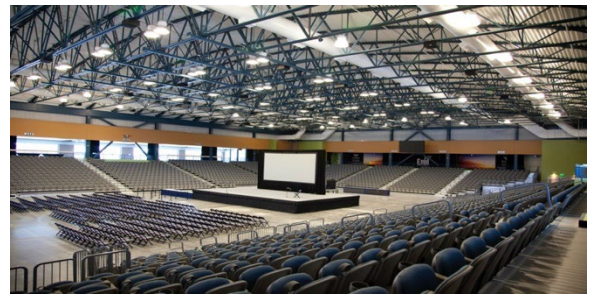
In most communities, the visitor industry also plays an important role in local and regional economic health. Visitors to a market offer an opportunity to inject new dollars into the economy, with relatively limited use of public infrastructure. Visitor spending then generates net new tax revenue, reducing the tax burden on residents.

At the same time, the competition for visitor industry market share is fierce. Communities throughout the country continue to invest in assets and amenities that are designed in part to attract visitors. Much of this investment involves convention, sports and entertainment facilities.

The market success of convention, sports and entertainment facility products can be partially attributed to broader industry characteristics and trends. In order to assess the current and future strength of any market with regard to a potential new/expanded facility product, it is important to evaluate prominent and emerging trends from a national perspective.

Additionally, the “state-of-the-industry” in terms of the physical product aesthetics and functionality of convention, sports and entertainment facilities has continued to advance year-over-year in cities throughout the country. Event planners and users increasingly prefer, and oftentimes demand, the modern, spacious aesthetics and optimized, advanced functionality and efficiency of newer facility designs and programs. Beyond attracting higher numbers of groups, visitors and economic impact, modern exhibition facilities often offer significant advancements in operating efficiencies and enhanced revenue generation opportunities, as compared to previous generations of facilities.

Broad industry changes, characterized by—sometimes significant—retraction and expansion in event demand and attendance and participation characteristics have taken place within the industry over the past few decades. Most recently, the COVID-19 pandemic has caused dramatic disruption in all sectors of the global economy, including severe impacts in the convention, entertainment, sports, and tourism industries.





### 3 INDUSTRY TRENDS



Many indicators suggest that the national economy is rebounding at a significant pace. A large collection of data suggests that the health of the conference and meetings industry, like nearly all industries, has historically been and is currently linked to the strength and fluctuations of the overall U.S. economy. This “linkage” is a fundamental premise of any analysis of future convention and conference industry performance. To address the question of future industry trends, it is important to consider how the future performance of the convention and conference industry will respond in the post COVID period.

The Center for Exhibition Industry Research (CEIR) is a nonprofit organization whose mission is to advance the growth, awareness and value of exhibitions in the United States. The annual CEIR Index Report is developed to provide an objective measure of the annual performance of the exhibition industry.

The CEIR Index Report measures year-over-year changes in three key metrics of industry performance:

- Square Feet of Exhibit Space Sold
- Number of Exhibiting Companies
- Professional Attendance

The industry’s performance within these three metrics was calculated from data provided by more than 13,000 industry conferences, conventions, and tradeshows that utilize more than 3,000 net square feet of exhibit space in off-site public and private event facilities. The 2019 CEIR Index Report displays and analyzes actual and projected event-specific data through 2021, though the COVID-19 pandemic has significantly impacted these projections. As such, the analysis on the next page analyzes actual exhibition industry performance through 2019, with a focus on historical exhibition industry rebounds following substantial downturns in the U.S. economy.

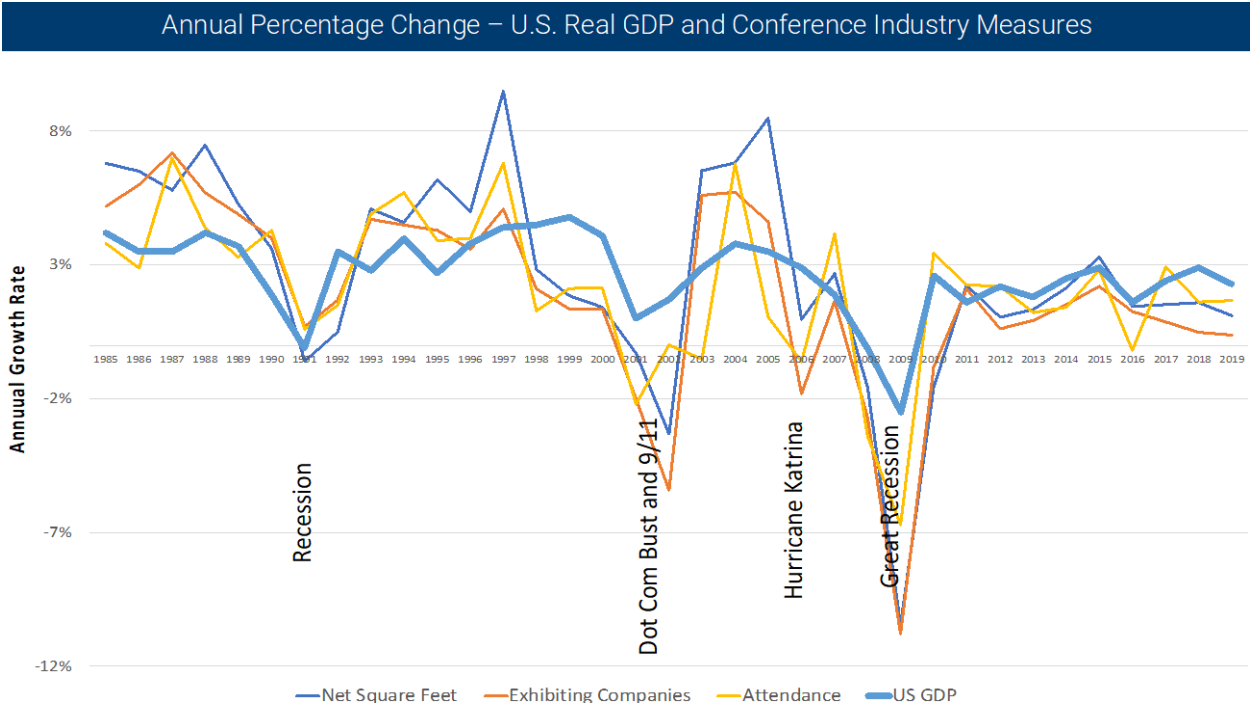
# 3

## INDUSTRY TRENDS

The U.S. economy appeared to be on solid footing prior to the COVID-19 outbreak. An historical perspective focusing on changes to GDP growth relative to the national conference and meetings industry may be useful in assessing the longer-term impact of the COVID-19 pandemic. As outlined in the chart below, broad industry changes, characterized by retraction and expansion in exhibition, convention, conference, tradeshow and meeting demand have taken place during the past 35 years.

Given the parallels between GDP changes and changes in various measures of the convention and conference industry, we expect future industry growth to continue to mirror the overall health of the economy. With leading economists noting that the economy is now rebounding from COVID impacts, we can assume a rebound to the convention and conference sector over the next several years. This rebound has already begun in many markets, however future virus variants may provide some set-backs to progress.

Longer term, potentially by the time the Dayton Convention Center is fully redeveloped, it is likely that COVID impacts will have fully dissipated, and that standard economy-driven fluctuations in the convention and conference industry will prevail.



Source: U.S. Bureau of Economic Analysis, Center for Exhibition Industry Research, CSL research, 2020.

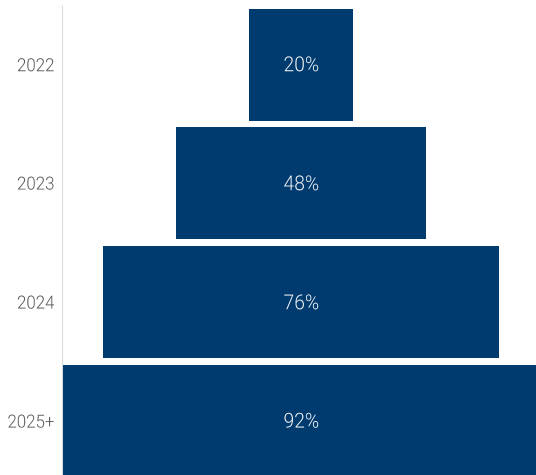
# 3 INDUSTRY TRENDS

The pandemic took a significant toll on the U.S. exhibition industry. As U.S. GDP decreased by over three percent in 2020, the exhibition industry's total attendance, square footage, and revenues decreased by nearly 80 percent due to the COVID-19 pandemic.

As previously noted, a gradual rebound has already started. As vaccinations of the U.S. population continue to progress, many planners and event facilities are now booking in-person events in early-2022, with plans to ramp up this activity through the spring and summer.

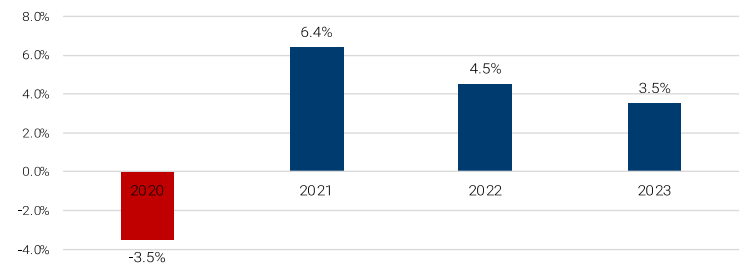
This gradual rebound of the events industry will not mirror the anticipated growth of the broader economy due to the negative impact of the pandemic on domestic and global travel. The CEIR total index is estimated to improve to 57 percent below 2019 performance, with a near return to normalcy by 2022 (only ten percent below 2019 performance). By 2023, the industry will begin to resume its growth beyond 2019 metrics. The exhibit to the below right presents a summary of forecasted U.S. GDP (gross domestic product) growth, along with expected CEIR index growth. Additionally, the chart to the below left presents the results of a recent survey conducted by CSL of national convention planners who were asked to identify the year in which they expect the convention industry to largely return to pre-pandemic conditions. As shown, 76 percent expect a return to pre-pandemic conditions by 2024, while 92 percent expect a return by 2025 or later.

**Survey of Convention Planners**  
Expectation of the year the convention industry will return to pre-pandemic conditions

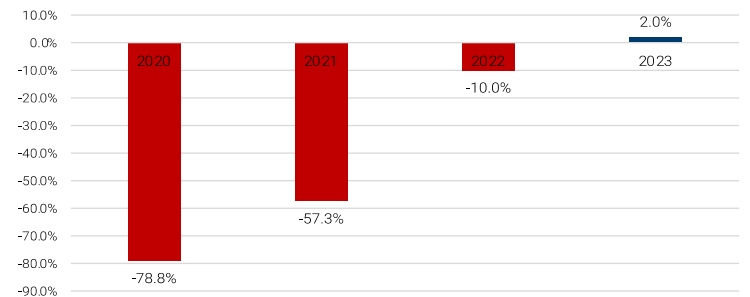


Source: CSL survey of national convention planners, 2021.

**Forecasted Real GDP Growth (% change over year)**



**Forecasted CEIR Total Index Deviation from 2019 (% change)**



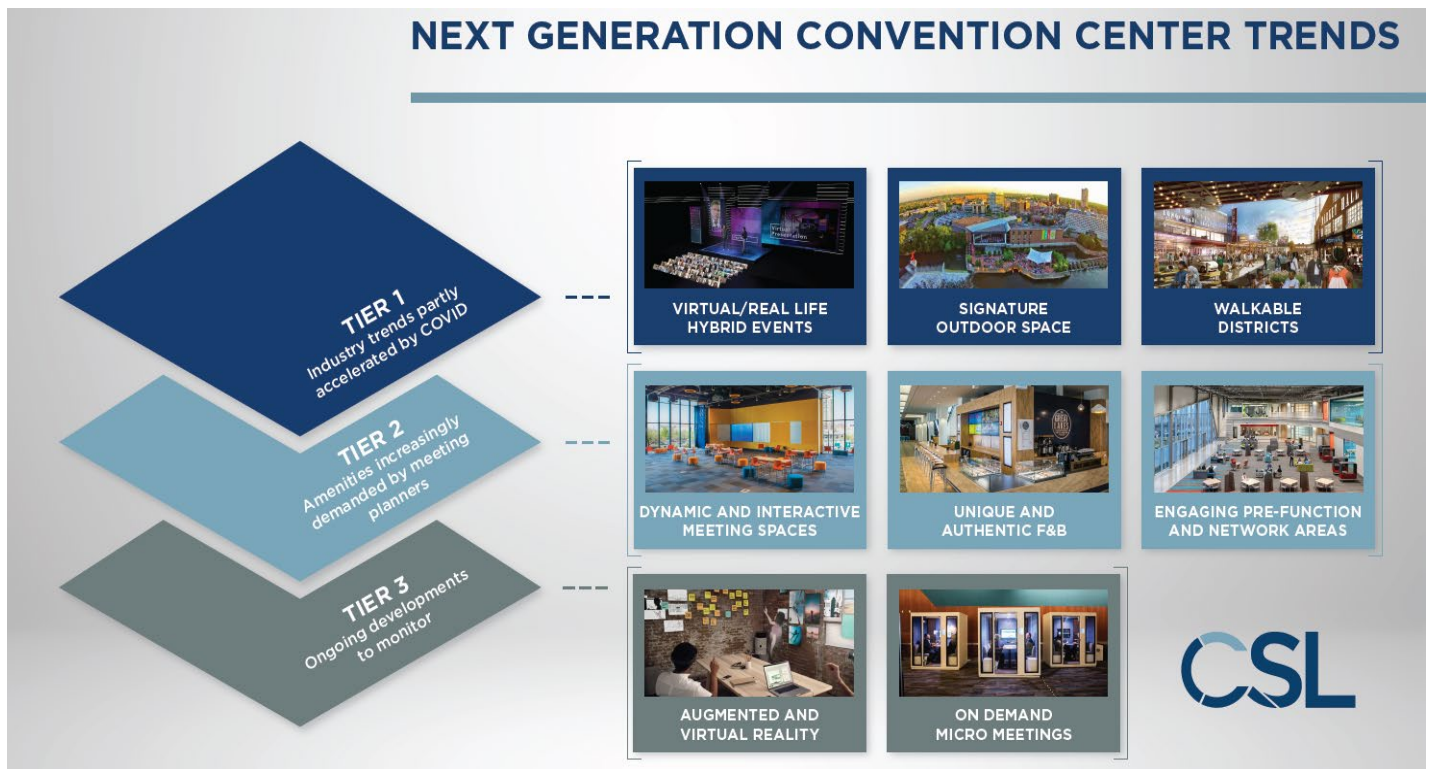
Source: Center for Exhibition Industry Research (CEIR), 2021.

Beyond external economic trends, the conference, convention and meeting industry landscape continues to evolve and expand. The increasing importance placed on the adoption and use of technology, the physical design and flexibility of facility space, and the emphasis on an authentic and unique destination experience, among other elements, are indicative of the future trends within the industry as a whole. In order for any convention or exhibition center to sustain market share in an increasingly competitive environment, it is critical to understand and adapt to these needs. The remainder of this section summarizes our assessment of future initiatives that should be considered for any future convention development in order to address the constantly evolving conference, convention and meeting industry.

# 3 INDUSTRY TRENDS

As with any product in any industry, continual investment is required to respond to evolving customer and industry demands. Planning a convention center expansion requires a future-focused approach to market-supported design and technology investments in an evolving and highly competitive environment.

Even prior to the COVID-19 pandemic, CSL's research had shown that the increasing Millennial and Gen-Z convention attendee base was creating new demands and expectations of event facility design and programming. The next generation of event attendees will require greater flexibility in how meetings are conducted, how information is delivered, and how technology is used. Greater emphasis is being placed on the ability of a destination to offer a unique, authentic and productive experience.



At the same time, the COVID-19 pandemic has greatly accelerated the demand for specific convention facility elements, including broadcast and hybrid event capabilities, space for outdoor functions, and safe and walkable environments in desirable (but not overcrowded) urban locations. It is critical to consider how planner preferences and attendee behavior may be impacted in the short- and long-term as the event industry “returns to normal”.

## Pre- and Post-COVID Convention/Conference Center Trends

Event planners and attendees are increasingly emphasizing the following facility/destination attributes. The following pages summarize these emerging and future trends of various event industries, as well as examples of how facilities around the country have adapted to changing needs of event attendees:

- **Virtual/hybrid events** – turnkey broadcast and production studios will help in-person events stream to broader virtual audiences.
- **Outdoor event space** – planners increasingly use terraces, rooftops, patios, and pavilions for off-site events and general sessions.
- **Walkable districts** – vibrant, safe and navigable districts around a facility are nearly as important as event space square footage.
- **Dynamic meeting spaces** – larger meeting spaces with modular furniture help support creative and interactive breakout sessions.
- **Unique and authentic F&B** – static food courts are being replaced by locally owned pop-ups and stylish food halls.
- **Flexible pre-function space** – events increasingly utilize lobbies and concourses for presentations and networking events.
- **Augmented/virtual reality** – virtual, shared experiences are increasingly important to science, medical and tech organizations.
- **On demand meeting space** – app-activated breakout spaces support frictionless scheduling for tomorrow’s event attendees.
- **Other trends** – public art, digital signage, natural lighting, and casual furniture each enhance the appeal of any convention product.



# 3 INDUSTRY TRENDS

## Tier 1 Facility Trends – The Most Important Trends Accelerated by Pandemic

Sans Expo & Convention Centre  
(Singapore)



### Virtual/Hybrid Events

Event planners interviewed by CSL in recent months suggest a significant interest in permanent turnkey production and broadcast facilities onsite at event venues to stream and produce content for events in real-time.

Some facilities have already invested in technologies to accommodate virtual attendees. The tcf Center in Detroit includes a 5,000-square foot broadcast studio that offers the technologies and services needed to create programming, live event webcasting, and large-scale program distribution, among other offerings. Centers in Baltimore and Houston are also being outfitted with enhanced broadcast/ production capabilities.

Riverside Convention Center  
(Riverside, CA)



### Outdoor Event Space

Even prior to the pandemic, event planners indicated an increasing demand for unique outdoor event space at their host sites. Popular conference/convention facilities throughout the country offer terraces, patios, lawns, and pavilions to events for networking events or general sessions.

Outdoor event space provides attendees with the opportunity to connect with the culture and feeling of a destination in a unique event setting while creating an additional selling point and source of revenue for centers.

Planned Mixed-Use District  
(New Haven, CT)



### Walkable Destinations

As the competition to attract nationally rotating conferences has become increasingly intense, many facilities have begun to position themselves as “conference districts”. In this way, the value proposition for an event planner broadens beyond traditional event space and hotel criteria to include restaurant, retail, entertainment and transportation within walking distance of a convention facility.

Convention and conference facilities located within vibrant mixed-use districts cater to this emerging event planner demand, and those that integrate with their surrounding dining, retail and entertainment environments are positioned to succeed in the post-COVID convention industry.

# 3 INDUSTRY TRENDS

## Tier 2 Facility Trends – Amenities Increasingly Preferred by Event Planners

Cantilever Room at HGBCC  
(San Antonio, TX)



### Dynamic/Interactive Meeting Spaces

Planners are increasingly using larger, more versatile spaces for breakout sessions. These rooms range anywhere between 3,000 and 10,000 square feet and feature portable and modular furniture to accommodate a variety of programs. The Cantilever Room at the Henry B. Gonzalez Convention Center in San Antonio (TX) is often cited by event planners as an exemplary multipurpose space, and the Room's built-in A/V, movable furniture, and dual-purpose window/whiteboard help create a flexible and open environment for workshops, brainstorm sessions, and strategy meetings.

tcf Center  
(Detroit, MI)



### Unique and Authentic Food & Beverage

Recent trends in the food and beverage sector are more reflective of changing demographics and how conventions and meetings are being produced. The balance between standard sit-down banquets and more formal food options may be shifting towards the informal, and the ability of a center to offer more convenient "grab & go" or "pop-up" dining opportunities could become much more important in the future. Planners and attendees today are also preferring more trend forward amenities such as food trucks, and locally sourced offerings at pop-ups within the center.

Waukee Innovation Center  
(Waukee, IA)



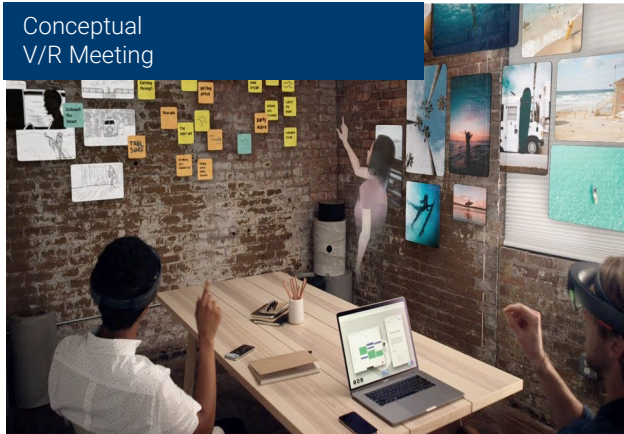
### Engaging Pre-Function Areas

The Open Space Learning (OSL) concept challenges the traditional lecture or seminar-based formats that tend to draw attendees off the main show floor during events and instead provides unique and creative learning environments that can be constructed in lobbies, pre-function areas, atriums, etc. Facilities such as the Renasant Convention Center in Memphis, the Vancouver Convention Centre, and the Grand Wayne Convention Center in Fort Wayne, (IN) have invested in portable and versatile furniture to create environments for small meetings and lectures, podcasts, and informal networking events.



# 3 INDUSTRY TRENDS

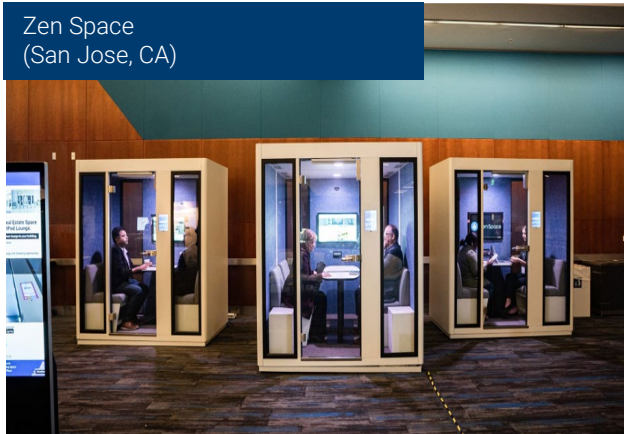
## Tier 3 Facility Trends – Other Trends to Monitor



### Augmented and Virtual Reality

Augmented reality technologies allow for “shared experiences” among attendees. By using headsets or mobile technologies, attendees can be alerted by the same statistics or goals/waypoints in the real world while they attempt to complete a shared task.

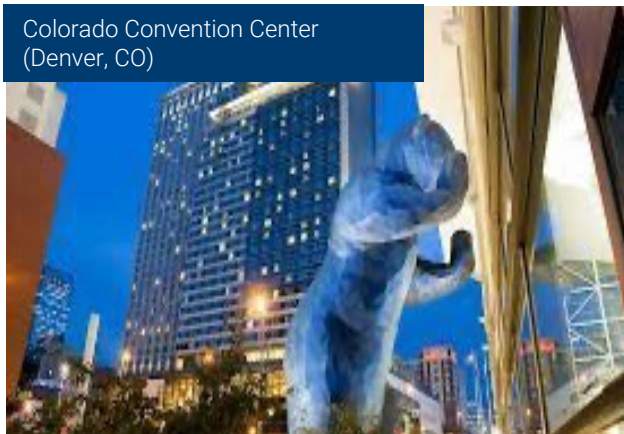
Beyond A/R, virtual reality enables medical professionals to share experiences in completely simulated environments by wearing headsets or other currently available technologies. These technologies and their applications are still evolving, but many conference and convention industry leaders envision multipurpose “black box” rooms that will host completely immersive environments rendered as lifelike to its observers.



### On Demand Micro Meetings

As Millennials and Gen-Z make up an increasing share of the convention and conference attendee base, event booking technologies have emerged that allow for app-based scheduling of breakout meeting spaces in a venue.

ZenSpace has developed private, tech-enabled Smart Pods that can be rented on demand using an integrated mobile app. These spaces are outfitted with comfortable booth seating, tabletops, whiteboards, monitors, HDMI cables and phone charging stations. This allows planners to schedule their own impromptu, private meeting sessions.



### Other Trends

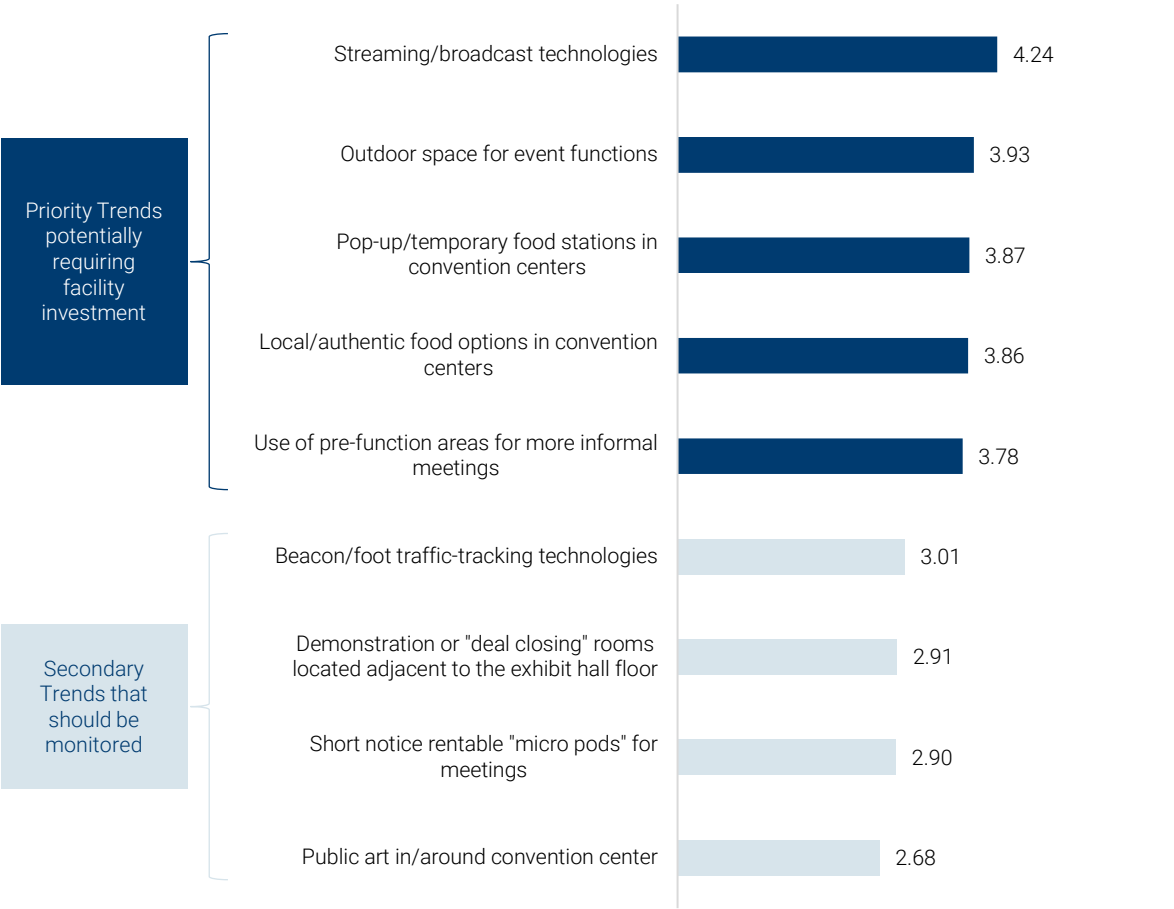
Other conference facility building program and technology trends increasingly noted by event planners during interviews include:

- Public art
- Internet
- Cyber cafes
- Digital signage and monitors throughout venue
- Charging stations
- Natural lighting
- Casual furniture

# 3

# INDUSTRY TRENDS

Convention/Conference Center Trends by Importance and Appeal (according to surveyed event planners)



To test the demand for each of the concepts presented on the previous pages, CSL collected survey input from nearly 90 planners of major national and regional conventions and conferences. Participating planners were asked to rate the importance and appeal of several different event facility trends on a scale of "1" to "5", with "5" being the highest score. Their feedback is summarized in the above chart.

Trends that should be considered a high priority by the convention industry garnered scores of 3.75 or higher. As shown, streaming and broadcast technologies received a significantly high rating from planners, followed by outdoor event spaces, pop-up/temporary food stations, local and authentic food stations, and the use of pre-function areas for informal meetings. It will be important to consider each of these trends as part of any conference center development.

Trends that scored lower may not be a near-term priority but should still be considered important as part of any convention center development or expansion project. These include demonstration rooms adjacent to the exhibit hall or ballroom, rentable micro pods, and public art in and around a conference or convention center.





4

# COMPARABLE FACILITIES

# 4 COMPARABLE FACILITIES

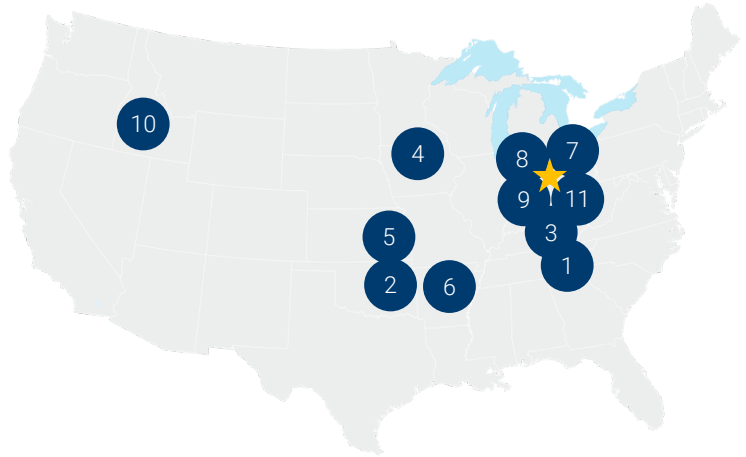
## Overview

Certain inferences can be made by reviewing comparable convention facilities operating in markets throughout the country of a similar size and/or geographic positioning to Dayton. This helps place a potential Dayton Convention Center redevelopment within a comparable context with respect to facility offerings, demographics and other related host market features.

The comparable convention centers reviewed were selected based on their event space offerings, hotel inventories, walkable surrounding environments, and market population characteristics. The exhibit below presents a summary of the 11 selected comparable convention facilities and markets analyzed.

As shown, facilities reviewed range from Sharonville Convention Center in Sharonville (58,800 square feet of sellable space) to the Duke Iowa Events Center in Des Moines (224,500 square feet). In all, the facilities reviewed average 84,900 square feet of exhibit space, 25,700 square feet of ballroom space, and 22,500 square feet of meeting space. Each of these figures exceed existing space offerings at the Dayton Convention Center.

The modest size of the DCC could allow for a relatively high occupancy percentage, provided investment into the Center is made to address significant physical shortcomings, and if sufficient quality headquarter hotel inventory is available adjacent to the Center.



Summary of Comparable Facilities

Facility Name	City, State	Exhibit Space (SF)	Meeting Space (SF)	Ballroom Space (SF)	Total Sellable (SF)	Largest Contiguous (SF)	Number of Meeting Rooms	1/2 Mile Hotels	HQ Hotel Rooms
1 Knoxville Convention Center	Knoxville, TN	119,900	19,900	27,300	167,100	119,900	16	1,412	82
2 Cox Business Center	Tulsa, OK	102,600	16,500	101,500	220,600	102,600	21	2,045	-
3 Central Bank Center	Lexington, KY	99,400	24,200	24,300	147,900	99,444	16	777	366
4 Iowa Events Center	Des Moines, IA	146,900	48,800	28,800	224,500	96,100	34	2,086	330
5 Century II Convention Center	Wichita, KS	170,000	27,600	10,200	207,800	93,000	21	1,187	303
6 Statehouse Convention Center	Little Rock, AR	80,200	24,900	19,400	124,500	80,200	14	1,999	418
7 Glass City Convention and Event Center	Toledo, OH	75,000	17,100	-	92,100	75,000	20	641	400
8 Grand Wayne Convention Center	Fort Wayne, IN	48,500	11,500	16,000	76,000	48,500	9	746	246
9 Northern Kentucky Convention Center	Covington, KY	46,200	13,300	22,800	82,300	46,200	10	1,334	547
10 Boise Center on the Grove	Boise, ID	24,400	19,300	17,800	61,500	24,400	17	995	250
11 Sharonville Convention Center	Sharonville, OH	20,500	24,200	14,100	58,800	20,500	15	1,058	512
<b>Average</b>		84,873	22,500	25,700	133,000	73,300	18	1,298	314
<b>Median</b>		80,200	19,900	19,400	124,500	80,200	16	1,187	330
Dayton Convention Center	Dayton, OH	68,400	18,500	14,220	101,000	68,400	15	292	287

Source: CSL research, interviews with facility management, facility websites, Google maps, 2021.

# 4 COMPARABLE FACILITIES

## Demographic Comparison

The level of drive-in population from which convention centers will drive some state- and regional-based business is an important element to consider as part of any expansion planning effort. As shown in the exhibits below, the Dayton area's population ranks above average among the comparable facility markets in terms of population levels within its drivable market areas.

Household income is another important socioeconomic characteristic of host markets that can impact event venue performance. The affluence of area households can impact the types of drive-in programming that will be most successful at a convention center, and it can also serve as a proximate indicator of the economic vibrancy of a market. Unlike its population rankings, the Dayton area ranks slightly below average. The 30-minute drive area surrounding the Convention Center ranks eighth in the comparison set. However, it ranks first in terms of 90-minute drive area.

The regional corporate base (number of companies) also can play an important role in the success of convention centers. Corporate events and sponsorships often contribute significantly to convention facility income. As shown in the exhibit, Dayton ranks in the top half of the comparison set, with its 30-minute drive-in capture comparing closely with convention destinations such as Tulsa, Boise and Knoxville. Its 90-minute drivetime area ranks second, behind only Toledo.

POPULATION				
Market	30-min	90-min	180-min	
1	Sharonville, OH	1,392,838	3,985,063	14,615,835
2	Covington, KY	1,282,103	4,264,965	13,931,128
3	Dayton, OH	952,621	5,687,901	16,185,224
4	Tulsa, OK	822,015	1,883,296	6,392,028
5	Knoxville, TN	671,593	1,792,666	8,909,009
6	Boise, ID	655,825	895,279	1,166,495
7	Toledo, OH	652,728	5,853,528	20,063,979
8	Des Moines, IA	641,472	1,159,579	5,380,862
9	Wichita, KS	578,643	980,370	6,264,303
10	Little Rock, AR	544,252	1,329,746	4,611,564
11	Lexington, KY	506,273	3,196,791	10,554,230
12	Fort Wayne, IN	444,676	2,004,787	18,978,042
AVERAGE	762,087	2,752,831	10,587,725	
Rank (out of 12)	3	2	3	

AVERAGE HOUSEHOLD INCOME				
Market	30-min	90-min	180-min	
1	Des Moines, IA	93,181	84,267	79,824
2	Sharonville, OH	92,756	84,041	80,170
3	Boise, ID	90,464	84,970	81,921
4	Covington, KY	88,405	85,691	80,303
5	Tulsa, OK	83,816	76,611	73,774
6	Lexington, KY	83,201	78,515	75,888
7	Knoxville, TN	80,104	70,132	74,681
8	Dayton, OH	79,163	86,768	80,901
9	Wichita, KS	79,016	74,580	82,226
10	Fort Wayne, IN	75,458	71,904	80,662
11	Little Rock, AR	75,101	68,599	68,516
12	Toledo, OH	74,170	82,751	80,709
AVERAGE	82,903	79,069	78,297	
Rank (out of 12)	8	1	3	

Source: Esri, 2021.

NUMBER OF COMPANIES				
Market	30-min	90-min	180-min	
1	Sharonville, OH	49,863	123,151	468,237
2	Covington, KY	46,288	140,627	444,267
3	Tulsa, OK	33,886	74,390	235,115
4	Dayton, OH	28,921	177,995	517,236
5	Boise, ID	23,860	30,289	42,059
6	Knoxville, TN	23,218	54,468	298,699
7	Little Rock, AR	21,884	45,356	151,334
8	Des Moines, IA	21,700	42,506	196,758
9	Toledo, OH	21,077	190,966	644,724
10	Wichita, KS	20,427	37,780	243,393
11	Lexington, KY	20,415	113,686	339,846
12	Fort Wayne, IN	15,006	65,324	597,587
AVERAGE	27,212	91,378	348,271	
Rank (out of 12)	4	2	3	

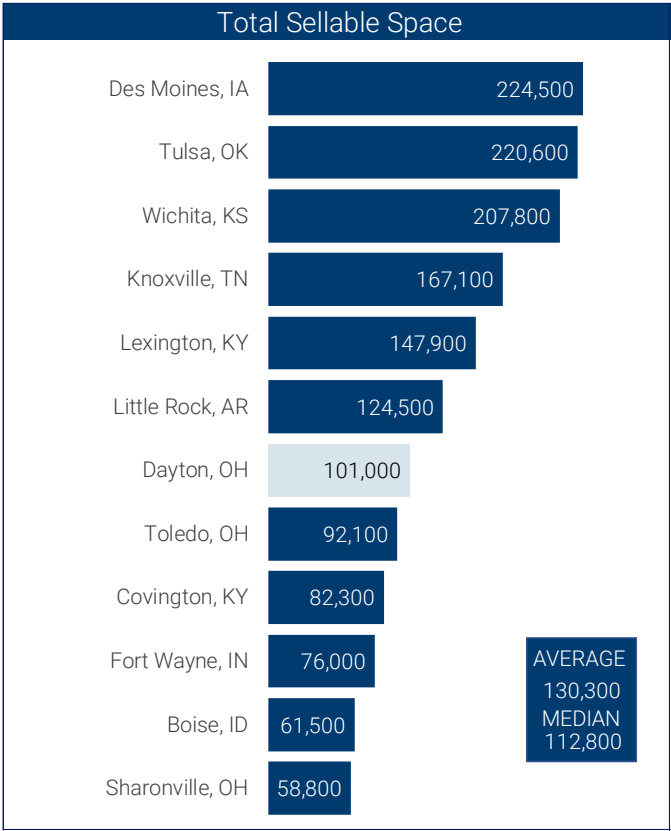
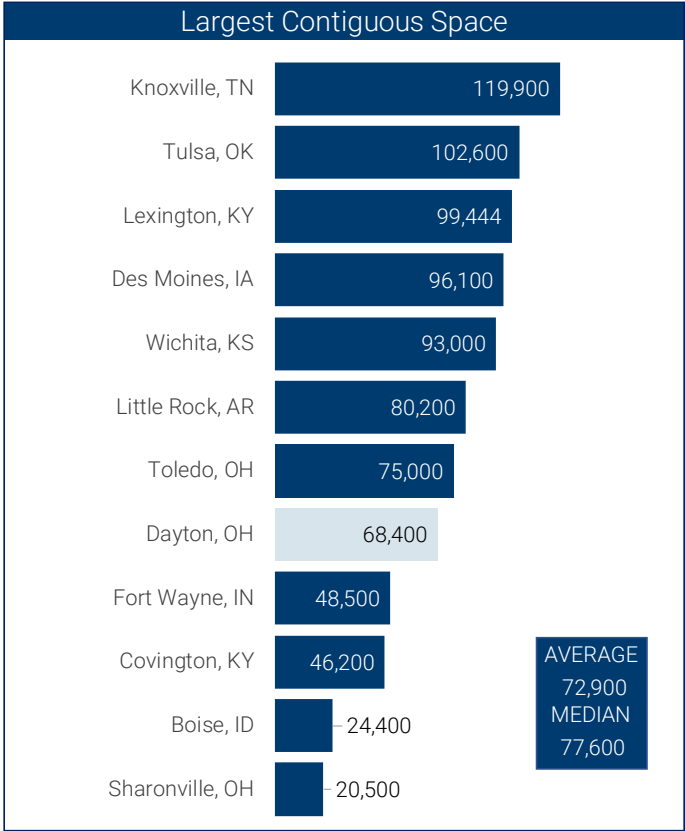
# 4

# COMPARABLE FACILITIES

## Event Space Comparisons

To provide further context regarding the comparable facilities reviewed on the previous page, we have prepared the charts below that compare the sellable event spaces at the competitive facilities with those offered at Dayton Convention Center. As shown, the facilities within the comparison set have a largest contiguous space offering 72,900 square feet on average and offer 130,300 square feet of total sellable event space.

As shown, Dayton ranks below the average and median in terms of largest contiguous space and total sellable event space. Peer facilities in Toledo, Little Rock and Wichita offer slightly larger exhibit halls than the Dayton Convention Center, while there is a steep drop off in square footage from the DCC's eighth-ranked largest contiguous offering to the ninth-ranked 48,500-square foot exhibit hall in Fort Wayne.



Source: Facility management, facility websites, 2021.



# 4

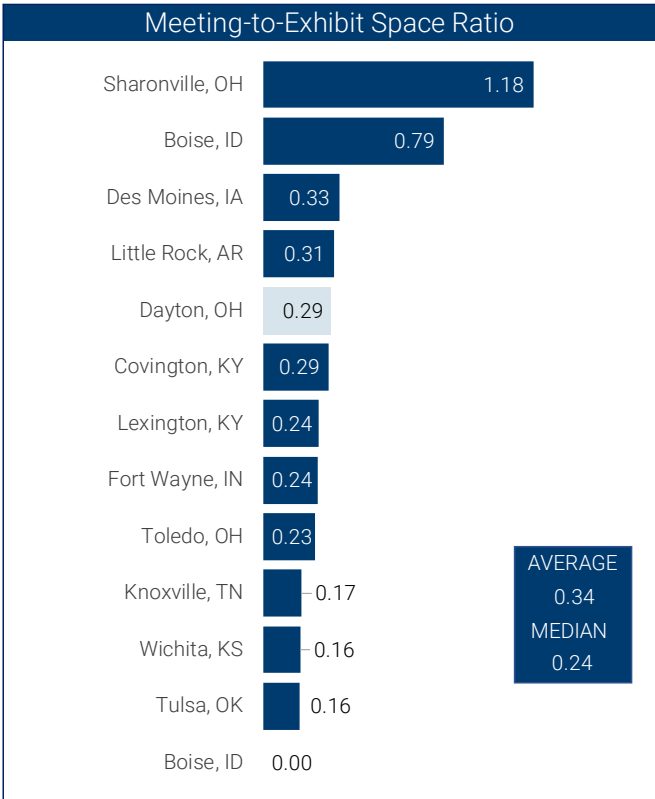
# COMPARABLE FACILITIES

## Proportionality Comparisons

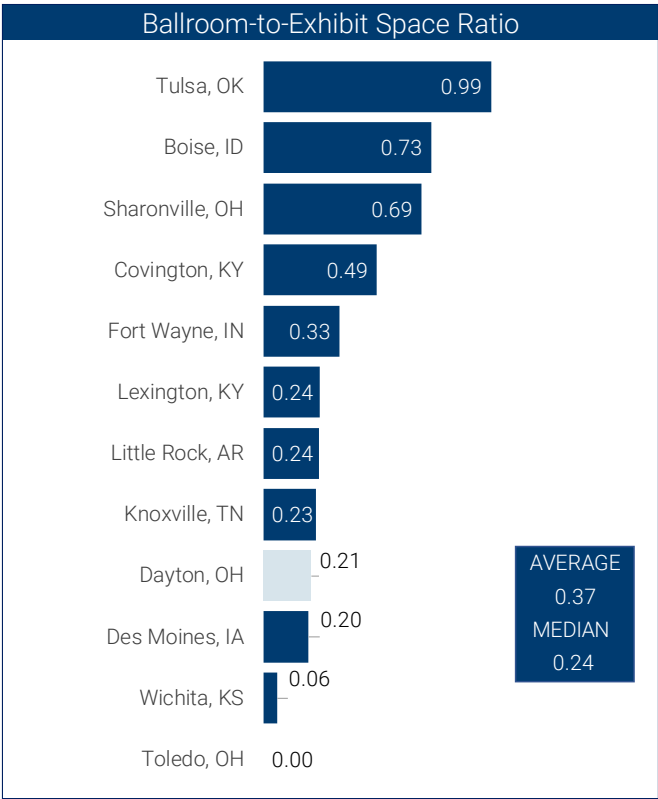
In an effort to better understand the relationship of a facility's relative supply of sellable space we have conducted a ratio analysis of various facility space and market-related metrics. The charts below demonstrate the balance between both meeting and ballroom space inventories relative to the exhibit space offering at each of the reviewed facilities.

As shown, while the DCC's meeting-to-exhibit space ratio is above the median of the comparison set, ranking 6<sup>th</sup> of the 13 venues reviewed. This suggests that significant added meeting space would not be a significant priority for future DCC investment..

The 14,200 square feet of ballroom space distributed between Rooms 103 and 106 provides for a space ratio ranking that falls short of the comparable set median, ranking 9<sup>th</sup> of 13 venues reviewed. The only facilities in the comparison set with less ballroom space include the Seagate Convention Centre in Toledo, which does not have a ballroom, and the Century II Convention Center in Wichita, which outsources its ballroom space needs to the nearby Hyatt. Given the importance of ballroom space to host food functions, general sessions and other event types, added ballroom space at the DCC should be considered a priority.



Source: Facility management, facility websites, 2021.  
 Note: Sharonville Convention Center and Boise Centre both serve more as "conference facilities" with limited contiguous spaces and a robust amount of breakout meeting spaces.



Note: Tulsa figure includes Grand Hall as ballroom which can double as a multi-purpose space.

# 4

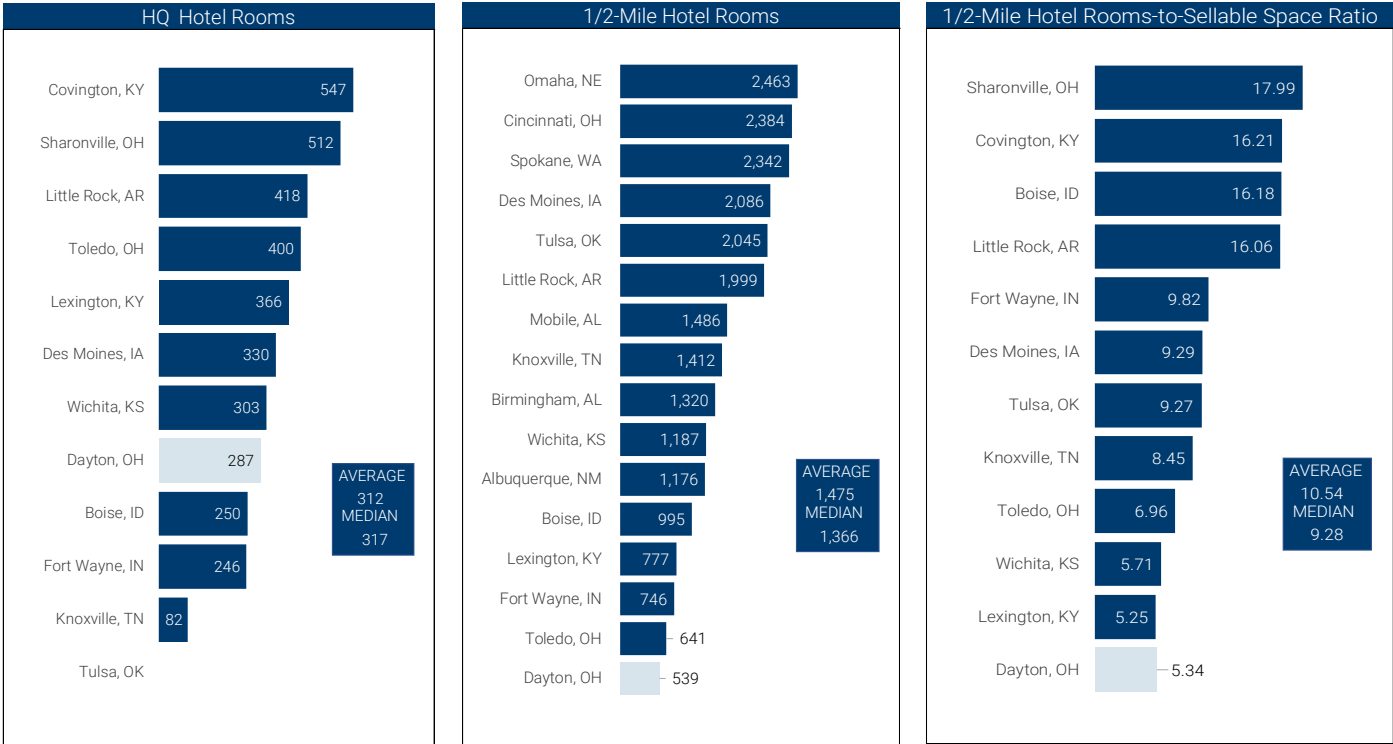
# COMPARABLE FACILITIES

## Hotel Inventory Comparison

The supporting hotel inventory of a convention facility is instrumental in competing for regional and national conventions and tradeshows with significant non-local attendee bases. Headquarter and other supporting hotel inventory are often among the first data points sought by event planners when considering a future host site. To evaluate potential need for added hotel inventory, the charts below show the DCC's supporting hotel inventory in context with other hotel and convention products nationally.

As shown, the 287 rooms offered at the Radisson Hotel ranks below the median and average of the comparison set's headquarter hotel inventory. Further, when the broader 1/2-mile area surrounding each convention center is considered, the hotel package in downtown Dayton is last in the comparison set, and this includes the soon-to-be-opened AC and Ardent Hotel properties. This issue is further highlighted when considering this inventory's proportionality to total sellable event space at the DCC. For every 1,000 square feet of sellable space, the 1/2-mile area surrounding Dayton Convention Center offers 5.34 sleeping rooms. For comparative context, competitive markets in Fort Wayne, Tulsa, and Des Moines can offer more than 9.00 rooms per 1,000 square feet.

To better compete with other similar sized convention destinations, it will be important to prioritize continued hotel development in downtown Dayton, particularly within close proximity of the Convention Center.



Source: CVB's, Google Maps, Trip Advisor, 2021.  
 Note: Dayton 1/2-mile hotel figures include incoming AC and Ardent Hotel properties.

# 4

## COMPARABLE FACILITIES

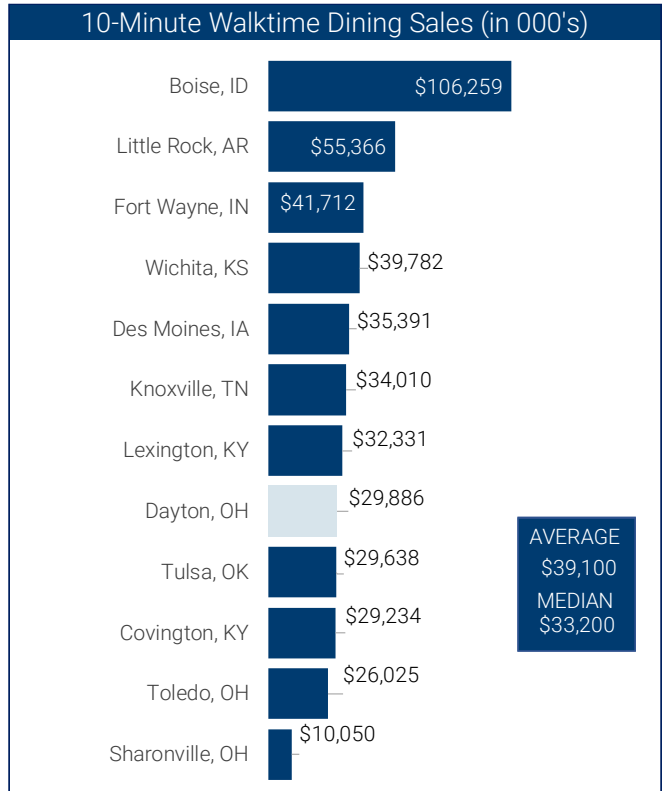
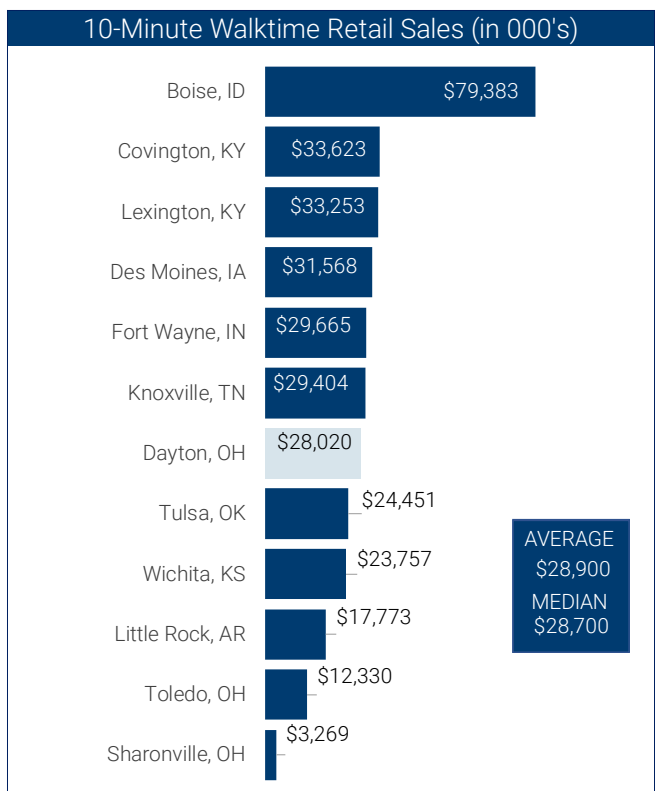
### Dining and Retail Environment Comparison

Using GIS software, we can analyze the level of hospitality spending (food, beverage and retail) on a geographically targeted basis. The data presented below show the level of spending in these segments that takes place within a 10-minute walk time from each compared convention center.

On average, the 10-minute walktime areas surrounding the convention centers compared average \$39.1 million in dining sales and \$28.9 million in retail sales. The area surrounding the DCC generated \$29.9 million and \$28.0 million, respectively. This ranks just above similar urban convention destinations in Tulsa and Toledo.

Dayton ranks just behind Lexington, Knoxville, Fort Wayne and Des Moines in terms of overall retail and dining sales within their respective walkable areas. However, it is important to note that the margin of difference from these other urban markets is not significant. As such, the walkable destination surrounding DCC should not be seen as a “challenge” to competing with these peer destinations for convention and tradeshow activity, but it will still be important for convention industry stakeholders in Dayton to promote and support continued hospitality-related development in downtown Dayton. Creating stronger pedestrian connections to nearby areas of interest such as the Oregon District and About Day Air Ballpark will enhance the appeal of Dayton to many of today’s convention planners.

Further, increased event activity retained by an improved Dayton Convention Center could potentially support added dining and retail businesses in the downtown area.



Source: Esri, 2021.





5

MARKET  
DEMAND

# 5

# MARKET DEMAND

## Interviews & Primary Market Research

The purpose of this chapter is to provide an updated analysis of market demand for a redeveloped Dayton Convention Center. The data generated as part of this market analysis have been derived from the following:

- CSL experience gained from 1,000 convention, conference, exhibition, hospitality, sports, entertainment and event facility projects throughout North America.
- Research and analysis of local market conditions including hotel inventory, walkability, commercial development, hospitality assets, attractions and other components of a successful conference and visitor destination.
- Review of the existing Dayton Convention Center operations and event space offering
- Analysis of competitive and comparable facilities and host destinations.
- In-depth telephone surveys with 17 current, past users of the Dayton Convention Center.
- Email survey of 75 state, regional, and national event planners, representing nearly 100 annually recurring convention, tradeshow, and other events.



The focus of much of the remainder of this chapter is on quantified survey data associated with two primary groupings of research completed for this study: 1) rotating conventions and tradeshow at the state, regional, and national level, and 2) current, past and "lost" users of the Dayton Convention Center. Quantitative and qualitative data provided by both groups is summarized below and on the following pages.

### 1 Rotating Convention Planners

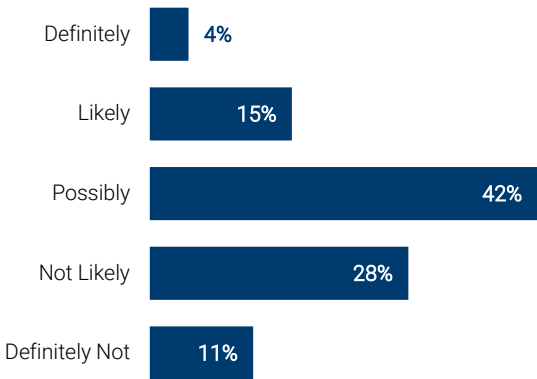
As detailed previously, CSL conducted an electronic survey of 75 rotating convention, conference, and tradeshow planners. The data presented herein summarizes the results from this outreach, with a focus on event planner feedback regarding interest in Dayton and a redeveloped convention center, as well as their event space and hotel needs.

We begin with an overview of event planner interest in a redeveloped Dayton Convention Center and the Dayton destination. When asked to indicate the likelihood that they would rotate one or more events to a redeveloped DCC in the future, 61 percent of respondents reported that they would at least "possibly" use the facility. This group includes the 15 percent that noted that they would "likely" use it, and 4 percent would "definitely" use it.

The 39 percent of surveyed planners who would "not likely" or "definitely not" use a redeveloped DCC were asked to describe their reasons for disinterest. Top reasons include preferences for larger/Tier 1 destinations, lack of knowledge regarding the Dayton destination, lack of organization membership in the area, and a preference for self-contained hotel facilities. These are summarized in order of frequency in the adjacent bar chart.

#### Likelihood of Using a Redeveloped Dayton Convention Center

2021 Positive = 61%, 2021 Negative = 39%



#### Top Reasons for Disinterest

- Preference for larger cities (36%)
- Not enough awareness of Dayton (25%)
- Preference for self-contained hotels (14%)
- Lack of membership in area (14%)
- Political reasons (11%)
- Weather/preference for warmer destinations (8%)

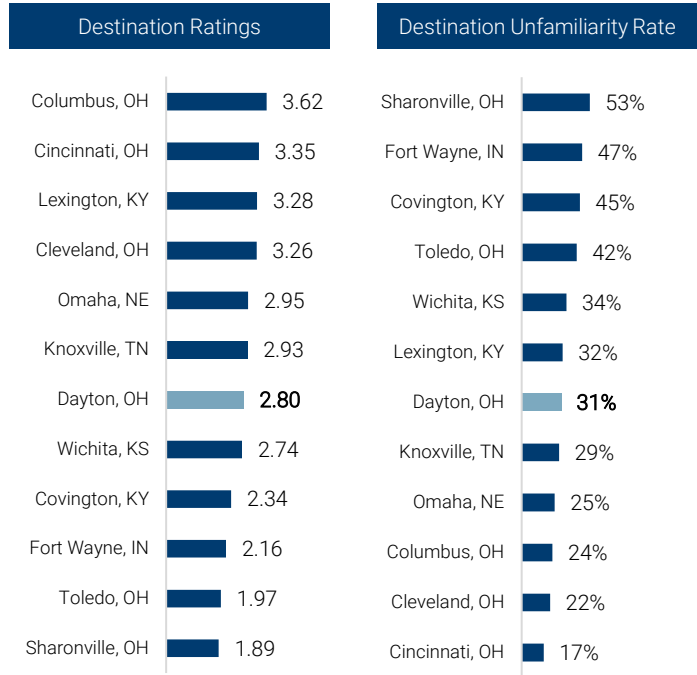
# 5

## MARKET DEMAND

Surveyed planners rated Dayton as “average” relative to peer destinations, and awareness of the market falls near the middle of the comparison set. Results are shown in the exhibit to the right, with “1” represent the weakest rating and “5” representing the strongest rating. Results suggest a fair convention experience for those familiar with the market, but also potential to further establish an identity in the national and regional event marketplace.

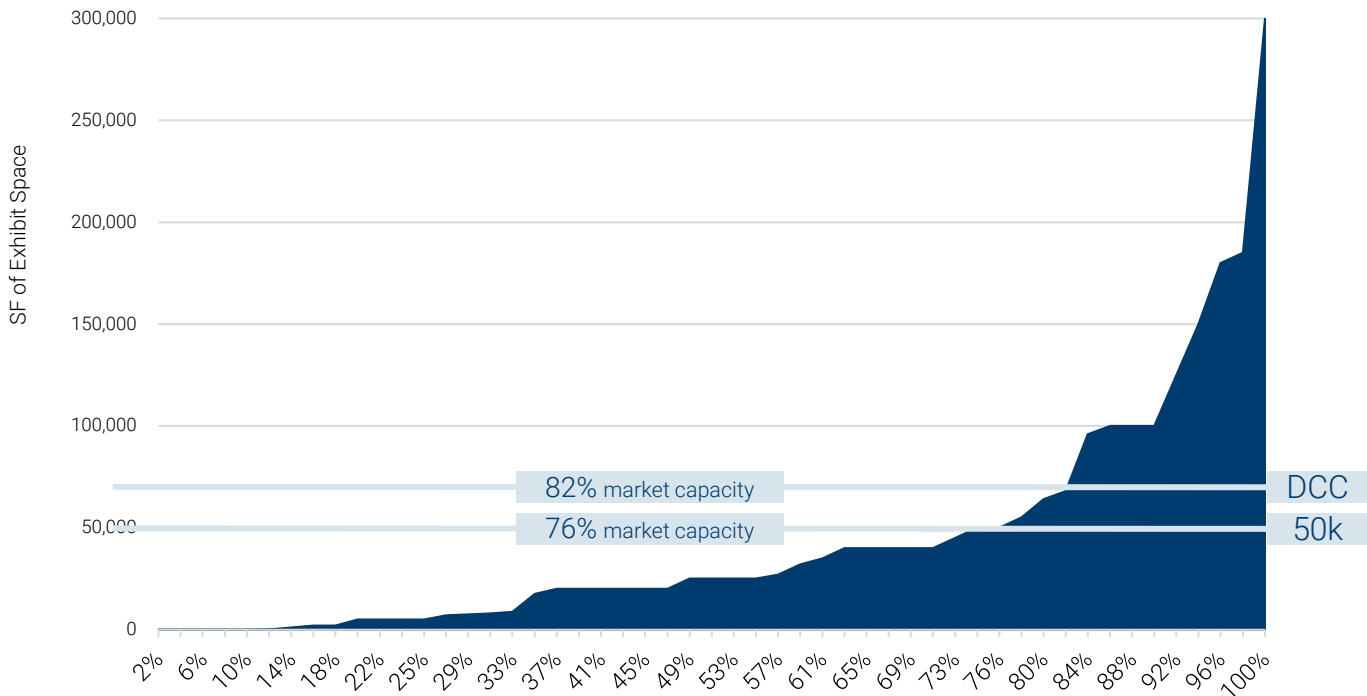
Considering that the second most frequent reason for disinterest in Dayton is due to lack of knowledge of the destination (as shown on the previous page), expanded promotion efforts, in tandem with a facility redevelopment, could help to gain greater market share at the national level.

In terms of its rating, Dayton ranks ahead of key competitive convention destinations in Wichita, Covington, Fort Wayne, Toledo and Sharonville, and falls just short of Omaha and Knoxville. Larger markets such as Columbus and Cincinnati understandably rank at the top of the comparison set.



Interviewees that responded positively to using a redeveloped DCC were also asked about their event space requirements and preferences, assuming a post-pandemic recovery of the convention industry. We begin with a summary of positive respondent exhibit space needs below. Percentages in the below chart indicate the percentage of positive respondents that can be accommodated by the DCC’s current 68,400-square foot exhibit hall. As shown, the current facility can accommodate 82 percent of demand. For contextual purposes, a slightly smaller 50,000-square foot hall could accommodate 76 percent of event demand.

Exhibit Space – Positive Respondents





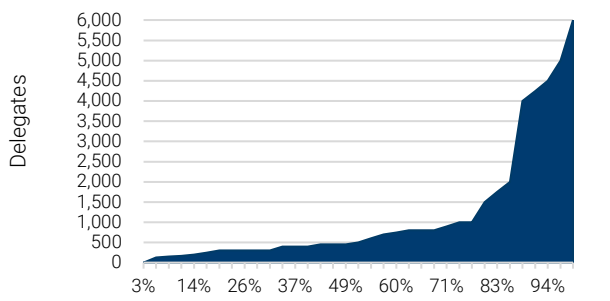
# 5

# MARKET DEMAND

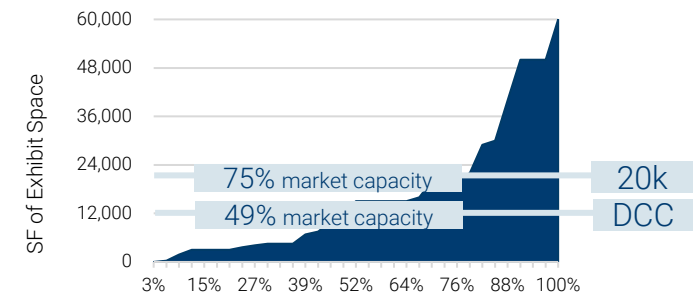
Additional analyses of attendance, ballroom, meeting and outdoor event space needs are summarized below. Starting with the chart in the top-left, median delegate attendance of events with positive interest in the DCC approximates 500. When considering their needs to house these attendees within a ballroom space for general sessions and/or food functions, a 20,000-square ballroom or multipurpose room would be able to accommodate 75 percent of identified demand. Today, the DCC's total ballroom space offering of 14,200 square feet can only accommodate approximately 49 percent of the market. When considering only Room 103, the facility's largest singular ballroom, this market capacity figure drops to 44 percent.

The DCC's breakout meeting space offering better meets event planner demand, accommodating approximately 72 percent of the identified demand. As previously described as part of the Industry Trends chapter, event planners also increasingly desire outdoor event space to host some element of their programming. As shown in the bottom-right, 22 percent of surveyed planners require outdoor space for their events. A 2,000-square foot terrace space would accommodate 17 percent of these planners' outdoor square footage needs, while a 10,000-square foot space would address nearly all identified demand.

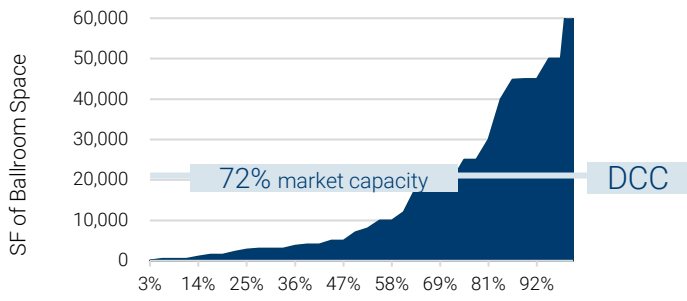
Delegate Attendance



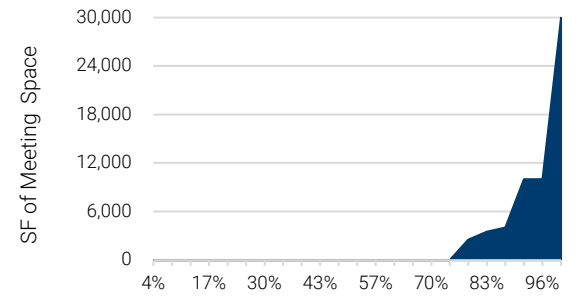
Ballroom Space



Meeting Space



Outdoor Event Space



# 5

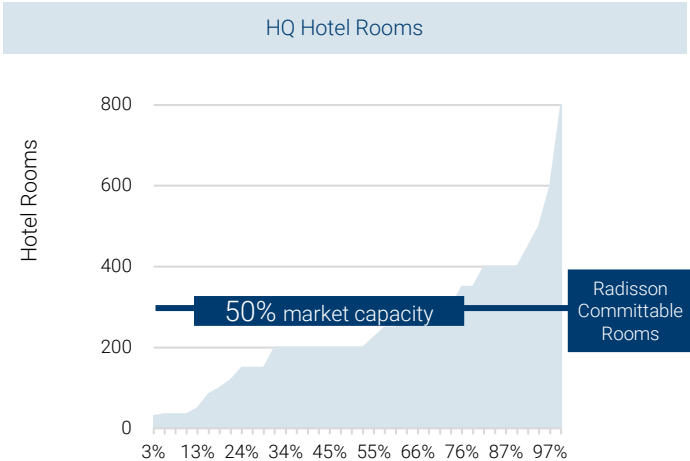
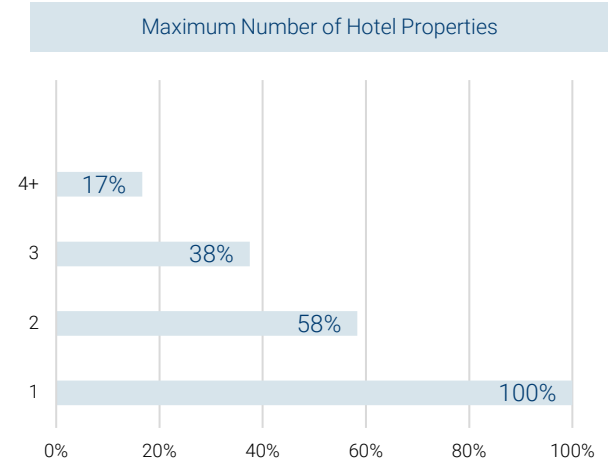
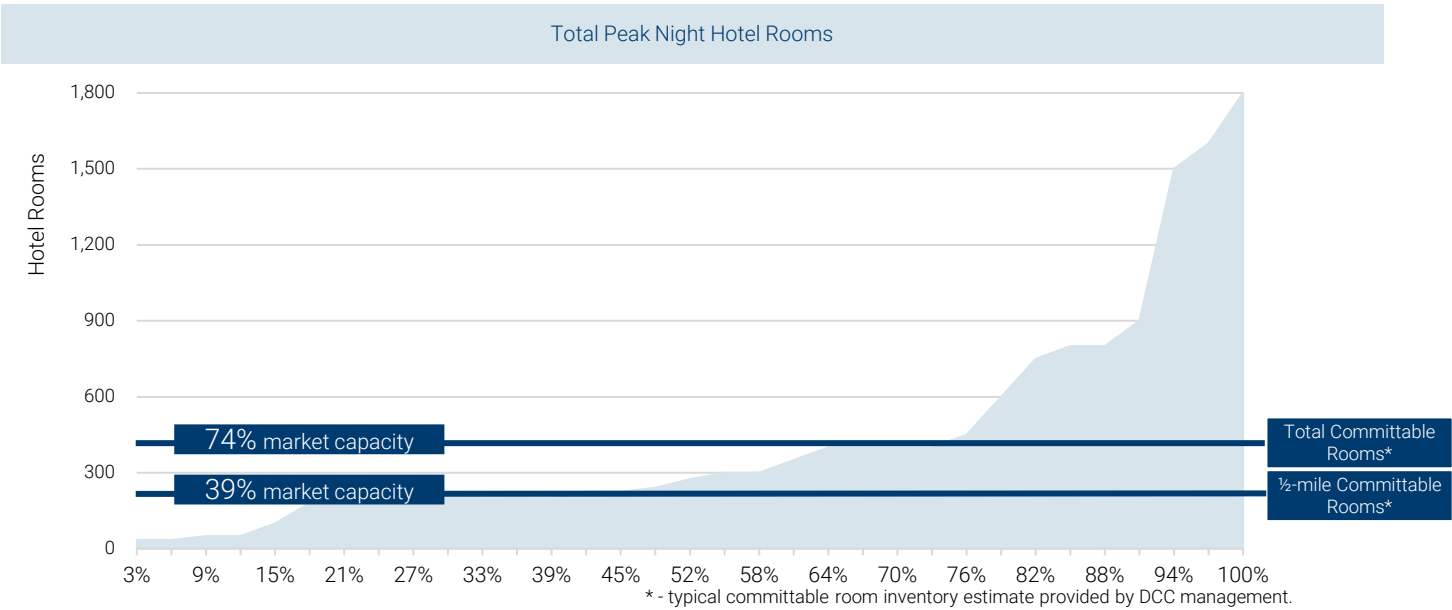
# MARKET DEMAND

Positive respondents were also asked to indicate the hotel needs of their events, including the total number of hotel rooms they require on their peak nights, the maximum number of hotel properties they are willing to use, and the number of rooms they prefer to have housed within a singular headquarter hotel. Their feedback is summarized in the charts below.

Planner demand suggests a median need of approximately 250 hotel rooms on peak for their rotating events. As shown, the typical committable room inventory estimated by DCC management (which includes soon to be opened downtown hotels) can accommodate 74 percent of market demand. However, it is important to consider typical event planner preference for condensed room blocks within very close proximity of their host facilities. When excluding those properties that fall outside of ½-mile of the DCC, the hotel package only accommodates 39 percent of demand.

42 percent of planners prefer using only one hotel property, and only 17 percent are willing to use four or more properties. Given this preference for condensed room block packages, it is important to consider the ability for the Radisson to serve as a headquarter hotel property in support of the DCC. As shown in the bottom-right chart, the property only accommodates 50 percent of market demand for headquarter hotel rooms, and this assumes a higher-than-normal committability rate of approximately 84 percent (it typically only offers 50 percent of its room block for events).

Considering these data, it will be important to prioritize the development of additional supporting hotel inventory within close proximity of the DCC. Ideally, a new headquarter hotel that is either attached or adjacent to the DCC should be considered.



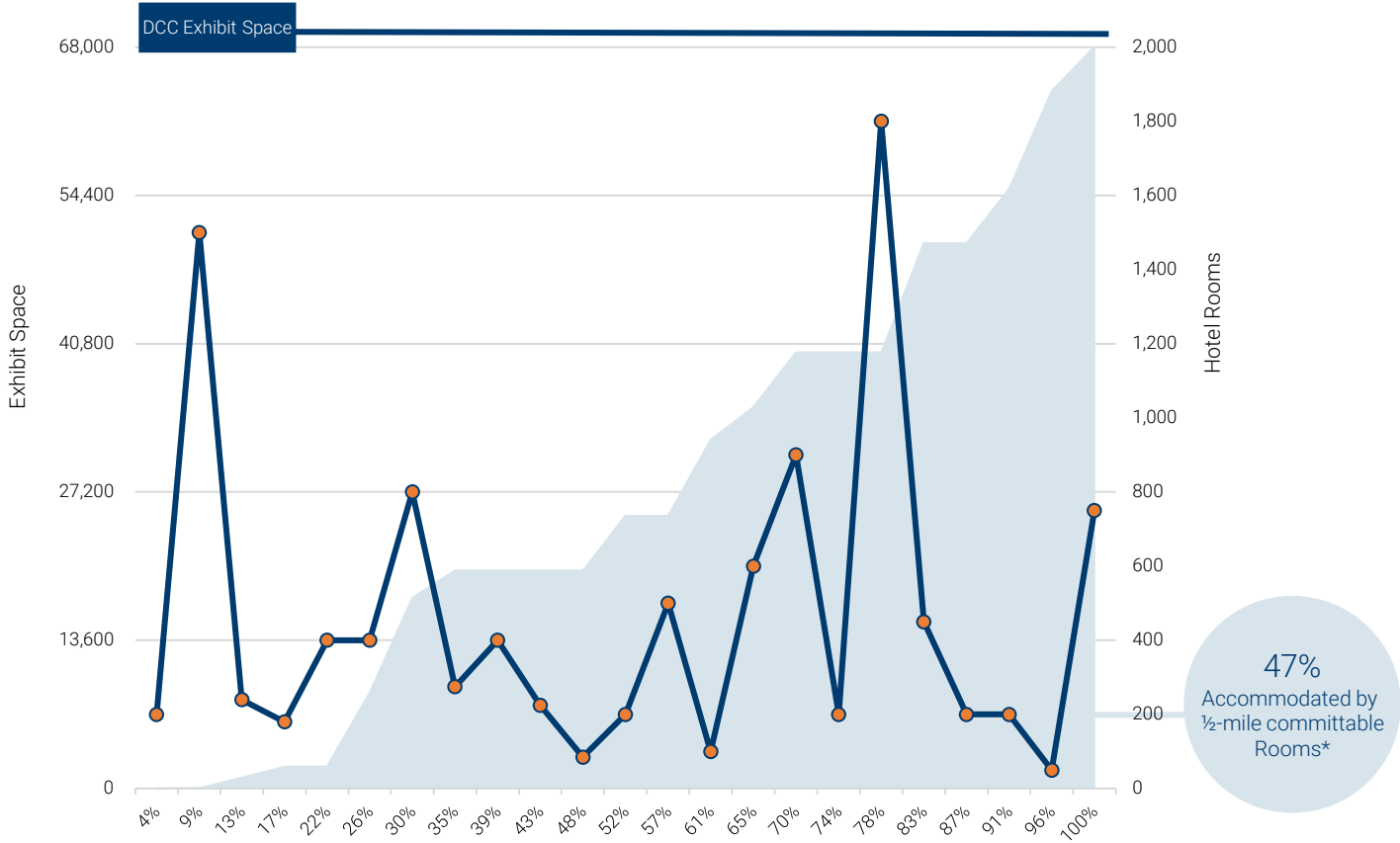
# 5

# MARKET DEMAND

When taken together, the exhibit space and hotel room needs of positive respondents provides an informed assessment of the DCC's overall market capture potential. As shown, though the exhibit hall of the DCC can accommodate 82 percent of the identified market, only 47 percent of these planners' needs are met by the current committable hotel package within ½-mile of the DCC. The formula below summarizes this disparity:

Considering the product of the 82 percent exhibit space capture and the 47 percent hotel capture, the existing DCC plus hotel package can only accommodate 39 percent of identified demand in the state, regional and national convention and tradeshow marketplace. To better support an exhibit space package of its size, additional hotel inventory within ½-mile of the facility will eventually be needed.

Exhibit Space + Hotel Needs (only includes events that can be accommodated by DCC's existing exhibit space)



\* - typical committable room inventory estimate provided by DCC management.

# 5 MARKET DEMAND

## 2 Lost and Current/Past DCC Events

To guide market-supported DCC redevelopment, it is critical to consider feedback from past and prospective customers. As such, telephone interviews were conducted with 11 current and past users of the DCC. Further, 13 planners that “considered” the DCC in the past but ultimately chose a different host facility were included in the electronic survey outreach summarized previously. Given their unique familiarity with the existing DCC, the remainder of this section presents suggestive feedback given by each of these groups regarding improvements that could be included as part of a DCC redevelopment. We begin with a breakdown of the “lost” and current/past events that had issues with the facility and/or destination below, followed by summaries of comments segmented by facility and destination elements.

### Lost Events



### Current/Past Events



### Hotel Inventory

Hotel inventory in the surrounding blocks of the Convention Center was cited by most respondents as a major issue. Many respondents said the hotel room inventory does not meet their needs or that additional rooms are too far away from the Convention Center. Other issues at the headquarters hotel include a perception that the skyway is unmaintained. Lack of further hotel development would likely hinder the destination’s ability to large citywide conventions.

- “The hotel inventory does not support bigger events.”
- “Attaching another hotel or two within the block would be much more accommodating for our event”.

63% of lost and current/past respondents cited a hotel inventory or overall hotel quality issue.



### Ballroom and Exhibit Hall Lighting

Lighting was addressed as a minor but important issue. The exhibit hall was cited as having very bright lighting at times. Respondents felt that an improved lighting system in both the ballroom and exhibit halls would provide an enhanced experience and improve the aesthetic of the Convention Center.

- “I would recommend putting in a new, up-to-date lighting system”.

13% of lost and current/past respondents cited a desire for new lighting.



### Outdated Aesthetic

Many respondents discussed the DCC’s interior aesthetic as a key issue, noting that it seems dated or sometimes unmaintained. Components that were specifically mentioned by two or more respondents concern carpeting, furniture, ceiling tiles, the walls and the front entrance way. Respondents mentioned that these components could be addressed with painting, replacement or renovation.

- “I would recommend a complete update to paint, flooring and ceilings especially to theater and exhibit halls”.
- “The center needs to be modernized and cleaned”.
- “The front could use a facelift to enhance sightliness and improve first impression when entering”.

46% of lost and current/past respondents cited an issue with the DCC’s aesthetic.



# 5 MARKET DEMAND



## Technology

Many respondents cited DCC's dated technology. Noted items include WiFi, audio-visual, sound systems and other presentation features. With many conferences now incorporating a hybrid aspect, broadcasting and up to speed webinar capabilities are also important. Planners also recommended implementing digital signage. Many planners also specifically mentioned providing a full-service audio-visual package as part of venue rental.

- "My organization will not consider the Convention Center until technology is brought up to date".
- "Improved technology within meeting rooms would enhance our experience at the Convention Center".

17% of lost and current/past respondents indicated a need for improved technology.



## State of Restrooms

Many respondents highlighted several issues with the restroom facilities at Dayton Convention Center, including general upkeep, hand drier noise that can be heard in ballroom spaces, smells and lackluster visual presentation.

- "Several of our members mentioned they felt uncomfortable going to the restrooms due to cleanliness".
- "Hand driers are loud and can be heard from the exhibit hall".
- "The restrooms were a big problem. They were outdated, lacked cleanliness and were smelly".

38% of lost and current/past respondents cited an issue with restroom cleanliness.



## Parking Garage and Loading Docks

Parking was cited by respondents as a challenge at DCC. The parking garage was cited by many to be dated and to have a low clearance that made it difficult to navigate. Further, some noted that parking availability was perceived as an issue by some of their event attendees, and that there were a limited number of handicapped parking spaces.

Planners believe that expanded loading docks would be a significant addition to the DCC. Multiple respondents said that lack of space at the back of the convention center for vendors was a big drawback and added that difficulty of moving in can be a large deterrent towards returning to a facility and sometimes the sole factor if vendors return or not.

- "I will not return to the Convention Center until there is an easier unloading area and process."
- "We filled all the meters on Jefferson Street and ran into major parking concerns for the handicapped and those unloading tradeshow materials."

25% of lost and current/past respondents cited an issue with parking accommodations.



## Restaurant Inventory

Some planners felt that restaurant inventory within close proximity of the DCC was lacking, with many desiring more casual and upscale casual dining establishments. This group did not mention the Oregon District or the area surrounding the Ballpark, suggesting a potential need to better market and/or improve the transportation and access to these districts.

- "We could use more restaurants. Mostly quick sit-down places".
- "I recommend creating a City Center with a bunch of restaurant options".
- "The area could use a few more upscale casual restaurants".

25% of lost and current/past respondents commented on restaurant inventory.

# 5 MARKET DEMAND



## Safety

Some respondents indicated that safety between the Convention Center and the Oregon District was a concern. Improving this area with restaurants, attractions, downtown information personnel, and a larger police presence could help ease these concerns.

- "I felt safe, but there may be safety perception issues with female attendees, particularly at night".
- "The area between the Convention Center and the Oregon District felt empty and unwalkable".
- "The downtown seemed scarce".

29% of lost and current/past respondents cited concerns related to safety of the area.



## Staffing Levels

The Convention Center was cited as lacking staff, and experiencing significant staffing turnover. These concerns generally were regarding catering services. ASM Global assuming management of the DCC will likely address these issues.

- "The Convention Center has had a lot of catering/kitchen turnover and it has led to inconsistency and left us not knowing what to expect".
- "The staff has seemed overworked due to shortages. Our catering and event manager were the same person and it led to difficulties in both areas".

17% of lost and current/past respondents cited an issue directly related to staffing levels.



## Other

Other comments and suggestions for DCC improvement provided by individual or smaller numbers of event planners are listed below.

- Unlevel flooring.
- Low ceiling head in the head of the ballroom that prevented stages from being set up properly.
- Issues with the quality of rooms at what was then the Crowne Plaza.
- Lack of variety of space offerings.
- Square foot and vertical circulation issues with registration and pre-function spaces.
- Lack of divisibility and soundproofing issues with event space.
- Water fountain functionality inconsistencies.
- More convenient concession or food kiosk options.
- Provide a restaurant or attractions pass to encourage attendees to explore more of downtown.
- Provide a downtown trolley service.

# 5 MARKET DEMAND

## Key Market Demand Conclusions

Overall, market analysis findings have identified key elements that should be included in a redeveloped Dayton Convention Center. More detailed notes are listed below.

- Interest in a redeveloped DCC was generally positive among the 75 rotating convention planners surveyed, with 61 percent indicating that they would at least “possibly” use a redeveloped DCC in the future. At the same time, the appeal of and familiarity with the destination tested near the middle of the competitive set, and it ranked ahead of key competitors in Wichita, Covington, Fort Wayne and Toledo. Peer markets ranking just ahead of the destination in terms of convention desirability include Knoxville and Omaha. A redeveloped convention product would likely improve Dayton’s standing within the comparison set.
- The existing DCC’s exhibit hall can currently accommodate 82 percent of identified event demand. If 18,400 square feet of this exhibit space were to be redeveloped as a carpeted ballroom/multipurpose space that could be temporarily walled off from the concrete floor exhibit space, then the remaining exhibit hall (50,000 square feet) could still accommodate approximately 76 percent of the marketplace.
- Today, the DCC’s total ballroom space offering of 14,200 square feet can only accommodate approximately 49 percent of the market. When considering only Room 103, the facility’s largest singular ballroom, this market capacity figure drops to 44 percent. If the portion of exhibit hall becomes multipurpose/ballroom space (18,400) square feet, the market share jumps to just under 70 percent. A 20,000-square ballroom or multipurpose room would be able to accommodate 75 percent of identified demand. These data suggest that a “rebalancing” of existing DCC space could improve overall market capture. Converting a portion of the existing exhibit space into carpeted multi-use space suitable for food functions, general sessions and other functions would be beneficial.
- As previously described as part of the Industry Trends chapter, event planners also increasingly desire outdoor event space to host some element of their programming. Twenty-two percent of surveyed planners require outdoor space for their events. A 2,000-square foot terrace space would accommodate 17 percent of these planners’ outdoor space square footage needs, while a 10,000-square foot space would address nearly all identified demand.
- The typical committable room inventory estimated by DCC management (which includes soon to be opened downtown hotels) can accommodate 74 percent of market demand. However, it is important to consider typical event planner preference for condensed room blocks within very close proximity of their host facilities. When excluding those properties that fall outside of ½-mile of the DCC, the hotel package only accommodates 39 percent of demand. Considering these data, it will be imperative to prioritize the development of additional supporting hotel inventory within close proximity of the DCC. Ideally, a new headquarter hotel that is either attached or adjacent to the DCC should be considered.
- Thirty-eight percent of planners of unrealized bookings have issues with the DCC’s facilities, compared with 82 percent of current/past events. Key issues with existing facilities include outdated interior aesthetic (46 percent of lost and current/past respondents noted this as an issue), restrooms (38%), parking and loading infrastructure (25%), dated technology (17%), and staffing levels (17%), among other items.
- Sixty-nine percent of planners of unrealized bookings have issues with Dayton as a host destination, compared with 45 percent of current/past events. Key destination challenges include hotel inventory (63%), safety perceptions (29%), and restaurant inventory (25%), among other items.



6

# MARKET SUPPORTABLE FACILITY DEVELOPMENT OPTIONS



Overall, market analysis findings suggest that a material redevelopment of the Dayton Convention Center would be needed to compete for high impact non-local events.

The recommended program for a redeveloped Dayton Convention Center and supporting hotel product provides for a convention product that would be significantly improved in terms of sizing, space distribution, customer experience, event production, and other important areas. Based on the previous analyses undertaken, key aspects of a recommended facility program for a redeveloped Dayton Convention Center are presented below.

## DAYTON CONVENTION CENTER RECOMMENDATIONS

### Exhibit Hall:

- Repurpose 18,000 to 20,000 square foot portion of Exhibition Hall into carpeted multipurpose space
  - Will require replaceable carpet, enhanced light fixtures, stylized ceiling/overhead fixtures, enhanced wall treatment, acoustical panels and other investments
- Install additional airwalls between repurposed space and remaining exhibit space. This will allow for events to use the multi-use space for food functions, general session and other uses, while allowing for the full 68,000 square feet to be used larger tradeshow events

### Supporting Event Space:

- Repurpose Room 103 into unique, cutting-edge and programmable pre-function space
  - Invest in FF&E and technology to support highly dynamic gathering environments, in addition to interior aesthetic improvement.
- Invest in aesthetic and technology improvements to breakout meeting rooms

### Pre-Function Space:

- Aesthetic improvements
- More natural light
- Public art and trend forward furnishings

### Outdoor Event Space:

- Prioritize patio and/or rooftop terrace product
- ~5,000 square feet of usable event space
- Tent put-ins and/or permanent kiosks
- Electrical and fiber internet access

### Other Investments:

- Expand the loading dock area
- Improve bathroom conditions

## DAYTON CONVENTION CENTER HOTEL RECOMMENDATIONS

### Hotel Inventory:

- Maintaining the existing Radisson will be critical to attracting non-local events
- Development of an additional attached or adjacent hotel property at some point in the future should be prioritized
- Target 150+ additional committable rooms
- Prioritize full-service property and/or pairing of full-service with limited-service + property

### Additional Downtown Hotel Support:

- In addition to headquarter hotel development, an additional 200 committable rooms elsewhere in downtown would be beneficial
- To achieve committable room target, 400 to 500 total rooms likely required
- Most likely to be distributed between several select service properties
- This development goal could ideally be achieved over 5-7 year timeline



7

## ECONOMIC IMPACT ANALYSIS

# 7 ECONOMIC IMPACT

Investment in the Dayton convention product has the potential to generate increased event activity for the market, attracting added non-local conferences, meetings and other events. A high-level, preliminary event and utilization forecast was developed for a redeveloped Dayton Convention Center, working with management of the Dayton CVB and DCC. Based on the market and program assumptions discussed herein, the exhibit below presents a summary of the estimated annual event and attendance levels by event type for an improved DCC. Historical event, attendance and room night levels estimated by DCC management and the Dayton CVB are also provided below to demonstrate incremental performance impacts associated with DCC investment.

UTILIZATION ESTIMATES	Existing DCC Recent Year	Improved DCC Stabilized Year
<b>NUMBER OF EVENTS</b>		
National/Regional Corporate Convention/Tradeshow	1	4
Government Convention/Tradeshow	4	8
Local Corporate Meetings	15	50
National/Regional Association Convention/Tradeshow	6	12
Youth/Amateur Sports	10	20
State Association Convention/Tradeshow	4	6
Consumer/Public Shows and Festivals	6	15
Other/Miscellaneous Events	45	90
Total	91	205
<b>ATTENDEE DAYS</b>		
National/Regional Corporate Convention/Tradeshow	1,250	5,000
Government Convention/Tradeshow	5,000	10,000
Local Corporate Meetings	1,350	4,500
National/Regional Association Convention/Tradeshow	7,500	15,000
Youth/Amateur Sports	12,000	24,000
State Association Convention/Tradeshow	3,200	4,800
Consumer/Public Shows and Festivals	42,000	105,000
Other/Miscellaneous Events	13,500	27,000
Total	85,800	195,300
<b>HOTEL ROOM NIGHTS</b>		
National/Regional Corporate Convention/Tradeshow	729	2,917
Government Convention/Tradeshow	2,083	4,167
Local Corporate Meetings	104	346
National/Regional Association Convention/Tradeshow	4,375	8,750
Youth/Amateur Sports	3,360	6,720
State Association Convention/Tradeshow	1,333	2,000
Consumer/Public Shows and Festivals	2,333	5,833
Other/Miscellaneous Events	450	900
Total	14,768	31,633

As shown, upon stabilization of operations (assumed to be a fourth full year), an improved DCC is estimated to attract 205 events annually, generating approximately 195,300 attendee days (a product of the number of unique attendees and the number of days they attend events at the DCC) and 31,600 hotel room nights. This represents an increase of 114 events from estimated historical event levels, as well as nearly 100,000 attendee days and 17,000 room nights.

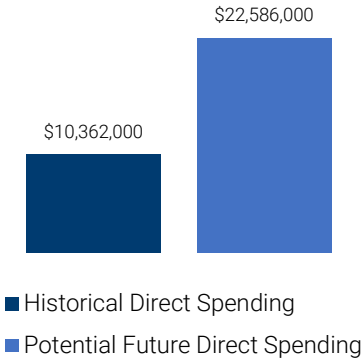
As shown above, these high room night-producing events increase substantially under the improvement scenario, with national/regional corporate events growing from 1 to 4 annually, government conventions and tradeshow from 4 to 9, and national/regional association events from 6 to 12. This significant uptick in non-local draw could result in material economic impact generation, as summarized on the following page.

# 7

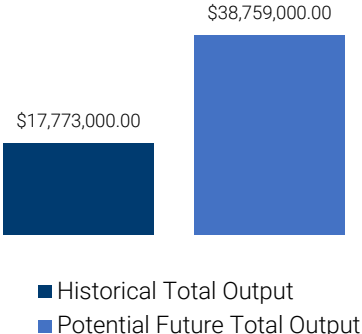
# ECONOMIC IMPACT

Event estimates presented on the previous page have been used to calculate potential new direct spending, total economic output, earnings, employment, room nights and tax revenue associated with historical DCC event levels and the potential DCC improvement scenario. A comparison of direct spending and total economic output associated with historical and potential future event activity is presented below.

Convention Center Generated Direct Spending



Convention Center Generated Total Output



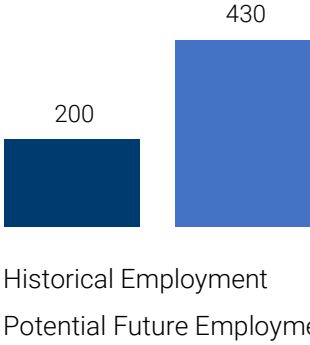
As noted in the exhibit, the direct spending associated with historical DCC event activity approximates \$10.4 million annually. This total is negatively impacted by conditions at the DCC and nearby hotel inventory. An improved DCC with added hotel inventory is estimated to generate nearly \$22.6 million in direct spending, representing a spending increase of 118%. When factoring for how dollars are distributed throughout the economy after initial spending, the improved DCC is estimated to generate nearly \$38.8 million per year in total economic output annually, approximately \$21 million more than the existing DCC.

In addition, direct spending and associated total output create both earnings for the local workforce, and support for employment. Summaries of these associated impacts are presented below for both historical and potential future DCC event activity.

Convention Center Generated Earnings



Convention Center Generated Employment



As noted in the exhibit above a total of approximately \$6.0 million in annual earnings is supported by estimated historical DCC activity. An additional \$7.1 million in annual earnings may be generated as a result of DCC investment.

Further, an improved DCC is estimated to support an additional 230 jobs annually in the community, representing an increase from historical levels of 200 jobs to 430 potential future jobs.