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# **Peoria Civic Center Economic and Fiscal Impact Analysis**



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**Submitted to:  
Peoria Civic Center**

**February 2003**

**Submitted by:  
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## **REPORT LETTER**

# C.H. JOHNSON CONSULTING, INC.

EXPERTS IN CONVENTION, SPORT AND REAL ESTATE CONSULTING

February 4, 2003

Debbie Ritschel  
General Manager  
Peoria Civic Center  
201 S.W. Jefferson  
Peoria, Illinois 61602

Dear Ms. Ritschel:

Pursuant to our contract with the Peoria Civic Center Authority (Authority), C.H. Johnson Consulting, Inc. (Johnson Consulting) conducted an analysis to determine the economic and fiscal impacts generated by Peoria Civic Center (PCC). The attached report explains the methods used to conduct this analysis and discusses the results.

The findings presented herein reflect analysis of primary and secondary sources of information. Johnson Consulting utilized sources deemed to be reliable but cannot guarantee their accuracy. As the economic and fiscal impacts presented in this report rely on industry trends, aggregated event performance, and current market data, reported results may vary from actual results. As events and circumstances often do not occur as reported, those differences may be material.

Capital and construction costs presented herein are initial estimates about a hypothetical project, based on prevailing cost. Actual costs will vary based on decisions made by the Authority, changes in market conditions, materials costs, or other factors.

Johnson Consulting has no responsibility to update this report for events and circumstances that occur after the date of this report.

We have enjoyed serving you on this engagement and look forward to providing you with continuing service.

Sincerely yours,

**DRAFT**

C.H. Johnson Consulting, Inc.

Attachment

## **I. INTRODUCTION AND KEY FINDINGS**

## **INTRODUCTION AND KEY FINDINGS**

The Peoria Civic Center Authority (Authority) is responsible for the operation of a multi-venue entertainment, exhibition, and sports complex in downtown Peoria, Illinois. Completed in 1982 at an original cost of \$64 million, the Peoria Civic Center (PCC) complex features an arena, convention center, and performing arts theater linked by an enclosed common area. In the twenty years since the PCC opened, the facility's venues have emerged as an important economic resource for the community. On an annual basis, the PCC hosts more than 300 events, which attract approximately 900,000 visitors to downtown Peoria. These visitors, many of whom travel from outside the metro area to attend concerts, conventions, theater, and sporting events at the PCC, represent a substantial positive inflow of spending to the community. This spending, in turn, supports jobs, businesses, and generates tax revenues for the City, County, and State.

In August 2002, C.H Johnson Consulting, Inc. (Johnson Consulting), in association with the Authority, completed a new masterplan for the PCC. The objective of this effort was to identify short- and long-term redevelopment strategies for the PCC that would not only ensure it remains a competitive facility, but enhance its contribution to the ongoing improvement of downtown Peoria and its Riverfront. As an outgrowth of this effort, the Authority subsequently engaged Johnson Consulting to analyze the existing contributions of the PCC to the local economy. The enclosed report presents our findings of the economic and fiscal impacts of the PCC, and documents the methods used to conduct the analysis.

The objectives of the project were as follows:

- Evaluate the PCC's current and ongoing contribution to the local economy,
- Document the vital role the PCC plays in generating fiscal impacts at the City, County, and State levels,
- Assess the contribution the PCC's individual venues (Convention Center, Arena, and Theater) in relation to the economic and fiscal benefits they generate,
- Establish priorities for redevelopment activities based on the level of impact provided by each venue,
- Assess the economic return on public support/investment for PCC expansion, and
- Develop event benchmarks, in order to standardize reporting and enable groups such as the Peoria Area Convention and Visitors Bureau (PACVB) to report the impact of events, and take steps to extend length of stay, target

appropriate events, and increase spending by attendees, exhibitors, promoters, etc.

## Methodology

In order to conduct the analysis, Johnson Consulting completed the following tasks:

- Worked with PCC staff to develop a comprehensive event calendar to be used as the basis for the economic and fiscal impact analysis,
- Worked with the PCC staff to identify representative events for each venue (Convention Center, Arena, and Theater), which could be used to assess economic and fiscal impacts,
- Conducted a survey of representative events, in order to assess attendee and exhibitor origins, length of stay in the market, and other measures that contribute to economic and fiscal impact,
- Performed an economic impact analysis, using IMPLAN, to estimate direct, indirect, and induced spending from the activities, for fiscal year 2000 -2001, as well as three representative events,
- Performed a fiscal impact analysis to assess fiscal impacts of events by tax category (sales, hotel/restaurant/amusement, etc), and
- Developed an economic and fiscal benefit analysis of the one-time activities resulting from redevelopment of the facilities (construction, et. al).

**Johnson Consulting** is an economics and real estate consulting firm with extensive experience in the analysis and development of public assembly facilities such as convention centers, arenas, hotels, and other multipurpose facilities.

This section of the report contains this introduction and methodology overview as well as an executive summary; the balance of the report contains the following sections:

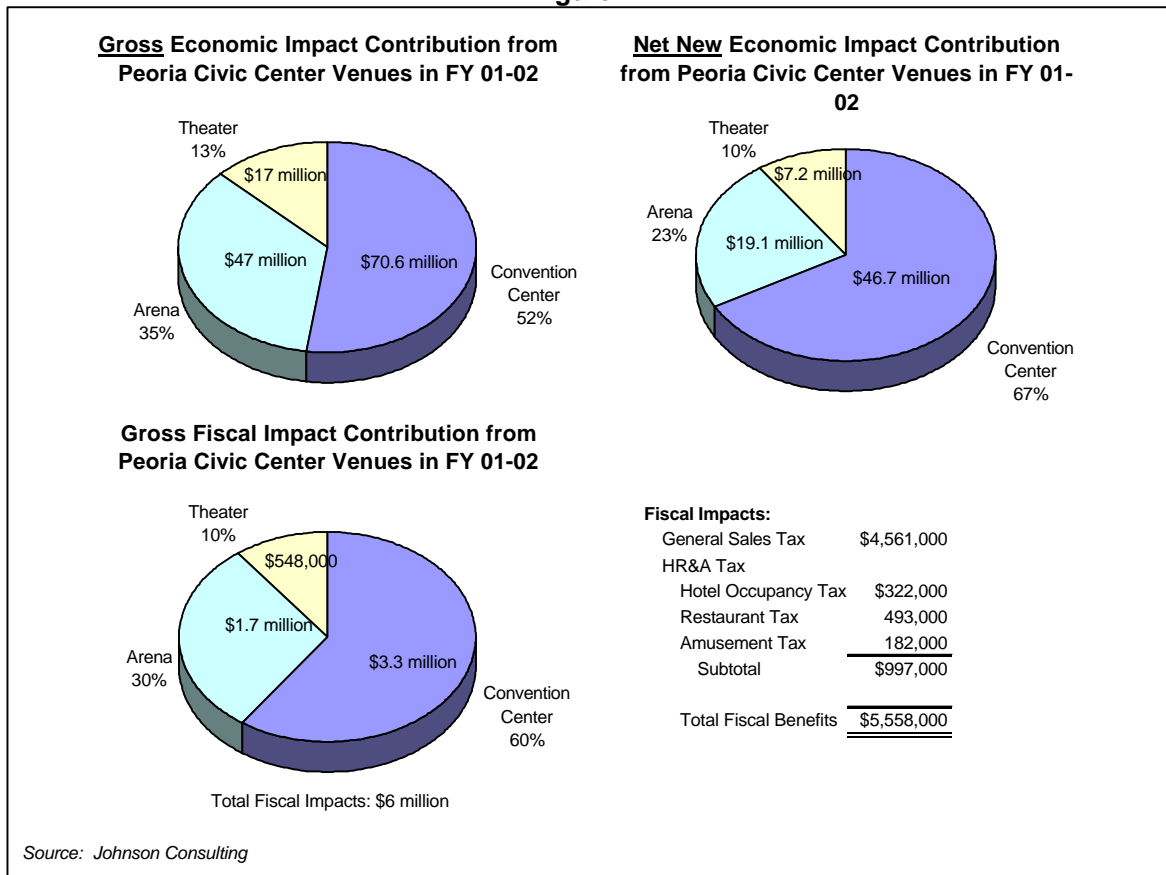
- **Section 2** presents the economic and fiscal impact analysis of the PCC Convention Center, Theater, and Arena events as an aggregate for a single fiscal year,
- **Section 3** presents the economic and fiscal impact analysis of three representative events for the PCC by venue (Convention Center, Arena, and Theater), and
- **Section 4** presents the economic and fiscal impact analysis of the one-time redevelopment activities.

**Key Findings and Priorities**

The Peoria Civic Center is more than a venue for entertainment, it is a major contributor to the City, County, and State economies. Among the key findings of the analysis contained herein:

- In FY01-02 the PCC hosted a total of 311 events, attracting more than 900,000 attendees to downtown Peoria. The PCC Convention Center hosted 167 events, including 21 conventions and 11 trade shows, generating 254,300 attendees and 5,717 exhibitors. The PCC Arena hosted 20 concerts, 68 sporting events, and three other events, generating nearly 490,000 attendees and 9,800 athletes/ performers. The PCC Theater hosted 46 concerts/ entertainment events, a small convention, and six other events, generating a total of 158,000 attendees and 1,700 performers.
- When expressed per venue basis, the convention center generates the greatest economic and fiscal impacts, as shown in Figure 1-1 below.

**Figure 1-1**



As the table shows, it is estimated the Convention Center generates 52 percent of gross economic impact (or 67 percent of net new impact), and 60 percent of fiscal impacts for the entire PCC. In comparison, it is estimated that Carver Arena generates 35 percent of gross economic impact (or 23 percent of net new impact), and 30 percent of fiscal impacts, while the Theater generates 13 percent of gross economic impact (or ten percent of net new impact), and ten percent of fiscal impacts. This is directly related to the fact that the convention center's events are designed to attract out-of-town visitors, who generate activity for area hotels, restaurants, etc. This underscores that conventions have the greatest reach into the community – but may not be the highest profile events, by virtue of their target audience.

- This is further illustrated by our analysis of “representative events” for each venue:
  - Convention Center: The Illinois Great Rivers Annual Conference, June 2002 - Overall impact: \$2.3 million in spending, \$117,000 in fiscal benefits,
  - Carver Arena: Nelly In Concert, January 2002 - Overall impact: \$616,000 in spending, \$23,000 in fiscal benefits, and
  - Theater: Peoria Symphony Orchestra - Russian Masterpieces, October 19-21, 2001 - Overall impact: \$323,000 in spending, \$10,000 in fiscal benefits.
- Our analysis indicates the expansion of the convention center is the highest priority based on the overall return to the community, both economic and fiscal. It also indicates the PCC is an effective steward of the Hotel, Restaurant, and Amusement tax (HRA), providing total fiscal benefits of \$1.0 million from the PCC activities in FY01-02.
- Based on the tax structure in the Peoria market, the State realizes a significant amount of revenue from the PCC without sharing in the capital or operational obligations. As redevelopment of the facility is pursued, the State should be viewed as an active partner. One solution that has been utilized in states such as Washington and Pennsylvania is a vehicle that returns (or rebates) tax resources to communities for facility development. This option should be explored in Peoria.

## **II. EXISTING PEORIA CIVIC CENTER EVENTS IMPACT**

## EXISTING PEORIA CIVIC CENTER EVENTS IMPACT

The historical volume of events hosted by the Peoria Civic Center (PCC) establishes that the venues in the complex are heavily used and present a variety of programming that is appealing in the market, as evidenced by the level of attendance. However, what the historical operating pattern of the PCC does not articulate is the economic value and ancillary behavior of event attendees. For instance, the typical attendee of an event in the Exhibit Hall spends money on items such as hotel rooms and meals, while an attendee to a concert or the ballet spends money on tickets, travel, and, other items. By defining the economic traits associated with these activities, the role and contribution of the PCC to the local economy, based on its existing event calendar, can be expressed through estimates of the total spending in the economy as well as the fiscal (tax) revenues that result from this spending.

For this portion of the analysis, Johnson Consulting focused in the PCC's event calendar for fiscal year 2001-02 (FY01-02), which ran from September 1 through August 31. By focusing on a single year, the analysis allows the PCC to not only articulate its impacts for a defined contribution period (one year), it also establishes a benchmark against which to measure future year activities/impacts. For the purpose of this analysis, impact totals are discussed in terms of the Peoria area economy. The levels of impact are described below:

- **Direct impacts** - are an expression of the spending that occurs as a direct result of the events and activities that occur at the PCC. For example, a convention attendee's expenditures on hotel rooms and meals are a direct economic impact.
- **Indirect impacts** - consist of re-spending of the initial or direct expenditures, or, the supply of goods and services resulting from the initial direct spending at the PCC. For example, a convention attendee's direct expenditure on a restaurant meal causes the restaurant to purchase food and other items from suppliers. The portion of these restaurant purchases that are within the local, regional, or state economies is counted as an indirect economic impact.
- **Induced impacts** represent changes in local consumption due to the personal spending by employees whose incomes are affected by direct and indirect spending. For example, a waiter at the restaurant may have more personal income as a result of the convention attendee's visit. The amount of the increased income the waiter spends in the local economy is considered an induced impact.

- **Personal income** measures increased employee and worker compensation related to the events being analyzed. This figure represents increased payroll expenditures, including benefits paid to workers locally. It also expressed how the employees of local businesses share in the increased outputs.
- **Employment impact** measures the number of jobs supported in the study area related to the spending generated as a result of the events occurring in the PCC. Employment impact is stated in a number of full-time equivalent jobs.

This analysis differentiates impacts from spending by people coming from out of town and by local residents, defined as follows:

- **Net New Spending** - is spending by out-of-town attendees, exhibitors, and other visitors who come from outside the subject area, (i.e., City, County, metro area, and State of Illinois), which represents the amount of "new dollars" that flow into the respective economies.
- **Transfer Spending** - Spending by those who live in market area represents "transfer" spending. For example, a resident of the City of Peoria who attends an event would transfer income from one sector of the City's economy to another, and therefore is not bringing new dollars into the City economy. Nevertheless, they are part of the economic activities generated by the PCC.

Therefore, the analysis will present total impacts of the PCC, as expressed through net new spending (to the City, County, metro area, and State of Illinois) and transfer spending.

## Summary of Findings

Table 2-1 summarizes the findings of the economic impact analysis for FY01-02.

Table 2-1

Per Venue Impact Contribution in FY 01-02								
	Economic Impact (\$Millions)					Impact Contribution by Venue (%)		
	From Transfer Spending by Locals (a)	Net New to City (b)	Net New to County (c)	Net New to MSA (d)	Net New to State (e)	Gross Total (f)	Gross Impact (g)	Net New Impact (h)
<b>Convention Center</b>								
Direct, Indirect, and Induced Spending	\$23.9	\$46.7	\$33.5	\$26.4	\$24.1	\$70.6		
Personal Income	\$5.3	\$10.2	\$6.7	\$5.2	\$4.9	\$15.6	52%	67%
Employment (in FTE)	219	411	404	320	213	629		
<b>Arena</b>								
Direct, Indirect, and Induced Spending	\$28.0	\$19.1	\$13.0	\$9.0	\$6.0	\$47.0		
Personal Income	\$6.2	\$4.2	\$2.6	\$1.8	\$1.2	\$10.5	35%	23%
Employment (in FTE)	269	175	160	108	55	444		
<b>Theater</b>								
Direct, Indirect, and Induced Spending	\$9.7	\$7.2	\$4.9	\$3.7	\$3.3	\$17.0		
Personal Income	\$2.2	\$1.6	\$1.0	\$0.8	\$0.7	\$3.7	13%	10%
Employment (in FTE)	96	68	61	45	31	164		
<b>Total PCC</b>								
Direct, Indirect, and Induced Spending	\$61.6	\$72.9	\$51.5	\$39.1	\$33.4	\$134.6		
Personal Income	\$13.7	\$16.0	\$10.3	\$7.8	\$6.8	\$29.8	100%	100%
Employment (in FTE)	583	654	625	473	299	1,237		

Notes:

Column (a) represents economic impact from spending by City residents.

Column (b) represents economic impact from spending by all out-of-City visitors.

Column (c) is a subset of Column (b). It expresses economic impact from spending by all out-of-County visitors.

Column (d) is a subset of Column (c). It expresses economic impact from spending by all out-of-MSA visitors.

Column (e) is a subset of Column (d). It expresses economic impact from spending by all out-of-State visitors.

Column (f) represents total economic impact from spending by locals and non-locals. Column (f) = Column (a) + Column (b).

Column (g) shows venue contribution of total PCC economic impact in Column (f).

Column (h) shows venue contribution of total PCC economic impact in Column (b).

Source: Johnson Consulting

In FY01-02, the PCC's generated approximately \$134.6 million in spending, \$29.8 million in earnings, and supported 1,237 jobs. On a per facility basis, the Convention Center generated 52 percent (or \$70.6 million) of the total impacts, confirming its role and importance to the community. Carver Arena generated \$47 million, or 35 percent of the impacts, while the Theater generated \$17 million, or 13 percent of the impacts. On a net new basis, the Convention Center, Arena, and Theater contributed 67 percent, 23 percent, and ten percent of the economic impact.

Table 2-2 summarizes the findings of the fiscal impact analysis.

Table 2-2

Estimates of Annual Incremental Fiscal Impact in FY 01-02				
	Tax Revenues (In \$000's)			
	Convention Center	Arena	Theater	Total
General Sales Tax	\$2,797	\$1,332	\$433	\$4,561
Hotel Occupancy Tax	211	82	28	322
Restaurant Tax	314	135	44	493
Amusement Tax on Tickets	12	127	43	182
<b>Total</b>	<b>\$3,334</b>	<b>\$1,676</b>	<b>\$548</b>	<b>\$5,558</b>
<b>Venue Contribution</b>	60%	30%	10%	100%

*Source: Johnson Consulting*

As the table shows, for FY01-02 the PCC's three venues generated approximately \$5.6 million in tax revenues, with the largest contribution coming from the events hosted by the Convention Center, once again confirming that the facility presents the largest return on investment for public dollars. The Convention Center, Arena, and Theater generated 60 percent (or \$3.3 million), 30 percent (or \$1.7 million), and ten percent (or \$548,000) of the fiscal impacts, respectively. Based on its contribution to the economy as well as its ability to generate tax resources, the Convention Center warrants the greatest consideration in establishing expansion and improvement priorities.

The balance of this section presents the data and assumptions upon which the preceding summary information is based.

### Peoria Civic Center Event Statistics

In FY01-02, the three venues that comprise the PCC hosted 311 events, generating more than 900,000 attendees. Table 2-3 summarizes the event demand by venue.

Table 2-3

Peoria Civic Center Event Calendar FY 01-02								
	Convention Center		Arena		Theater		Total	
	# of Events	Attendance	# of Events	Attendance	# of Events	Attendance	# of Events	Attendance
Conventions	21	44,079	0	0	1	1,000	22	45,079
Trade Shows	11	39,731	0	0	0	0	11	39,731
Consumer Shows	18	82,029	0	0	0	0	18	82,029
Concerts/ Entertainment	3	21,487	20	108,170	46	153,658	69	283,315
Sporting Events	7	23,480	68	363,404	0	0	75	386,884
Other	107	43,469	3	18,400	6	3,240	116	65,109
	167	254,275	91	489,974	53	157,898	311	902,147
Plus Exhibitors/ Sportsmen/ Performers		5,717		9,784		1,668		17,169
Total Visitors		259,992		499,758		159,566		919,316

Source: Peoria Civic Center, Johnson Consulting

As indicated in the table, for the period being analyzed, the Convention Center hosted 167 events, including 21 conventions and 11 trade shows, generating 254,300 attendees and 5,717 exhibitors. Carver Arena hosted 20 concerts, 68 sporting events, and three other events, generating nearly 490,000 attendees and 9,800 athletes/ performers. The Theater hosted 46 concerts/ entertainment events, a small convention, and six other events, generating a total of 158,000 attendees and 1,700 performers.

The number of days that an attendee spends in the market (person-days) serves as the basis of the economic impact estimate. Based on the attendance figures presented above, Johnson Consulting estimated the number of person-days that resulted from the activities hosted on the PCC during FY01-02. As discrete data on visitor origin is not available, Johnson Consulting, drawing on interviews with event promoters, meeting planners, and available data, developed a set of assumptions, as shown in Table 2-4.

Table 2-4

Peoria Civic Center Attendee Origin Assumptions						
Average Event Length	% from City	% from Outside City	% from Outside County	% from Outside MSA	% from Outside State	
(a)	(b)	(c)	(d)	(e)	(f)	
<b>Convention Center</b>						
Conventions	2.8	30%	70%	53%	39%	30%
Trade Shows	2.5	30%	70%	53%	39%	30%
Consumer Shows	3.2	60%	40%	30%	23%	17%
Concerts/ Entertainment	2.7	70%	30%	23%	17%	13%
Sporting Events	2.9	60%	40%	30%	20%	10%
Other	1.6	60%	40%	30%	23%	17%
Exhibitors	2.6	52%	48%	36%	27%	19%
<b>Arena</b>						
Concerts/ Entertainment	1.3	70%	30%	23%	17%	13%
Sporting Events	1.1	60%	40%	30%	20%	10%
Other	1.3	70%	30%	23%	17%	13%
Sportsmen/ Performers	1.2	67%	33%	25%	18%	12%
<b>Theater</b>						
Conventions	2.0	70%	30%	23%	17%	13%
Concerts/ Entertainment	2.8	60%	40%	30%	23%	17%
Other	1.0	70%	30%	23%	17%	13%
Performers	1.9	80%	20%	15%	11%	8%
Notes:						
Column (b) represents the percentage of event attendees who are City residents.						
Column (c) represents the percentage of event attendees who are out-of-City visitors.						
Column (b) plus Column (c) equals 100 percent.						
Column (d) is a subset of Column (c). It expresses the percentage of all out-of-County visitors.						
Column (e) is a subset of Column (d). It expresses the percentage of all out-of-MSA visitors.						
Column (f) is a subset of Column (e). It expresses the percentage of all out-of-State visitors.						
Source: Johnson Consulting						

As the table shows, conventions/tradeshows are the longest events and also attract the highest proportion of out-of-town visitors. This underscores why the convention center has the greatest impacts on the economy and community, even though it may be the facility least accessed by residents of the city and county.

The numbers of attendees in combination with the length of stay in the local market are two of the primary indicators of event impacts. Accordingly, Johnson Consulting, with support from the PCC, meeting planners, event promoters, and historical data summarized actual per event attendance and used the data to

develop estimates of exhibitors and press, non-local person days and non-local hotel room nights. Table 2-5 summarizes these estimates.

Table 2-5

Estimate of Person-Days and Room Nights								
	# of Persons	Average Length of Stay	# of Person-Days					# of Room Nights
			Local	From Outside City	From Outside County	From Outside MSA	From Outside State	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>Convention Center</b>								
Conventions	44,079	2.8	37,026	86,395	64,796	48,597	36,448	39,572
Trade Shows	39,731	2.5	29,798	69,529	52,147	39,110	29,333	29,724
Consumer Shows	82,029	1.0	49,217	32,812	24,609	18,457	13,842	3,285
Concerts/ Entertainment	21,487	1.0	15,041	6,446	4,835	3,626	2,719	645
Sporting Events	23,480	1.0	14,088	9,392	7,044	4,696	2,348	940
Other	43,469	1.0	26,081	17,388	13,041	9,781	7,335	1,741
Plus Exhibitors	5,717	2.7	7,976	7,461	5,596	4,133	2,971	4,463
<b>Total</b>	<b>259,992</b>		<b>179,228</b>	<b>229,423</b>	<b>172,067</b>	<b>128,399</b>	<b>94,997</b>	<b>80,371</b>
<b>Arena</b>								
Concerts/ Entertainment	108,170	1.0	75,719	32,451	24,338	18,254	13,690	3,249
Sporting Events	363,404	1.0	218,042	145,362	109,021	72,681	36,340	14,555
Other	18,400	1.0	12,880	5,520	4,140	3,105	2,329	553
Plus Sportsmen/ Performers	9,784	1.2	7,827	3,913	2,935	2,103	1,382	620
<b>Total</b>	<b>499,758</b>		<b>314,468</b>	<b>187,246</b>	<b>140,435</b>	<b>96,143</b>	<b>53,741</b>	<b>18,977</b>
<b>Theater</b>								
Conventions	1,000	2.0	1,400	600	450	338	253	214
Concerts/ Entertainment	153,658	1.0	92,195	61,463	46,097	34,573	25,930	6,154
Other	3,240	1.0	2,268	972	729	547	410	462
Plus Performers	1,668	1.9	2,535	634	475	356	267	285
<b>Total</b>	<b>159,566</b>		<b>98,398</b>	<b>63,669</b>	<b>47,752</b>	<b>35,814</b>	<b>26,860</b>	<b>7,115</b>
<b>Total</b>	<b>919,316</b>		<b>592,094</b>	<b>480,338</b>	<b>360,253</b>	<b>260,356</b>	<b>175,598</b>	<b>106,463</b>

Notes:

Column (c) represents the estimated person-days from attendees who are City residents.

Column (d) represents the estimated person-days from attendees who are out-of-City visitors.

Column (e) is a subset of Column (d). It expresses the estimated person-days from out-of-County visitors.

Column (f) is a subset of Column (e). It expresses the estimated person-days from out-of-MSA visitors.

Column (g) is a subset of Column (f). It expresses the estimated person-days from out-of-State visitors.

Source: Peoria Civic Center, Johnson Consulting

Room nights were estimated using three significant assumptions. First, average length of stay of an attendee to a convention or trade show event is 2.8 days or 2.5 days, respectively (based on actuals). Second, for concerts/ entertainment events, sporting events, and any other events, the estimate assumes a room night-to-

attendance ratio of 11 percent, considering factors such as the short-term nature of these events (mostly last one day) and the average spending on lodging compared to the prevailing room rates in Peoria. Third, average length of stay for exhibitors, sportsmen, and performers is 2.7 days, 1.2 days, and 1.9 days, respectively.

As shown in the table, events at the PCC Convention Center, Arena, and Theater are estimated to have generated approximately 592,092 local person-days and 480,300 person-days from out-of-City visitors, including 360,300 person-days from out-of-County visitors, 260,400 person-days from out-of-MSA visitors, and 175,600 person-days from out-of-State visitors. These visitors are estimated to have generated 106,500 room nights.

### **Economic Impact Analysis**

As the basis for direct spending estimates for the economic impact analysis, Johnson Consulting used the average daily spending per attendee by type of events as shown in Table 2-6. For attendees going to conventions and trade shows, the average daily spending assumptions are based on a survey of actual events attendees to events in small markets as conducted by the International Association of Convention and Visitors Bureau (IACVB). For attendees going to any other events, the assumptions are based on an economic impact study performed by D.K. Shifflet and Associates for the Illinois Tourism Bureau, which provides average daily spending in Illinois (outside Chicago). The study provided average daily spending of a leisure visitor and its distribution among various spending categories. Average ticket price or admission fee of ticketed events at the Convention Center, Arena, and Theater is based on historical averages of the respective facilities in FY00-01. The spending amounts below are shown in 2003 dollars.

Table 2-6

Average Daily Spending per Attendee (in 2003 Dollars)							
	Conventions/ Trade Shows	Sporting Event		Concerts and Entertainment Events			Other Events
	In CC/ Arena	In CC	In Arena	In CC	In Arena	In Theater	In All Facility
<b>Type of Spending</b>							
Ticket/ Admission	\$1.50	\$3.30	\$11.20	\$8.80	\$19.80	\$19.40	\$0.00
Transportation	14.90	7.40	7.40	7.40	7.40	7.40	7.40
Eating and Drinking	56.20	13.50	13.50	13.50	13.50	13.50	13.50
Lodging	75.90	8.00	8.00	8.00	8.00	8.00	8.00
Shopping	24.30	12.20	12.20	12.20	12.20	12.20	12.20
Other	25.30	4.50	4.50	4.50	4.50	4.50	4.50
<b>Total</b>	<b>\$198.10</b>	<b>\$48.90</b>	<b>\$56.80</b>	<b>\$54.40</b>	<b>\$65.40</b>	<b>\$65.00</b>	<b>\$45.60</b>

Source: D.K. Shifflet and Associates for the Illinois Tourism Bureau, IACVB Survey, Johnson Consulting

As the table shows, convention attendees have the highest estimated spending levels, with an average of approximately \$198 per day. In comparison, an attendee to a sport event held in Carver Arena is estimated to have spent approximately \$57 per day. The difference between average daily spending of a convention/ trade show and any other event attendee reflects the different characteristics between "business" and "leisure" trips. With regard to the local attendees, it is assumed that they will incur similar spending on the categories listed above, except lodging.

Table 2-7 shows the estimated economic impact of the PCC events.

# C.H. JOHNSON CONSULTING, INC.

EXPERTS IN CONVENTION, SPORT AND REAL ESTATE CONSULTING

**Table 2-7**

<b>Peoria Civic Center Event Impact in FY 01-02</b>						
	<b>Economic Impact (\$Millions)</b>					<b>Gross Total</b>
	<b>From Transfer Spending by Locals</b>	<b>Net New to City</b>	<b>Net New to County</b>	<b>Net New to MSA</b>	<b>Net New to State</b>	
	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
<b>Convention Center</b>						
Direct Spending	\$13.6	\$26.7	\$20.9	\$16.5	\$12.8	\$40.4
Indirect Spending	4.0	7.8	5.2	4.2	4.8	11.7
Induced Spending	6.3	12.2	7.4	5.7	6.6	18.5
<b>Total</b>	<b>\$23.9</b>	<b>\$46.7</b>	<b>\$33.5</b>	<b>\$26.4</b>	<b>\$24.1</b>	<b>\$70.6</b>
Personal Income	\$5.3	\$10.2	\$6.7	\$5.2	\$4.9	\$15.6
Employment (in FTE)	219	411	404	320	213	629
<b>Arena</b>						
Direct Spending	\$15.9	\$10.8	\$8.1	\$5.6	\$3.2	\$26.7
Indirect Spending	4.7	3.2	2.0	1.4	1.2	7.9
Induced Spending	7.4	5.0	2.9	2.0	1.7	12.4
<b>Total</b>	<b>\$28.0</b>	<b>\$19.1</b>	<b>\$13.0</b>	<b>\$9.0</b>	<b>\$6.0</b>	<b>\$47.0</b>
Personal Income	\$6.2	\$4.2	\$2.6	\$1.8	\$1.2	\$10.5
Employment (in FTE)	269	175	160	108	55	444
<b>Theater</b>						
Direct Spending	\$5.5	\$4.1	\$3.1	\$2.3	\$1.7	\$9.7
Indirect Spending	1.6	1.2	0.8	0.6	0.7	2.9
Induced Spending	2.6	1.9	1.1	0.8	0.9	4.5
<b>Total</b>	<b>\$9.7</b>	<b>\$7.2</b>	<b>\$4.9</b>	<b>\$3.7</b>	<b>\$3.3</b>	<b>\$17.0</b>
Personal Income	\$2.2	\$1.6	\$1.0	\$0.8	\$0.7	\$3.7
Employment (in FTE)	96	68	61	45	31	164
<b>Total Peoria Civic Center Impact</b>						
Direct Spending	\$35.0	\$41.7	\$32.1	\$24.4	\$17.6	\$76.7
Indirect Spending	10.3	12.2	7.9	6.2	6.7	22.5
Induced Spending	16.3	19.0	11.4	8.6	9.1	35.4
<b>Total</b>	<b>\$61.6</b>	<b>\$72.9</b>	<b>\$51.5</b>	<b>\$39.1</b>	<b>\$33.4</b>	<b>\$134.6</b>
Personal Income	\$13.7	\$16.0	\$10.3	\$7.8	\$6.8	\$29.8
Employment (in FTE)	583	654	625	473	299	1,237
<i>Notes:</i>						
<i>Column (a) represents economic impact from spending by City residents.</i>						
<i>Column (b) represents economic impact from spending by all out-of-City visitors.</i>						
<i>Column (c) is a subset of Column (b). It expresses economic impact from spending by all out-of-County visitors.</i>						
<i>Column (d) is a subset of Column (c). It expresses economic impact from spending by all out-of-MSA visitors.</i>						
<i>Column (e) is a subset of Column (d). It expresses economic impact from spending by all out-of-State visitors.</i>						
<i>Column (f) represents total economic impact from spending by locals and non-locals.</i>						
<i>Column (f) = Column (a) + Column (b).</i>						
<i>Source: Johnson Consulting</i>						

As shown in the table, the estimated direct spending generated by events hosted in the Convention Center, Arena, and Theater in FY01-02 is approximately \$40.4 million, \$26.7 million, and \$9.7 million, respectively. Total (gross) economic impact of the Convention Center events is approximately \$70.6 million of spending, \$15.6 million in increased earnings, and 629 jobs to the City. Total economic impact of the Arena events is approximately \$47 million of spending, \$10.5 million of increased earnings, and 444 jobs to the City. Total economic impact of the Theater events is approximately \$17 million in spending, \$3.7 million in increased earnings, and 164 jobs.

Table 2-7 also shows the proportion of each measured impacts that represented new activity at the City, County, MSA, and State levels, as summarized on columns (b) through (e). When viewed as a collective unit, the three venues' net new impact to the City of Peoria for the period analyzed was approximately \$72.9 million in spending, \$16 million in increased earnings, and 654 jobs. For Peoria County, the net new impacts were approximately \$51.5 million in spending, \$10.3 million in increased earnings, and 625 jobs. For the Peoria MSA, the figures were approximately \$39.1 million in spending, \$7.8 million in increased earnings, and 473 jobs. On a statewide level, the PCC's FY 01-02 event activity generated approximately \$33.4 million in net new spending, \$6.8 million in increased earnings, and 299 jobs.

Figure 2-1 and Figure 2-2 express the contributions on a per facility basis, based on the estimates presented in Table 2-7.

Figure 2-1

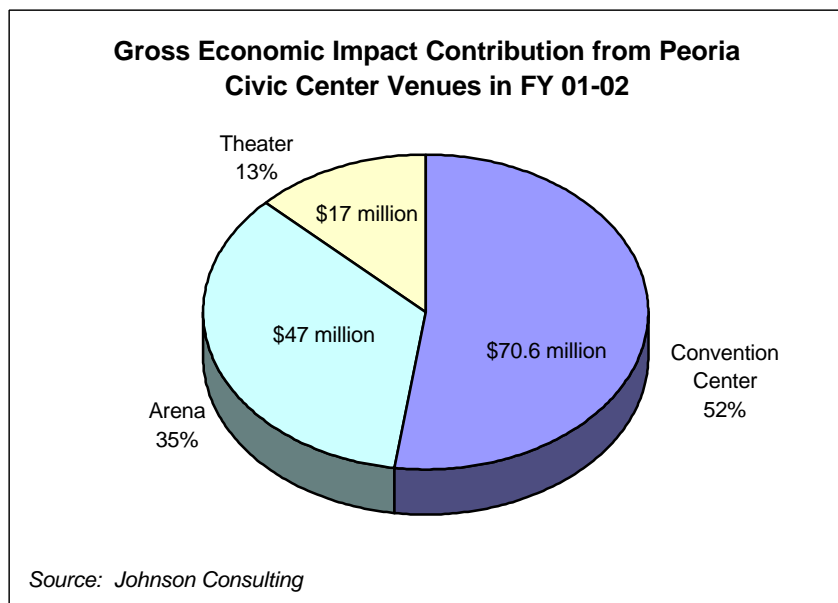
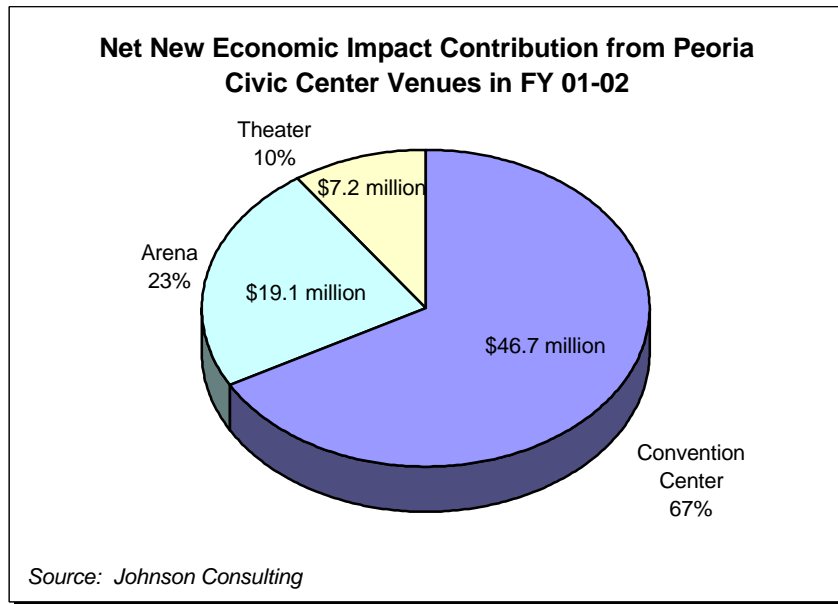


Figure 2-2



As shown on the figures above, the Convention Center, Arena, and Theater comprise 52 percent, 35 percent, and 13 percent, respectively, of the PCC's gross economic impacts. On the net new basis, the economic impact contribution is 67 percent from the Convention Center, 23 percent from the Arena, and ten percent from the Theater.

### Fiscal Impact Analysis

Based on the gross spending figure above, Johnson Consulting estimated the fiscal impacts on sales tax, hotel/restaurant/amusement tax to the State, County, and City. Table 2-8 summarizes the fiscal impact estimates.

Table 2-8

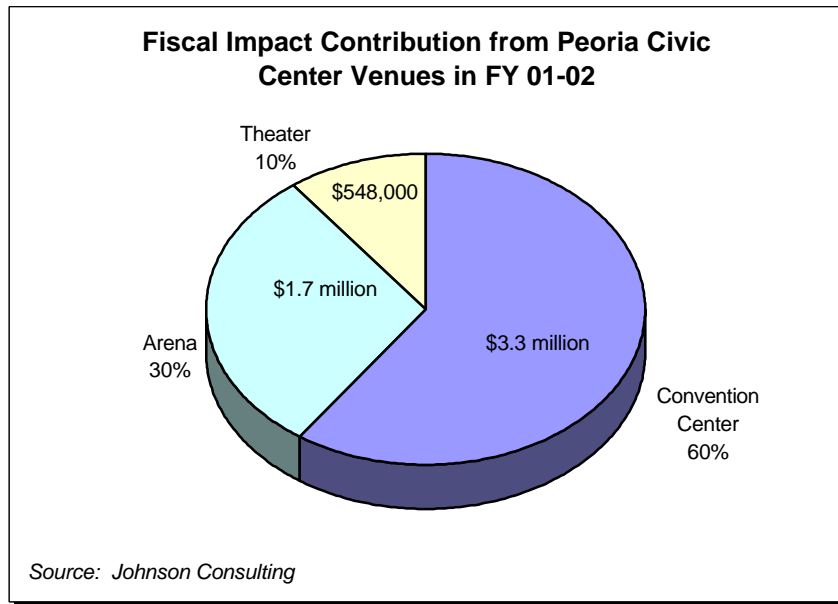
Estimates of Annual Incremental Fiscal Impact in FY 01-02						
	Taxable Spending (in \$000's)	Tax Rate	Tax Revenues (In \$000's)			
			To State	To County	To City	Total
General Sales Tax						
State Sales Tax	\$57,017 <sup>1</sup>	6.25%	\$3,564	-	-	\$3,564
County Sales Tax	\$57,017	0.25%	-	\$143	-	\$143
City Sales Tax	\$57,017	1.50%	-	-	\$855	\$855
Total Sales Tax		8.00%	\$3,564	\$143	\$855	\$4,561
Hotel Occupancy Tax (In addition to the 8% sales tax)	\$5,850 <sup>2</sup>	5.50%	-	-	\$322	\$322
Restaurant Tax (In addition to the 8% sales tax)	\$24,648 <sup>3</sup>	2.00%	-	-	\$493	\$493
Amusement Tax on Tickets (Tickets are not subject to the 8% sales tax)	\$9,122 <sup>4</sup>	2.00%	-	-	\$182	\$182
			\$3,564	\$143	\$1,852	\$5,558

<sup>1</sup> Includes spending on eating and drinking, lodging, shopping, and other.  
<sup>2</sup> Includes spending on lodging only.  
<sup>3</sup> Includes spending on eating and drinking only.  
<sup>4</sup> Includes spending on admission tickets only, except tickets for local arts groups' performances.  
Source: Johnson Consulting

As the table shows, the \$76.7 million in direct spending generated by events hosted by the PCC in FY01-02 resulted in approximately \$5.6 million in tax revenues at the City, County and State levels. Due to the proportion of the sales tax collected by the State, it was the greatest beneficiary of the PCC's fiscal impacts, collecting approximately \$3.6 million of general sales tax revenue. At the City level, the activities generated approximately \$1.9 million, while the County received approximately \$143,000 of general sales tax revenue.

On a per facility basis, the Convention Center generated approximately 60 percent of the total fiscal impacts (\$3.3 million) compared with 30 percent for the Arena (\$1.7 million) and ten percent for the Theater (\$548,000). Figure 2-3 illustrates the fiscal impact contribution of the Convention Center, Arena, and Theater.

Figure 2-3



## Conclusion

The economic and fiscal impacts generated by the Peoria Civic Center confirm the value of the facility to the community. Based on the level of impacts, it is evident that the facility is far more than a venue for entertainment, rather it should be viewed as a significant contributor to the local economy that not only supports jobs, but also provides an important source of revenue for the City, County, and State. However, based on its age and size, the PCC is limited in its ability to extend its impacts. The preceding analysis supports the recommendations in the masterplan that the facility should be modernized and expanded. In so doing, not only will the community realize a more vital facility, it will also benefit from increased economic and fiscal capacity.

An equally important consideration is the level of return the facility is providing to various levels of government. Based on the tax structure in the Peoria market, the State realizes a significant amount of revenue from this facility, without sharing in the capital or operational obligations. As redevelopment of the facility is pursued, the exploration of legislation that would provide for a return (or rebate) of those tax resources to the community for facility should be evaluated.

### **III. IMPACT OF SELECTED CIVIC CENTER EVENTS**

## **IMPACT OF SELECTED CIVIC CENTER EVENTS**

In order to demonstrate the range of impacts generated by events in each of the Peoria Civic Center's (PCC) respective venues, Johnson Consulting analyzed three events that were held in the PCC. The objective of this analysis was to show the magnitude of the economic contribution associated with each venue in order to provide a benchmark by which to evaluate redevelopment priorities, or for establishing event support mechanisms (e.g. event subsidy programs).

Johnson Consulting worked with the PCC and the Peoria Area Convention and Visitors Bureau (PACVB) to identify several representative events for each venue. The event list was then refined to focus on events that are "typical" in their activity for each venue, in order to ensure the analysis was representative of actual impacts. The event promoters or planners were then interviewed and a survey was conducted in order to develop an event profile. The analysis then focused on the following events: Illinois Great Rivers Annual Conference (held at the Convention Center), Nelly In Concert (held at the Arena), and a performance by the Peoria Symphony Orchestra (held at the Theater).

Similar to the methodology described in Section 2 of this report, the economic and fiscal impact analysis for the selected events presents the impacts in direct, indirect, and induced spending, as well as the increase in personal income (or increased earnings), and the number of jobs supported. Once again, this analysis differentiates impacts from spending by local residents and by people coming from out-of-town and defines the PCC event's overall impact in terms of both new spending (to City, County, metro area, and State of Illinois) and transfer spending.

### **Summary of Findings**

Table 3-1 summarizes the findings of the economic impact analysis for the three representative events.

Table 3-1

Estimated Impacts of Representative Events in FY 01-02						
	Economic Impact (\$Thousands)					Gross Total (f)
	From Transfer Spending by Locals	Net New to City	Net New to County	Net New to MSA	Net New to State	
	(a)	(b)	(c)	(d)	(e)	
<b>Convention Center Event</b>						
<b>Illinois Great Rivers Annual Conference, June 2002</b>						
Direct, Indirect, and Induced Spending	\$811	\$1,527	\$898	\$702	\$144	\$2,338
Personal Income	\$179	\$333	\$179	\$138	\$29	\$512
Employment (in FTE)	7.4	13.2	10.8	8.6	1.3	20.6
<b>Arena</b>						
<b>Nelly In Concert, January 2002</b>						
Direct, Indirect, and Induced Spending	\$148	\$468	\$293	\$204	\$118	\$616
Personal Income	\$33	\$102	\$58	\$40	\$24	\$135
Employment (in FTE)	1.4	4.3	3.5	2.3	1.0	5.8
<b>Theater</b>						
<b>Peoria Symphony Orchestra - Russian Masterpieces, October 2001</b>						
Direct, Indirect, and Induced Spending	\$241	\$82	\$28	\$10	\$4	\$323
Personal Income	\$53	\$18	\$6	\$2	\$1	\$71
Employment (in FTE)	2.3	0.7	0.0	0.0	0.0	3.1
<i>Notes:</i>						
<i>Column (a) represents economic impact from spending by City residents.</i>						
<i>Column (b) represents economic impact from spending by all out-of-City visitors.</i>						
<i>Column (c) is a subset of Column (b). It expresses economic impact from spending by all out-of-County visitors.</i>						
<i>Column (d) is a subset of Column (c). It expresses economic impact from spending by all out-of-MSA visitors.</i>						
<i>Column (e) is a subset of Column (d). It expresses economic impact from spending by all out-of-State visitors.</i>						
<i>Column (f) represents total economic impact from spending by locals and non-locals.</i>						
<i>Column (f) = Column (a) + Column (b).</i>						
<i>Source: Johnson Consulting</i>						

As shown in the table, it is estimated that the four-day Illinois Great Rivers Annual Conference (held in June 2002 in the Convention Center) generated approximately \$2.3 million in total spending, \$512,000 in increased earnings, and approximately 21 jobs. It is estimated that the one-day event in Carver Arena (Nelly In Concert, January 2002) generated approximately \$616,000 in total spending, \$135,000 in increased earnings, and approximately 6 jobs. For a two-day performance of the Russian Masterpieces by the Peoria Symphony Orchestra in October 2001, the estimated impacts are \$323,000 in total spending, \$71,000 in increased earnings, and approximately three jobs.

Table 3-2 summarizes the findings of the fiscal impact analysis for the three events profiled.

Table 3-2

<b>Estimates of Annual Incremental Fiscal Impact of Three Representative Events in FY 01-02</b>			
	<b>Tax Revenues (In \$000's)</b>		
	<b>Illinois Great Rivers Annual Conference, June 2002</b>	<b>Nelly In Concert, January 2002</b>	<b>Peoria Symphony Orchestra - Russian Masterpieces, October 2001</b>
	<b>at Convention Center</b>	<b>at Arena</b>	<b>at Theater</b>
General Sales Tax	\$96	\$17	\$9
Hotel Occupancy Tax	10	2	1
Restaurant Tax	11	2	1
Amusement Tax on Tickets	0	2	0
<b>Total</b>	<b>\$117</b>	<b>\$23</b>	<b>\$10</b>

Source: Johnson Consulting

As shown in the above table, is estimated that the conference event at the PCC Convention Center generated a total of \$117,000 in fiscal benefits. The estimated fiscal impact of Nelly in Concert is \$23,000, while the estimate for the PSO performances is \$10,000 in total fiscal impacts.

The balance of this section presents the data and assumptions upon which the preceding summary information is based.

**Peoria Civic Center Convention Center**

As reported in Section 2, in FY01-02, the PCC Convention Center hosted 21 conventions, 11 trade shows, 18 consumer shows, three concerts or entertainment events, seven sporting events, and 107 "other" events. These events generated nearly 260,000 visitors, including the exhibitors. These events are estimated to have generated an estimated \$70.6 million in direct, indirect, and induced spending, \$15.6 million in increased earnings, 629 jobs, and \$3.3 million in tax revenues. When expressed as a proportion of the PCC's overall impacts the Convention Center generated 52 percent of gross economic impact (or 67 percent of net new) and 60 percent of fiscal impact.

Among the various categories of events in the exhibit hall, conventions/trade shows generally generate the highest economic impacts based on the size and duration of the event, as well as the percentage of attendees and exhibitors who

come from out of the City, County, MSA, and State. As conventions/tradeshows are the highest priority in terms of event targeting for the PCC and the PACVB, the representative event profiled for this analysis was selected from this event category.

## Event Profile

*The Illinois Great Rivers Annual Conference* is organized by the United Methodist Church. This annual event, which runs for four days/three nights, was staged in the PCC Convention Center June 6-9, 2002. The event was attended by clergy and laity United Methodists primarily from central and southern Illinois, with a small number of attendees from proximate areas in neighboring states. Approximately 1,800 to 2,000 individuals attended the 2002 conference, but many attendees were accompanied by spouses or guests, bringing the overall number of visitors to Peoria expressly for the conference to approximately 2,400.

Conference attendees reportedly used 13 area hotels and generated between 800 and 900 rooms per night, based on the event day. The reported average room rate was \$70. While discrete data on attendee spending per day is not available, the event organizer reported the majority of the attendees ate their meals either at their hotels, in area restaurants, or the PCC, as part of the conference. Exhibits at this event were informational, as the conference did not (and does not) allow vendors. Nonetheless, there were 70 exhibitors at the 2002 conference, each paying the PCC between \$5 to \$7 for their display tables. The event was not open to the public.

Drawing on the information above, Johnson Consulting developed the following event profile, which was used to estimate the economic and fiscal impacts of the 2002 Illinois Great Rivers Annual Conference:

- *Total attendance:* 2,400 people, including spouses and guests,
- *Attendee Origin:* 60 percent of the attendees came from outside the City, 40 percent from outside the County, 30 percent from outside the MSA, and only five percent from outside the State of Illinois,
- *Lodging:* Of the out-of-town attendees, 60 percent stayed at hotels and motels,
- *Spending:* On average, daily spending is \$190.70 per attendee. This breaks down to \$14.90 for local transportation, \$56.20 for eating and drinking, \$70 for lodging, \$24.30 for general retail, and \$26.30 on other spending. It is assumed that local attendees exhibit similar spending habits, except for lodging.

Economic Impact Analysis

Based on the above assumptions, Johnson Consulting estimated the number of person-days, both local and new to the City, County, MSA, and State. Table 3-3 shows the resulting estimate of the number of person days and room nights.

**Table 3-3**

Estimate of New Person Days and Room Nights - IL Great Rivers Annual Conference, June 2002								
	# of Persons	Average Length of Stay	# of Person Days					# of Room Nights
			Local	From Outside City	From Outside County	From Outside MSA	From Outside State	
			(a)	(b)	(c)	(d)	(e)	
Illinois Great Rivers Annual Conference	2,400	4.0	3,840	5,760	3,840	2,880	480	2,592

Notes:  
 Column (c) represents the estimated person-days from attendees who are City residents.  
 Column (d) represents the estimated person-days from attendees who are out-of-City visitors.  
 Column (e) is a subset of Column (d). It expresses the estimated person-days from out-of-County visitors.  
 Column (f) is a subset of Column (e). It expresses the estimated person-days from out-of-MSA visitors.  
 Column (g) is a subset of Column (f). It expresses the estimated person-days from out-of-State visitors.  
 Source: United Methodist Church, Johnson Consulting

As shown on the table, it is estimated that the Illinois Great Rivers Annual Conference generated approximately 3,840 local person-days and 5,760 new person-days from out-of-city visitors, including 3,840 person-days from out-of-County visitors, 2,880 person-days from out-of-MSA visitors, and 480 person-days from out-of-state visitors. These visitors are estimated to generate 2,592 room nights.

As the basis for the direct spending estimate, Johnson Consulting used an average daily spending amount of \$190.70 per attendee. Table 3-4 shows the estimated economic impact of the four-day Illinois Great Rivers Annual Conference.

Table 3-4

Estimated Impacts of the Illinois Great Rivers Annual Conference, June 2002						
	Economic Impact (\$Thousands)					Gross Total
	From Transfer Spending by Locals	Net New to City	Net New to County	Net New to MSA	Net New to State	
	(a)	(b)	(c)	(d)	(e)	
Direct Spending						
Transportation	\$57	\$86	\$57	\$43	\$7	\$143
Eating and Drinking	216	324	216	162	27	540
Lodging	0	181	97	91	18	181
Shopping	93	140	93	70	12	233
Other	97	146	97	73	12	243
Total Direct Spending	\$463	\$877	\$560	\$438	\$76	\$1,340
Indirect Spending	\$135	\$255	\$139	\$111	\$29	\$389
Induced Spending	213	395	198	153	39	608
Total Spending	\$811	\$1,527	\$898	\$702	\$144	\$2,338
Personal Income	\$179	\$333	\$179	\$138	\$29	\$512
Employment (in FTE)	7.4	13.2	10.8	8.6	1.3	20.6

Notes:

Column (a) represents economic impact from spending by City residents.  
 Column (b) represents economic impact from spending by all out-of-City visitors.  
 Column (c) is a subset of Column (b). It expresses economic impact from spending by all out-of-County visitors.  
 Column (d) is a subset of Column (c). It expresses economic impact from spending by all out-of-MSA visitors.  
 Column (e) is a subset of Column (d). It expresses economic impact from spending by all out-of-State visitors.  
 Column (f) represents total economic impact from spending by locals and non-locals.  
 Column (f) = Column (a) + Column (b).  
 Source: Johnson Consulting

As shown in the table, it is estimated that the four-day Illinois Great Rivers Annual Conference, organized by the United Methodist Church, generated approximately \$1.3 million of direct spending activity to the City, based on local and out-of-town visitors. Total (gross) economic impact of the conference event is approximately \$2.3 million in spending, \$512,000 in increased earnings, and approximately 21 jobs.

Table 3-4 also shows the proportion of impacts that are estimated as new to the City, County, MSA, and State. As shown on the table, the conference's estimated net new impact to the City of Peoria is approximately \$1.5 million in spending, \$333,000 in increased earnings, and 13 jobs. Net new impact to Peoria County is estimated at approximately \$898,000 in spending, \$179,000 in increased earnings, and 11 jobs. The net new impact to the Peoria MSA is estimated at approximately \$702,000 in spending, \$138,000 in increased earnings, and nine jobs. Estimated net

new impact to the State of Illinois is approximately \$144,000 in spending, \$29,000 in increased earnings, and one job.

### Fiscal Impact Analysis

Based on the spending figure above, Johnson Consulting developed estimates of the fiscal impacts of the conference as expressed through sales tax, hotel occupancy tax, restaurant tax, and amusement tax. Table 3-5 summarizes the fiscal impact estimates.

**Table 3-5**

Estimates of Annual Fiscal Impact - Illinois Great Rivers Annual Conference, June 2002						
	Taxable Spending (in \$000's)	Tax Rate	Tax Revenues (In \$000's)			
			To State	To County	To City	Total
General Sales Tax						
State Sales Tax	\$1,197 <sup>1</sup>	6.25%	\$75	-	-	\$75
County Sales Tax	\$1,197	0.25%	-	\$3	-	\$3
City Sales Tax	\$1,197	1.50%	-	-	\$18	\$18
Total Sales Tax		8.00%	\$75	\$3	\$18	\$96
Hotel Occupancy Tax <i>(In addition to the 8% sales tax)</i>	\$181 <sup>2</sup>	5.50%	-	-	\$10	\$10
Restaurant Tax <i>(In addition to the 8% sales tax)</i>	\$540 <sup>3</sup>	2.00%	-	-	\$11	\$11
Amusement Tax on Tickets <i>(Tickets are not subject to the 8% sales tax)</i>	\$0 <sup>4</sup>	2.00%	-	-	\$0	\$0
			\$75	\$3	\$39	\$117

<sup>1</sup> Includes spending on eating and drinking, lodging, shopping, and other.  
<sup>2</sup> Includes spending on lodging only.  
<sup>3</sup> Includes spending on eating and drinking only.  
<sup>4</sup> Includes spending on admission tickets only.  
Source: Johnson Consulting

As shown in the above table, it is estimated the \$1.3 million in direct spending associated with the four-day conference generated \$75,000 in general sales tax revenue to the State, \$3,000 of general sales tax revenue to the County, and \$39,000 of tax revenue to the City (from general sales tax, hotel occupancy tax, restaurant tax, and amusement tax). Total annual fiscal impact is \$117,000.

### Peoria Civic Center Arena

In FY01-02, Carver Arena hosted 20 concerts and entertainment events, 68 sporting events, and three "other" events. These events generated nearly 500,000 visitors, including the performers and athletes. As reported in Section 2, these events generated an estimated \$47 million in direct, indirect, and induced spending, \$10.5

million in increased earnings, 444 jobs, and \$1.7 million in tax revenues. When expressed as a proportion of the PCC's overall impacts the Arena generated 35 percent of gross economic impact (or 23 percent of net new) and 30 percent of fiscal impact.

## Event Profile

While concert activity does not generate the highest level of impact for event categories hosted in the arena (conventions hold that distinction), concert activity comprises a large percentage of the calendar, and draws from a large geographic range. Based on these factors, Johnson Consulting developed an event profile for "Nelly In Concert." Staged in Carver Arena on January 19, 2002, the concert was produced and promoted by Steve Litman Presents. The concert was attended by 4,887 people, with an expectation that the vast majority came from central Illinois counties. The majority of attendees did not stay overnight in Peoria, but many had dinner or drinks before and/or after the concert.

As concerts are highly stylized events, the size and breadth of the production team represents a large impact category. According to data collected by the PCC and supplemented through the survey to the promoter, the event utilized a production staff of 85, including the band, back-up singers, dancers, sound technicians, stage production team, merchandise managers, and other support personnel. Reports indicate the production required one move-in day and one move-out day. The production team came from outside Peoria, but local labor and the PCC event management staff were involved in staging the concert.

Based on the above information, Johnson Consulting developed the following event profile for Nelly In Concert:

- *Total Attendance: 4,887,*
- *Attendee Origin: 70 percent of event attendees came from outside the City, including 40 percent from outside the County, 20 percent from outside the MSA, and ten percent from outside the State of Illinois, while the remaining 30 percent came from the City of Peoria,*
- *Lodging: only 40 percent of the out-of-MSA attendees stayed overnight in hotels/motels,*
- *Production Staff: 85 staff, all came from outside Peoria metro area, 40 percent came from outside Illinois. Each required lodging accommodations for three days, two nights,*
- *Average Daily Spending:*

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- Out-of-town attendees' average daily spending is \$133.30, including \$19.80 spent for tickets, \$7.40 for local transportation, \$13.50 for eating and drinking, \$75.90 for lodging, \$12.20 for general retail, and \$4.50 for "other" spending,
- Production staff's average daily spending is \$189.10 per person, including \$7.40 spent for local transportation, \$56.20 for eating and drinking, \$75.90 for lodging, \$24.30 for general retail, and \$25.30 for other spending,
- Local attendees are assumed to have exhibited similar spending characteristics, except for lodging.

## Economic Impact Analysis

Based on the above assumptions, Johnson Consulting estimated the number of person-days, both local and those that are new to the City, County, MSA, and State, for the basis of the economic impact estimate. Table 3-6 shows the resulting estimate of the number of person days and room nights from the concert patrons, performers, and staff.

**Table 3-6**

Estimate of New Person Days and Room Nights - Nelly In Concert, January 2002								
	# of Persons	Average Length of Stay	# of Person Days					# of Room Nights
			Local	From Outside City	From Outside County	From Outside MSA	From Outside State	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Nelly In Concert								
Concert Patrons	4,887	1.0	1,466	3,421	1,955	977	489	391
Performers and Staff	85	3.0	0	255	255	255	102	170
Total	4,972		1,466	3,676	2,210	1,232	591	561

Notes:  
 Column (c) represents the estimated person-days from attendees who are City residents.  
 Column (d) represents the estimated person-days from attendees who are out-of-City visitors.  
 Column (e) is a subset of Column (d). It expresses the estimated person-days from out-of-County visitors.  
 Column (f) is a subset of Column (e). It expresses the estimated person-days from out-of-MSA visitors.  
 Column (g) is a subset of Column (f). It expresses the estimated person-days from out-of-State visitors.  
 Source: Steve Litman Presents, Johnson Consulting

As shown on the table, it is estimated Nelly in Concert generated 1,466 local person-days and 3,676 new person-days from out-of-City visitors (i.e., concert-goers, performers, and production staff), including 2,210 person-days from out-of-

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County visitors, 1,232 person-days from out-of-MSA visitors, and 591 person-days from out-of-state visitors. It is estimated these visitors generated 561 room nights.

As the basis for the direct spending estimate, Johnson Consulting used an average daily spending figure of \$133.30 per concert attendee and \$189.20 per performer or staff member. Table 3-7 shows the estimated economic impact of the concert event.

**Table 3-7**

Estimated Impacts of Nelly Concert, January 2002						
	Economic Impact (\$Thousands)					Gross Total
	From	Net New to	Net New to	Net New to	Net New to	
	Transfer	City	County	MSA	State	
Spending						
by Locals						
(a)	(b)	(c)	(d)	(e)	(f)	
Direct Spending						
Ticket/ Admission	\$29	\$68	\$39	\$19	\$10	\$97
Transportation	11	27	16	9	4	38
Eating and Drinking	20	61	41	28	12	80
Lodging	0	43	43	43	24	43
Shopping	18	48	30	18	8	66
Other	7	22	15	11	5	28
Total Direct Spending	\$84	\$268	\$184	\$128	\$64	\$352
Indirect Spending	\$25	\$79	\$45	\$32	\$23	\$103
Induced Spending	39	121	64	44	32	160
Total Spending	\$148	\$468	\$293	\$204	\$118	\$616
Personal Income	\$33	\$102	\$58	\$40	\$24	\$135
Employment (in FTE)	1.4	4.3	3.5	2.3	1.0	5.8

Notes:

Column (a) represents economic impact from spending by City residents.

Column (b) represents economic impact from spending by all out-of-City visitors.

Column (c) is a subset of Column (b). It expresses economic impact from spending by all out-of-County visitors.

Column (d) is a subset of Column (c). It expresses economic impact from spending by all out-of-MSA visitors.

Column (e) is a subset of Column (d). It expresses economic impact from spending by all out-of-State visitors.

Column (f) represents total economic impact from spending by locals and non-locals.

Column (f) = Column (a) + Column (b).

Source: Johnson Consulting

As shown in the table, it is estimated the one-day concert generated approximately \$352,000 in direct spending activity to the City, from both locals and out-of-town visitors. The total (gross) economic impact of the concert event was approximately \$616,000 in spending, \$135,000 in increased earnings, and approximately six jobs.

Table 3-7 also indicates the proportion of impacts new to the City, County, MSA, and State. The concert's estimated net new impact to the City of Peoria is \$468,000

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in spending, \$102,000 in increased earnings, and approximately four jobs. The estimated net new impact to Peoria County is approximately \$293,000 in spending, \$58,000 in increased earnings, and approximately three jobs. The estimated net new impact to the Peoria MSA is approximately \$204,000 in spending, \$40,000 in increased earnings, and approximately two jobs. For the State of Illinois, the estimated net new impact is approximately \$118,000 in spending, \$24,000 in increased earnings, and one job.

## Fiscal Impact Analysis

Based on the spending figures reported above, Johnson Consulting estimated the fiscal impacts of the concert as expressed through sales tax, hotel occupancy tax, restaurant tax, and amusement tax at the State, County, and City levels. Table 3-8 summarizes the fiscal impacts.

**Table 3-8**

Estimates of Annual Fiscal Impact - Nelly In Concert, January 2002						
	Taxable Spending (in \$000's)	Tax Rate	Tax Revenues (In \$000's)			
			To State	To County	To City	Total
General Sales Tax						
State Sales Tax	\$217 <sup>1</sup>	6.25%	\$14	-	-	\$14
County Sales Tax	\$217	0.25%	-	\$1	-	\$1
City Sales Tax	\$217	1.50%	-	-	\$3	\$3
Total Sales Tax		8.00%	\$14	\$1	\$3	\$17
Hotel Occupancy Tax <i>(In addition to the 8% sales tax)</i>	\$43 <sup>2</sup>	5.50%	-	-	\$2	\$2
Restaurant Tax <i>(In addition to the 8% sales tax)</i>	\$80 <sup>3</sup>	2.00%	-	-	\$2	\$2
Amusement Tax on Tickets <i>(Tickets are not subject to the 8% sales tax)</i>	\$97 <sup>4</sup>	2.00%	-	-	\$2	\$2
			\$14	\$1	\$9	\$23

<sup>1</sup> Includes spending on eating and drinking, lodging, shopping, and other.  
<sup>2</sup> Includes spending on lodging only.  
<sup>3</sup> Includes spending on eating and drinking only.  
<sup>4</sup> Includes spending on admission tickets only.  
Source: Johnson Consulting

As the table shows, the total estimated fiscal impact of Nelly in Concert is \$23,000. This figure is based on estimates that the \$352,000 in direct spending resulting from the concert generated \$14,000 of general sales tax revenue for the State, \$1,000 of general sales tax revenue for the County, and \$9,000 of tax revenue for the City (from general sales tax, hotel occupancy tax, restaurant tax, and amusement tax).

## Peoria Civic Center Theater

In FY01-02, the PCC Theater hosted a total of 53 events, attracting approximately 160,000 attendees, including the performers. These events included one convention, 46 performances, and six "other" events. As reported in Section 2, it is estimated that events in the Theater generated \$17 million in direct, indirect, and induced spending, \$3.7 million in increased earnings, 164 jobs, and \$566,000 in tax revenues. When expressed as a proportion of the PCC's overall impacts, the Theater generated 13 percent of gross economic impact (or ten percent of net new) and ten percent of fiscal impact.

### Event Profile

As a representative event to be analyzed, Johnson Consulting and the PCC selected the Peoria Symphony Orchestra's "Russian Masterpieces" series, held in the Theater October 19-21, 2001. The PSO performed to a nearly sold-out audience (on average, 2,133 sold tickets out of 2,194 seats) on its Saturday performance and to 567 people on its Sunday matinee show. According to a PSO representative, approximately 80 percent of patrons came from within the City of Peoria. The production involved 85 performers and five production staff, who are assumed to have stayed for three days (one rehearsal day and two show days). Discrete spending data per patron is not available, but it is anticipated that many of the attendees also had dinner or drinks before or after the concert.

Based on the above information, Johnson Consulting developed the following event profile:

- *Total Attendance:* 2,700 patrons for two performances,
- *Attendee Origin:* Of the 20 percent of out-of-town patrons, eight percent were from outside the County, three percent from outside MSA, and one percent from outside the State,
- *Performers and Production Staff:* Approximately 20 percent of the performers and production staff live outside the City, but within the County, and eight percent from within the MSA,
- *Lodging:* Of the out-of-town patrons, only 25 percent required lodging accommodations, and the ratio for the performers and staff is 90 percent,
- *Spending:*
  - Out-of-town patrons' average daily spending is \$132.90 per patron, including \$19.40 spent for theater tickets, \$7.40 for local transportation,

\$13.50 for eating and drinking, \$75.90 for lodging, \$12.20 for general retail, and \$4.50 for other spending,

- Average daily spending of performers and staff is \$140.00 per person, including \$7.40 spent for local transportation, \$40 for eating and drinking, \$75.90 for lodging, \$12.20 for general retail, and \$4.50 for other spending,
- Locals are assumed to have exhibited similar spending characteristics, except for lodging.

### Economic Impact Analysis

Based on the above assumptions, Johnson Consulting developed estimates on the number of new person-days to the City, County, MSA, and State. This estimates served as the basis for the economic impact analysis. Table 3-9 shows the resulting estimate of the number of patrons, performers and production staff, non-local person days, and non-local room nights.

**Table 3-9**

Estimate of New Person Days and Room Nights - PSO - Russian Masterpieces								
	# of Persons	Average Length of Stay	# of Person Days					# of Room Nights
			Local	From Outside City	From Outside County	From Outside MSA	From Outside State	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Peoria Symphony Orchestra - Russian Masterpieces								
Patrons	2,700	1.0	2,160	540	216	81	27	135
Performers and Staff	90	3.0	216	54	22	0	0	32
Total	2,790		2,376	594	238	81	27	167

Notes:  
 Column (c) represents the estimated person-days from attendees who are City residents.  
 Column (d) represents the estimated person-days from attendees who are out-of-City visitors.  
 Column (e) is a subset of Column (d). It expresses the estimated person-days from out-of-County visitors.  
 Column (f) is a subset of Column (e). It expresses the estimated person-days from out-of-MSA visitors.  
 Column (g) is a subset of Column (f). It expresses the estimated person-days from out-of-State visitors.  
 Source: Peoria Symphony Orchestra, Johnson Consulting

As shown on the table, it is estimated that this PSO series (two shows) generated approximately 2,376 local person-days and 594 person-days from out-of-City visitors (patrons, performers, and staff), including 238 person-days from out-of-County visitors, 81 person-days from out-of-MSA visitors, and 27 person-days from out-of-state visitors. It is estimated these visitors generated 167 room nights.

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As the basis for direct spending estimates, Johnson Consulting used the average daily spending figures of \$132.90 per out-of-town patron and \$140.00 per out-of-town performers or staff. Table 3-10 shows the estimated economic impact of two days of PSO performances.

**Table 3-10**

<b>Estimated Impacts of the Peoria Symphony Orchestra - Russian Masterpieces, October 2001</b>						
	<b>Economic Impact (\$Thousands)</b>					<b>Gross Total</b>
	<b>From Transfer Spending by Locals</b>	<b>Net New to City</b>	<b>Net New to County</b>	<b>Net New to MSA</b>	<b>Net New to State</b>	
	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
Direct Spending						
Ticket/ Admission	\$42	\$10	\$4	\$2	\$1	\$52
Transportation	18	4	2	1	0	22
Eating and Drinking	38	9	4	1	0	47
Lodging	0	13	4	2	1	13
Shopping	29	7	3	1	0	36
Other	11	3	1	0	0	13
Total Direct Spending	\$137	\$47	\$18	\$6	\$2	\$184
Indirect Spending	\$41	\$14	\$4	\$2	\$1	\$55
Induced Spending	63	21	6	2	1	84
Total Spending	\$241	\$82	\$28	\$10	\$4	\$323
Personal Income	\$53	\$18	\$6	\$2	\$1	\$71
Employment (in FTE)	2.3	0.7	0.0	0.0	0.0	3.1

*Notes:*  
 Column (a) represents economic impact from spending by City residents.  
 Column (b) represents economic impact from spending by all out-of-City visitors.  
 Column (c) is a subset of Column (b). It expresses economic impact from spending by all out-of-County visitors.  
 Column (d) is a subset of Column (c). It expresses economic impact from spending by all out-of-MSA visitors.  
 Column (e) is a subset of Column (d). It expresses economic impact from spending by all out-of-State visitors.  
 Column (f) represents total economic impact from spending by locals and non-locals.  
 Column (f) = Column (a) + Column (b).  
 Source: Johnson Consulting

As shown in the table, it estimated that the two-day run of the PSO generated approximately \$184,000 of direct spending activity to the City. The total (gross) economic impact of the series is approximately \$323,000 in spending, \$71,000 in increased earnings, and approximately three jobs.

Table 3-10 also displays the proportion of impacts new to the City, County, MSA, and State. The series estimated net new impact to the City of Peoria is approximately \$82,000 in spending, \$18,000 in increased earnings, and one job. Net

new impact to the Peoria County is approximately \$28,000 in spending and \$6,000 in increased earnings. Net new impact to the Peoria MSA is approximately \$10,000 in spending and \$2,000 in increased earnings. Net new impact to the State of Illinois is approximately \$4,000 in spending and \$1,000 in increased earnings.

### Fiscal Impact Analysis

Based on the spending figures above, Johnson Consulting estimated the fiscal impacts of the PSO Series as expressed through sales tax, hotel occupancy tax, restaurant tax, and amusement tax at the State, County, and City levels. Table 3-11 summarizes the fiscal impacts.

**Table 3-11**

Estimates of Annual Fiscal Impact - Peoria Symphony Orchestra-Russian Masterpieces, October 2001						
	Taxable Spending (in \$000's)	Tax Rate	Tax Revenues (In \$000's)			
			To State	To County	To City	Total
General Sales Tax						
State Sales Tax	\$110 <sup>1</sup>	6.25%	\$6.8	-	-	\$6.8
County Sales Tax	\$110	0.25%	-	\$0.3	-	\$0.3
City Sales Tax	\$110	1.50%	-	-	\$1.6	\$1.6
Total Sales Tax		8.00%	\$6.8	\$0.3	\$1.6	\$8.8
Hotel Occupancy Tax <i>(In addition to the 8% sales tax)</i>	\$13 <sup>2</sup>	5.50%	-	-	\$0.7	\$0.7
Restaurant Tax <i>(In addition to the 8% sales tax)</i>	\$47 <sup>3</sup>	2.00%	-	-	\$0.9	\$0.9
Amusement Tax on Tickets <i>(Tickets are not subject to the 8% sales tax)</i>	\$0 <sup>4</sup>	2.00%	-	-	\$0.0	\$0.0
			\$6.8	\$0.3	\$3.3	\$10.4

<sup>1</sup> Includes spending on eating and drinking, lodging, shopping, and other.  
<sup>2</sup> Includes spending on lodging only.  
<sup>3</sup> Includes spending on eating and drinking only.  
<sup>4</sup> Performances by local arts groups are not subject to Amusement Tax.  
Source: Johnson Consulting

As the table shows, it is estimated that the \$184,000 in direct spending associated with the two-day PSO series generated \$6,800 in general sales tax revenue for the State, \$300 in general sales tax revenue for the County, and \$3,300 in tax revenue for the City (from general sales tax, hotel occupancy tax, restaurant tax, and amusement tax). Total annual fiscal impact is \$10,400.

## **Conclusion**

By design, the Convention Center is intended to attract the largest and longest events. In turn, it is the expectation that these events will stimulate economic and fiscal activity within the community. As the Illinois Great River Conference analysis indicates, that is precisely what the Convention Center is doing. And, despite their orientation toward local audiences, the impacts generated by events within Carver Arena and Theater are equally impressive.

## **IV. IMPACT OF CIVIC CENTER EXPANSION**

## **IMPACT OF CIVIC CENTER EXPANSION**

In addition to the ongoing impacts from the events occurring in the Peoria Civic Center (PCC), redevelopment (construction) of the facility would create one-time influxes of spending. Spending from construction also results in employment in many sectors of the local economy. The analysis in this section estimates the economic and fiscal impacts that would be generated by the expansion of the PCC.

For the purposes of this analysis, it is assumed that 75 percent of all construction spending would occur within the state and 50 percent would occur within the county. A share of the direct construction expenditures would leave each area because some purchases of construction materials, and possibly architectural services, would come from outside its boundaries. The impacts and employment effects directly attributable to design and construction activities are not imported into the economy in the same sense as the out-of-state spending impacts.

The analysis bases its estimates of the economic impact of expanding the PCC on the "working" expansion cost estimates of facility improvements as recommended in Peoria Civic Center Masterplan Analysis, submitted by Johnson Consulting to the Peoria Civic Center Authority in August, 2002.

### **Recommended Improvements**

Table 4-1 summarizes the recommended program for the enhanced PCC.

Table 4-1

Peoria Civic Center Expansion Program					
	Existing	Phase I		Phase II	
		Incremental	Total	Incremental	Total
<b>Convention Center (SF)</b>					
Exhibition Hall	63,668	41,300	105,000	40,000	145,000
Ballroom(s)	0	15,000	15,000	0	15,000
Meeting Rooms	17,453	10,000	27,500	10,000	37,500
Total	81,121	66,300	147,500	50,000	197,500
<b>Arena</b>					
Seating Capacity					
Basketball	12,066	-	12,066		
Hockey	9,000	-	9,000		
Luxury Suites	0	12	12		
Premium Seats	0	500	500		
Food Court (# of Booths)	0	6	6		
<b>Theater</b>					
Seating Capacity	2,194	-	2,194		
Corporate Lounge	0	1	1		

Source: Johnson Consulting, Conventional Wisdom

As shown in the table, it is recommended that the first phase of the expanded convention center will have 105,000 square feet of exhibit space, a minimum ballroom offering 15,000 square feet, and 10,000 square feet of additional meeting space, for a total of 27,500 square feet. Phase II will increase the size to 145,000 square feet of exhibit space, 15,000 square feet of ballroom(s), and 37,500 square feet of meeting rooms. For Carver Arena, it is recommended to add 12 luxury suites, or more if they can be provided within the facility, each with 16 seats, 500 club seats, and a food court configured out of the existing box office area. For the theater, it is recommended to add one corporate lounge. A complete description of the recommended improvements for the PCC appear in Section 6 of the Peoria Civic Center Masterplan Analysis Report, August 2002.

Table 4-2 displays the estimated range of capital costs for the execution of the masterplan on a phase-by-phase basis. These costs are preliminary estimates developed on a per square foot basis and based, in part, on the Consulting Team’s experience with previous projects. Actual costs may vary based on local conditions and final design solutions. All costs are presented in today’s dollars with no provision incorporated for escalation over time. In addition, these costs are limited in scope and do not include code or compliance reviews, environmental surveys or remediation, geotechnical surveys, site acquisition, legal costs, or deep foundation

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work. They also do not include currently budgeted capital improvement estimates under consideration for the complex.

**Table 4-2**

<b>Peoria Civic Center Expansion Preliminary Budget*</b>				
	<b>Phase I</b>		<b>Phase II</b>	
		<b>Budget</b>		<b>Budget</b>
<b>I. Convention Center</b>				
Exhibit Hall	(41,300 SF)	\$10,841,000	(40,000 SF)	\$10,500,000
Banquet Space and Kitchen	(15,000 SF)	9,000,000	(0 SF)	0
Meeting Space	(10,000 SF)	3,850,000	(10,000 SF)	3,850,000
Vertical Circulation		<u>2,000,000</u>		<u>0</u>
<b>Subtotal Construction</b>		<b>\$25,691,000</b>		<b>\$14,350,000</b>
Soft Costs Multiplier (Fees, FF&E and Contingency)		<u>\$7,707,000</u>		<u>\$4,305,000</u>
<b>Total</b>		<b>\$33,398,000</b>		<b>\$18,655,000</b>
<b>II. Arena</b>				
Luxury Suites and Club Seating Improvement:		\$2,687,500		
Spectator Support Improvement*		3,265,500		
Team Store		156,000		
Offices/Back of House Area		1,025,000		
Ticket Office		90,000		
Concourse Expansion		1,000,000		
System Improvements		<u>1,950,000</u>		
<b>Subtotal</b>		<b>\$10,174,000</b>		
Contingency (10 percent)		1,017,000		
Soft Costs (Fees, Surveys, Financing)		<u>1,373,000</u>		
<b>Total</b>		<b>\$12,564,000</b>		
<b>III. Theater</b>				
Corporate Suite, Restroom, and Equipment		\$3,000,000		
Back-of-House Improvements		1,000,000		
Contingency (10 percent)		<u>400,000</u>		
<b>Total</b>		<b>\$4,400,000</b>		
<b>IV. Public Space</b>				
Landscape and Hardscape		\$3,500,000		
Sculpture and Fountains		350,000		
Event Infrastructure		<u>350,000</u>		
<b>Total</b>		<b>\$4,200,000</b>		
<b>Total Project Budget</b>		<b><u>\$54,562,000</u></b>		<b><u>\$18,655,000</u></b>
<i>*Does not include current capital improvements.</i>				
<i>**Includes food court and locker room improvements.</i>				
<i>Source: Conventional Wisdom, Rosser International, Johnson Consulting</i>				

Based on the masterplan framework outlined in this section, the overall preliminary capital cost range is approximately \$55 million for Phase I, which includes adding 41,300 square feet of exhibit space, 15,000 square feet of ballroom, 10,000 square feet of meeting rooms to the convention center, 500 club seats, 12 luxury suites, and improvements to the arena, corporate lounge and improvements to the theater, and public space improvements. Phase II will add another 40,000 square feet of exhibit hall and 10,000 square feet of meeting rooms to the Convention center, and is expected to cost \$18.7 million.

**Economic and Fiscal Impact Analysis**

This analysis is limited to impacts from the construction only, which represents a one-time activity that is expected to occur over an approximately 18-month period. Table 4-3 shows the total direct spending and the estimated indirect and induced impacts that the expansion of the PCC will generate to the local economy.

**Table 4-3**

<b>Estimated Impacts of Expansion Activity</b>		
	<b>Economic and Fiscal Impact (in \$Millions)</b>	
	<b>Phase I</b>	<b>Phase II</b>
<b>Economic Impact</b>		
Direct Construction Spending	\$54.6	\$18.7
Indirect Spending	21.8	7.5
Induced Spending	17.2	5.9
<b>Total Spending</b>	<b>\$93.6</b>	<b>\$32.0</b>
Personal Income	\$29.0	\$9.9
Employment (in FTE)	336	115
<b>Fiscal Impact</b>		
General Sales Tax		
State Sales Tax	\$5.8	\$2.0
County Sales Tax	0.2	0.1
City Sales Tax	1.4	0.5
<b>Total Sales Tax</b>	<b>\$7.5</b>	<b>\$2.6</b>

*Source: Johnson Consulting*

The proposed Phase I expansion is projected to account for total direct, indirect, and induced spending of \$93.6 million, increased earnings of \$29 million, and 336 jobs. The Phase II expansion is projected to account for total direct, indirect, and induced spending of \$32 million, increased earnings of \$9.9 million, and 115 jobs. Because construction is a one-time event rather than an ongoing operation, these jobs are counted in “job-years” each representing one-year of work for one person.

The estimated fiscal impact from the eight-percent sales tax applied to the total spending is approximately \$7.5 million and \$2.6 million for Phase I and Phase II, respectively.

## **Conclusion**

Throughout this report, the role and contribution of the PCC to the local economy has been documented in a manner that illustrates its importance to the community. However, the facility needs to evolve as a physical entity in order to enhance its capacity as an economic resource. As the analysis in this section indicates, even through expansion, the PCC would generate significant return to the community in the form of tax resources, jobs, and spending income. The priority for the expansion is the convention center, but the evolution of the entire facility is warranted by the unsurpassed contributions the PCC makes to the community.