

Phoenix Convention Center Market Feasibility Study – F.A.Q.

January 2020



1. When will the Convention Center need to be expanded?

Based on current market data regarding space utilization, hotel inventory and demand; an expansion of the PCC should be considered more of a long-term priority, sometime within the next six to 10 years.

2. Does the City have the financial ability to expand the Convention Center sooner?

The level of bonding capacity necessary to support an expansion project does not currently exist without a dedicated source of funds.

3. Considering the South Building site future expansion concept in the Market Study, could the City entertain proposals for private development now and hold five acres for future Convention Center expansion?

While such a scenario is certainly possible, it would require the demolition of the existing South Building and could leave the City without a definite timeline for future development/replacement of our convention facility.

4. What impact would demolition of the South Building have on 1) current PCC operations and 2) the ability to market and book future convention business?

Demolition of the South Building would result in the loss of 143,400 square feet of rentable exhibition, meeting and ballroom space. Approximately 50 % of the existing public meetings and consumer show business in the South Building would be displaced to other venues in the region.

Convention business is contracted with the Convention Center and Hotels years in advance. The ability to provide a firm commitment of space and dates in the future is essential to successfully sell and book convention business.

5. In addition to the future expansion needs of the Convention Center, what other uses should be developed on the South Building site to support the City's convention industry?

Currently, the Phoenix market lacks sufficient convention quality hotel rooms. Development of one or more full-service convention hotels offering 800 - 1,200 rooms connected to or adjacent to the PCC is needed in the Downtown market and should be a considered near-term priority over the next five years.

A strategy to develop additional restaurant, bar, retail, entertainment and other hospitality amenities within a walkable district is also recommended near-term priority.

6. Is it possible to expand the Convention Center on another site?

The existing Convention Center facilities are effectively landlocked to the North, East and West. The South Building site is the only viable location for future expansion.

7. How would the Convention Center be expanded in the future?

The Market Study recommends a contiguous extension of the North Building upper exhibit hall across Washington Street to the South. The exhibit hall expansion would be 110,000 - 150,000 square feet in size. Ancillary meeting rooms, ballroom and support space would also be included.

8. Why is it necessary to connect the future expansion to the existing North Building?

85% of convention clients and meeting planners surveyed indicated that they require or prefer contiguous exhibition space.

The proposed expansion concept would result in two exhibit halls of at least 300,000 square feet, each of which would be able to

accommodate more than 90% of the convention and trade show market and would allow for optimal space utilization.

An expanded PCC coupled with 800 - 1,200 new convention hotel rooms will significantly increase our ability to remain competitive with other convention destinations who are expanding their facilities and/or adding hotel inventory.

9. Why is the future of the convention and visitor industry important to Phoenix residents?

The Convention Center generates more than \$300 million in direct visitor spending annually with a total annual economic impact of more than \$570 million derived from convention attendees, event organizers and exhibitors.

This spending supports hundreds of jobs in the tourism and hospitality industry and generates sales tax revenues that in turn are used to provide vital government services including police, fire, streets, parks, libraries, etc.

For more information, visit: phoenix.gov/conventioncenter