

## CONVENTION & CULTURAL FACILITIES

The mission of the Convention & Cultural Facilities is to ensure that San José's Convention and Cultural Facilities are effectively managed to reduce costs, improve the local economy, and add value to customers, residents, workers, and businesses within the City of San José.

## CONVENTION & CULTURAL FACILITIES

The City's Convention & Cultural Facilities (Facilities) house exhibitions, trade shows, and conferences. They are also home to concerts, plays, and other performances. These Facilities have been managed by Team San José since July 2004.

In 2011-12, the Convention and Cultural Facilities drew nearly one million people to events. The Facilities rely on support from the transient occupancy (hotel) taxes. Net operating losses totaled \$5.8 million in 2011-12, compared to \$4.1 million in 2010-11. Gross revenues from the facilities totaled \$19.4 million, 61 percent more than five years ago. Revenues have increased as a result of bringing new lines of business in-house such as food and beverage services and event production services.

In 2011-12, the Facilities employed 9 full time City employees, down from 86 five years ago. Team San José has changed the staffing model at the Facilities from a permanent full-time employment model to a variable labor model, as a result of prior net losses. A variable labor model allows the City to staff the Facilities during events only. Team San José has increased the budget for variable contract labor to account for occasional spikes in workload that may occur.

The Convention Center is currently undergoing renovation and expansion that has had minimal impact on current activities. The additional 125,000 square feet of new meeting/ballroom space will increase the Facilities total square footage to 550,000, with possible LEED silver certification.

### KEY FACTS (2011-12)

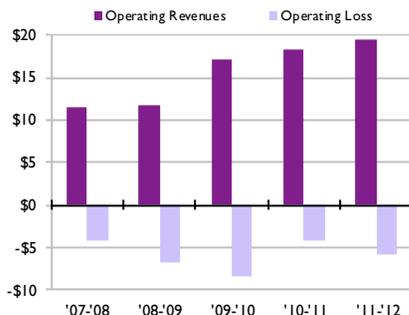
|  |         |
|--|---------|
| Events (e.g. conferences, exhibitions, concerts) | 285     |
| Total attendance at all events                   | 968,704 |
| Total out of town attendance                     | 57,463  |

### San Jose Convention Center Expansion and Renovation Opening Fall 2013



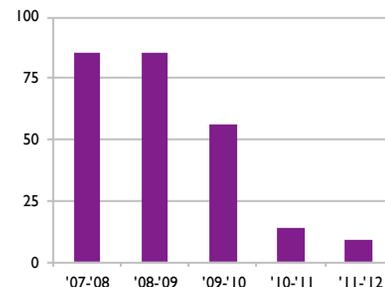
Source: San José Convention and Cultural Facilities website, [www.sanjose.org](http://www.sanjose.org).

#### Operating Revenue/Loss (\$millions)

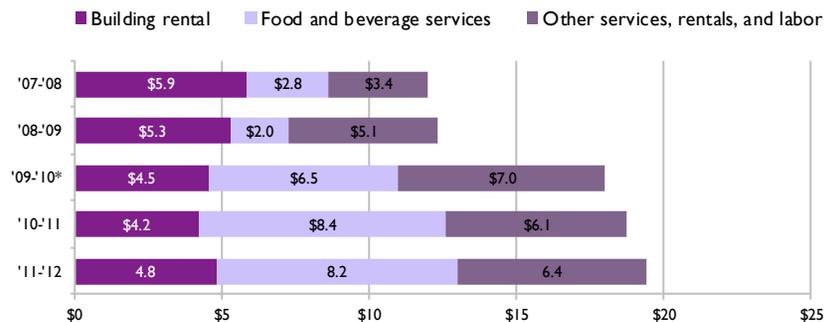


Source: Audited Financial Statements

#### Convention & Cultural Facilities Authorized Positions



#### Sources of Revenues (\$millions)



\* Food and beverage services were brought in-house in 2009-10.

City of San José- 2011-12 Service Efforts and Accomplishments Report

## CONVENTION & CULTURAL FACILITIES

The **Convention Facilities** include:

- McEnergy Convention Center
- Parkside Hall
- South Hall

The **Cultural Facilities** include:

- San José Civic
- Montgomery Theater
- California Theater
- Center for the Performing Arts

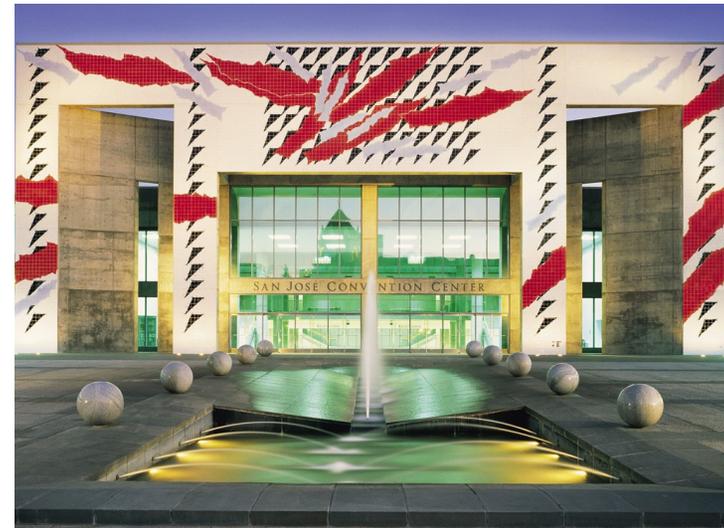
In 2011-12, the Convention & Cultural Facilities hosted 285 events overall. The Convention Facilities hosted 97 events which saw more than 502,519 visitors. These included professional conferences, trade shows, professional meetings, concerts and other events.

Events with the greatest overall attendance included the 2012 Silicon Valley International Auto Show (attendance: 181,351), the Tech Museum's "Islamic Science Rediscovered" (attendance, 59,283), and Mary Poppins (attendance 22,275). Events with the greatest out of town attendance included the Living Stream Ministry Annual Conference, the USA Taekwondo Junior and Senior National Championships, and the Golden State Cheer Competition.

The number of events at the facilities has dropped since 2007-08, but has remained steady for the past three years. Total attendance (including exhibitors) was about 968,704, down 1 percent from 2010-11 and down 42 percent from than five years ago. The Convention Center's overall occupancy rate was 58 percent, compared to 72 percent five years ago.

Customer satisfaction at the facilities has remained high, with 98 percent of customers rating overall service as good or excellent. This rating has been above 95 percent for each of the past five years.

### McEnergy Convention Center

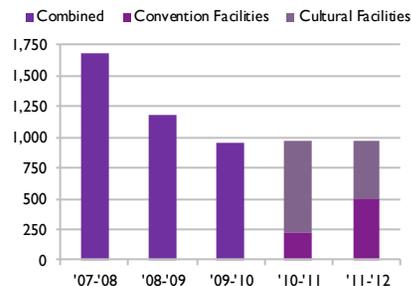


Source: San José Convention and Cultural Facilities website, [www.sanjose.org](http://www.sanjose.org).

#### THE NATIONAL CITIZEN SURVEY™

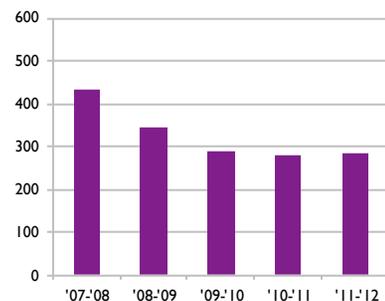
**60%** of San José residents surveyed rated opportunities in the City to attend cultural activities as "excellent" or "good"

**Annual Attendance, Convention & Cultural Facilities (thousands)**



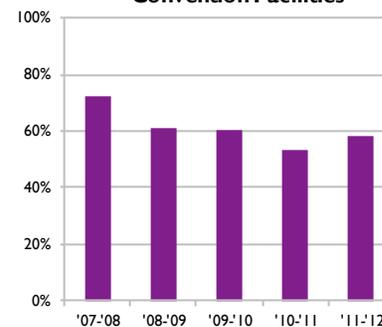
Source: Team San José

**Number of Events, Convention & Cultural Facilities**



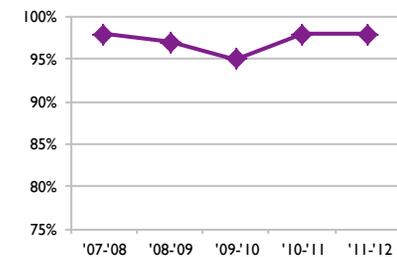
Source: Team San José

**Occupancy Rate, Convention Facilities**



Source: Team San José

**% of Customers Rating Overall Service Good to Excellent**



Source: Team San José

