

Tampa Bay & Company

Phase 1 Analysis

Proposed Westshore Multi-purpose Facility

July 2009

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July 13, 2009

Mr. Steve Hayes
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Dear Mr. Hayes:

PricewaterhouseCoopers LLP ("PwC") has performed certain services to assist Tampa Bay & Company ("Client" or "you") with the analysis of a potential multi-purpose facility development in the Westshore business district of Tampa. Our services were performed and this report was developed in accordance with our engagement letter dated February 18, 2009 and are subject to the terms and conditions included herein. Our services were performed in accordance with Standards for Consulting Services established by the American Institute of Certified Public Accountants ("AICPA"). Accordingly, we are providing no opinion, attestation, or other form of assurance with respect to our work, and we did not verify or audit any information provided to us.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available through April 7, 2009. Accordingly, changes in circumstances after this date could affect the findings outlined in this report.

This information has been prepared for the use and benefit of, and pursuant to a client relationship exclusively with Tampa Bay & Company. PwC disclaims any contractual or other responsibility to any other party to whom it may be shown or into whose hands it may come based on its use and, accordingly, this information may not be relied upon by anyone other than Tampa Bay & Company. This report may not be made available to customers, lenders, underwriters, insurers, investors, parties providing fairness opinions or anyone who has or may obtain a financial interest, and may not be publicly disclosed or publicly referred to.

We appreciate the opportunity to assist you with this matter. If you have any questions please contact Robert Canton at 813-218-2917.

Very truly yours,

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I. Project Overview

This report presents the results of the first of two phases of analyses related to the potential development of a multi-purpose facility in the Westshore business district of Tampa, Florida. This first phase of analysis is intended to identify critical factors associated with a successful venue and provide Tampa Bay & Company with industry knowledge and preliminary local feedback. It is expected that the knowledge and feedback contained in this first phase report will be used by Tampa Bay & Company in its decision process regarding whether or not to proceed with the second phase of analysis. This first phase is not intended to measure the demand for the proposed multi-purpose facility; rather, the second phase would address specific issues, including demand, facility program, and other such factors.

Throughout this report, since the building program has not yet been determined, the terms "multi-purpose facility" or "multi-purpose center" refer broadly to a public assembly event venue physically capable of hosting a wide variety of events (conventions, conferences, meetings, special events, sporting events/competitions, etc.). It should be noted that while a specific site for such a facility has not yet been determined, this analysis assumes the proposed facility would be located within the Westshore business district.

The initial phase of work is intended to answer the following key questions:

- What are the critical success factors for an event destination and how do local market characteristics, particularly within the Westshore district, support the success of a new multi-purpose facility?
- What is the inventory of competitive event space in the local market and in the region and how might this space support or hinder the proposed facility?
- What are examples of comparable destinations where two or more centers are located in a common market and how are these centers positioned in those markets?
- Do initial/limited discussions with key stakeholders suggest support for the potential development of a new multi-purpose facility?

To answer these questions, we conducted the following tasks:

- An assessment of local market success factors, including hotel supply, availability, and rates; general location; accessibility; and business composition.
- An evaluation of potential competition for the proposed facility on a local, regional, and state level, as well as an identification of comparable destinations (those with multiple venues).
- Discussions with stakeholders in the Tampa and Westshore hospitality and business communities to gauge the level of support for a new multi-purpose facility in the Westshore district.

Findings related to these tasks are presented in the Local Market Success Factors (Section II), Competitive/Comparable Facilities (Section III), and Stakeholder Discussions (Section IV) areas of this report. A summary of these findings is presented in Section V.

It is important to reiterate that this first phase is preliminary in nature, and the goal is not to determine if market demand exists for the proposed facility. Rather, this analysis provides information to support you in your decision of whether or not to proceed with a more in-depth analysis to study market demand, specific building type, size and location, estimated utilization, financial operations, development costs, and options for financing such a development.

In addition, it should be noted that market information and findings presented in this report acknowledge the current status of general economic conditions but also recognize the importance of a long-term outlook for such a proposed facility given the lead time involved in development and stabilization. In a second phase of study, these current economic conditions and their impact on the current state and potential future state of the convention and meetings industry would be explored to a certain degree. This first phase of study has not considered or addressed the current or potential future challenges of the industry.

II. Local Market Success Factors

Introduction

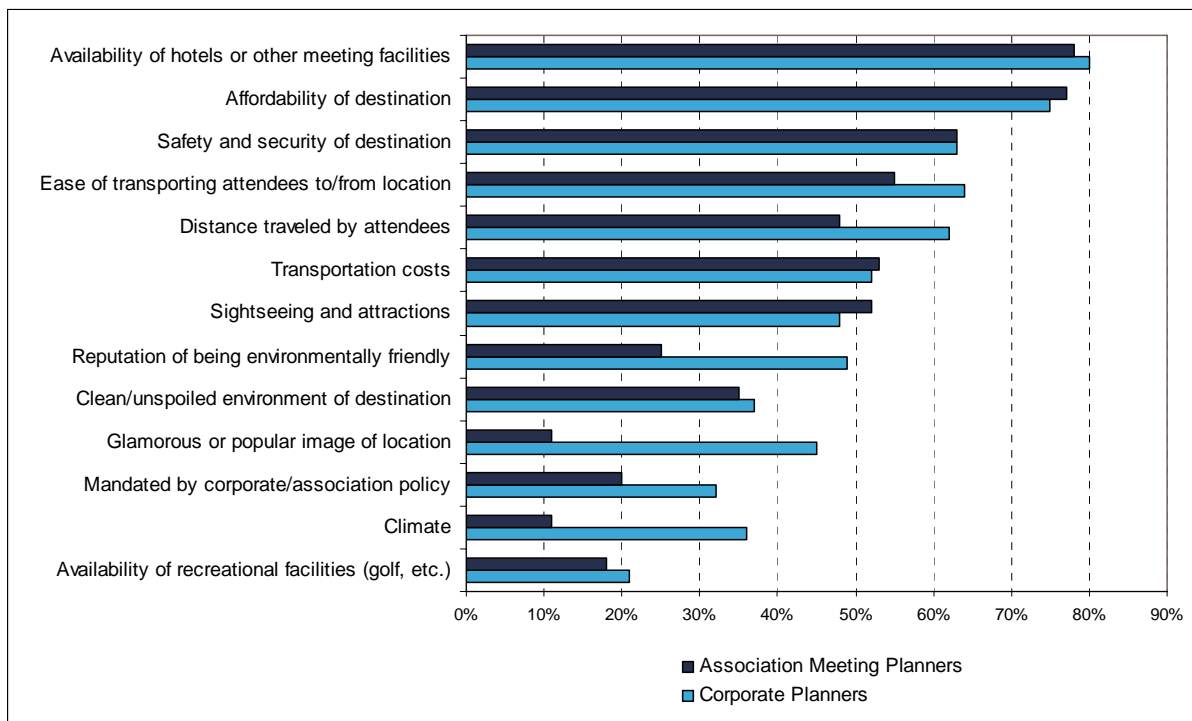
In evaluating the range of community “strengths” that contribute to a successful event destination, we have found that, particularly for professional associations, downtown locations are often preferred and are, in fact, the location of the vast majority of major (greater than 100,000 square feet of exhibition space) convention centers in the U.S. Other than the obvious reason for this that often involves site selection based on the desire to revitalize a particular urban area, there are a number of reasons for this trend. One reason is that downtown districts typically offer delegates/attendees convenient access to a concentration of entertainment, dining, shopping, and lodging options. Another reason downtown convention centers have become prominent may be that the meeting planner can be presented with opportunities for off-site activities such as receptions, dinners, and ancillary meetings in other unique establishments such as museums, performing arts centers, art galleries, arenas, and other venues that are often concentrated in a community’s downtown area, thus simplifying logistics.

Successful suburban facilities, generally including small- and mid-sized convention centers, convention hotels, and multi-purpose centers, (success measured in terms of their ability to generate multi-hotel or “city-wide” events) are often those that are located in areas that have successfully developed these support amenities within convenient walking distance—or even situations where the venue is developed as a “one-stop-shop” that offers meeting space, hotel rooms, entertainment/attractions, and restaurants under one roof (e.g. Gaylord hotels). In addition, suburban areas may also offer more-cost effective options for event organizers and attendees due to the availability of more affordable hotels, free parking, and improved move-in and move-out logistics compared to a downtown location.

Event Destination Success Factors

Success factors for an event destination can be defined by analyzing the key factors meeting planners consider in selecting a destination. The following graph developed by *Meetings & Conventions* magazine illustrates key factors used in evaluating destination selection by association and corporate meeting planners. As illustrated, hotel and meeting facility availability, affordability, safety and security, accessibility, location, and destination attractions are among meeting planners' key considerations.

Key Factors in Event Destination Selection



Source: *Meetings & Conventions, 2008*

The key local market factors of Westshore, coupled with those of Tampa as a destination, are described in further detail throughout this section. A preliminary assessment of Westshore helps to understand whether or not Westshore has the key characteristics needed for the success of the proposed multi-purpose center—particularly to the extent demand is desired from corporate and association meetings and events. In addition to those factors cited by meeting planners, other local factors, including population and business base of the area, can also influence the success of a multi-purpose facility, particularly for local/regional events and corporate events. These additional factors are also presented for the local area.

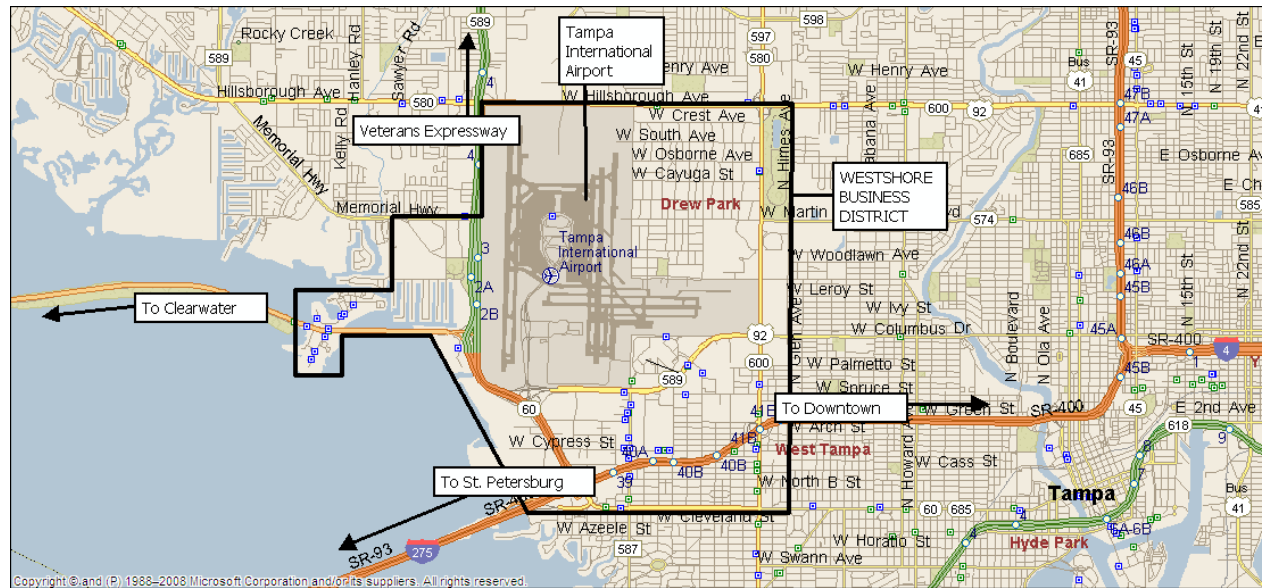
Westshore Overview

The Westshore district is the geographic center of the Tampa Bay area – generally defined as Tampa, St. Petersburg, and Clearwater. The Tampa Bay area is recognized as an attractive destination for its warm winter climate, miles of beaches along the Gulf of Mexico, attractions such as Busch Gardens and the Florida Aquarium, entertainment districts such as Channelside and Ybor City, and sports teams and facilities such as the NFL's Tampa Bay Buccaneers at Raymond James Stadium, NHL's Tampa Bay Lightning at the St. Pete Times Forum, and the MLB's Tampa Bay Rays at Tropicana Field.

The Westshore district is situated at the western edge of Tampa and consists of approximately 10 square miles. As defined by the Westshore Alliance, the district is generally bordered to the north by

Hillsborough Avenue, to the east by Himes Avenue, to the south by Kennedy Boulevard, and to the west by the waters of Tampa Bay. As illustrated in the following map, Westshore sits at the crossroads of the Tampa Bay area and is connected to Clearwater by the Courtney Campbell Causeway (State Road 60), to St. Petersburg by the Howard Frankland Bridge (Interstate-275), and to downtown Tampa by Interstate-275. In addition, the map illustrates that much of the district is occupied by Tampa International Airport ("TPA").

Map of Westshore



Source: Microsoft MapPoint; PricewaterhouseCoopers

Westshore contains a high concentration of commercial office space. According to Torto Wheaton Research's *Spring 2009 Tampa Office Outlook*, the Westshore submarket contains 10.7 million square feet of office space, which accounts for 28.7 percent of office space in the greater Tampa market - more than any other submarket. In comparison, the downtown submarket contains 6.4 million square feet of office space, accounting for 17.3 percent of the greater Tampa area. Vacancy in the Westshore area totals approximately 15 percent, and another 250,000 square feet of office space is under construction in the district. For the Tampa Bay area as a whole, vacancy rates average nearly 19 percent, but are forecasted (according to Torto Wheaton Research) to escalate to approximately 25 percent by 2011 before subsiding.

According to the Westshore Alliance, the district also contains 4.8 million square feet of retail space and over 250 restaurants. Shopping and dining are concentrated in two upscale shopping malls - Westshore Plaza and International Plaza, which offer higher-end brands and anchor stores such as Nordstrom and Saks Fifth Avenue. International Plaza, opened in 2001, also features Bay Street, an outdoor plaza containing restaurants and nightlife, and is connected to the Renaissance Tampa Hotel International Plaza. Other points of interest in Westshore include Raymond James Stadium and George M. Steinbrenner Field, the spring training home for MLB's New York Yankees.

Hotel Supply

Hotel room availability is amongst one of the more important considerations of event organizers when selecting an event destination. The Westshore area contains 53 hotels with nearly 8,800 rooms based on data compiled by Smith Travel Research ("STR"), an industry leading resource for hotel room data tracking.¹

Hotel rooms within the Westshore district account for 44 percent of Tampa's nearly 20,000 total hotel rooms. In comparison, the downtown district contains 2,758 rooms, or 14 percent of Tampa's hotel inventory.

Summary of Tampa Districts

<i>District</i>	<i>Properties</i>	<i>Rooms</i>	<i>Percent of Total Rooms</i>
Westshore	53	8,756	44%
Downtown	9	2,758	14%
Other Tampa	81	8,415	42%
Total Tampa	143	19,929	100%

Source: Smith Travel Research; Facility management; PricewaterhouseCoopers

The Westshore hotel market was evaluated by chain scale, based on classification provided by STR, in order to understand the variety of hotels available. The six chain scale segments with examples of brands associated with each chain scale include the following:

- Luxury: Four Seasons, Ritz-Carlton, Grand Hyatt, InterContinental
- Upper-Upscale: Marriott, Hilton, Renaissance, Doubletree
- Upscale: Crowne Plaza, Hilton Garden Inn, Hyatt Place, Courtyard
- Midscale with F&B: Holiday Inn, Ramada, Clarion, Best Western
- Midscale without F&B: Comfort Inn, Hampton Inn, TownePlace Suites, La Quinta Inn
- Economy: Days Inn, Extended Stay America, Red Roof Inn, Motel 6

Westshore's hotel supply ranges from Economy to Luxury, with 80 percent of rooms falling in the Upper-Upscale, Upscale, and Midscale segments. The chain scale with the greatest representation in Westshore is the Upper-Upscale segment, which accounts for 30 percent of total rooms, followed by

¹ STR's Westshore submarket includes 13 hotels, or approximately 10 percent of room supply, located outside the boundaries of the Westshore district defined by the Westshore Alliance.

Upscale (25 percent) and Midscale (25 percent). The Westshore hotel market includes a mix of limited-service and full-service hotels, as well as branded and independent properties, at a range of price points. This allows the opportunity for groups to have hotel packages with multiple hotels at various price points.

Westshore Hotels by Chain Scale

<i>Chain Scale</i> ¹	<i>Properties</i>	<i>Rooms</i>	<i>Percent of Total Rooms</i>
Luxury	2	768	9%
Upper-Upscale	10	2,615	30%
Upscale	12	2,223	25%
Midscale	19	2,209	25%
Economy	10	941	11%
Total Westshore	53	8,756	100%

¹ Westshore's five Independent properties (totaling 1,333 rooms) were classified based on price segment.

Note: For purposes of this analysis, "Midscale with F&B" and "Midscale without F&B" were combined into a single "Midscale" category.

Source: Smith Travel Research; Facility management; PricewaterhouseCoopers

The largest hotels in Westshore are generally full-service, upscale properties that contain some amount of meeting space. Due to their size, these hotels have the potential to offer groups the largest room blocks for an event held at the proposed multi-purpose center. However, only two hotels contain more than 400 rooms. As such, despite nearly 8,800 rooms offering a variety of chain scale options, the availability for group room blocks at a single property appears limited. Hotel packages would likely need to be spread across multiple hotels. With large convention hotels able to house many groups at a single property or convention centers with large headquarter hotel properties, a new multi-purpose center would likely be at a competitive disadvantage. However, while room blocks may need to be spread among several hotels, there are two primary clusters of hotels in the Rocky Point area (at the entrance to the Courtney Campbell Causeway) and a strip of hotels along (or near) Westshore Boulevard that could offer a relative concentration of hotel rooms within the area.

The table on the following page lists the largest hotels in Westshore (properties with at least 200 rooms) and classifies them by chain scale.

Westshore Hotels (Over 200 Rooms)

<i>Property</i>	<i>Rooms</i>	<i>Open</i>	<i>Chain Scale</i>
South of I-275			
InterContinental Tampa	323	1987	Luxury
Crowne Plaza Westshore	222	1970	Upscale
Embassy Suites Tampa Airport Westshore	221	1984	Upper-Upscale
Rocky Point			
Grand Hyatt Tampa Bay	445	1986	Luxury
Mainsail Suites & Conference Center	360	1999	Upscale
Westin Tampa Bay Airport	255	2009	Upper-Upscale
Bay Harbor Hotel	253	1980	Midscale
Sailport Resort	211	1982	Upscale
Doubletree Tampa Bay	203	1986	Upper-Upscale
Westshore Blvd.			
Doubletree Tampa Westshore Airport	489	1974	Upper-Upscale
Marriott Tampa Westshore	310	1981	Upper-Upscale
Quorum Westshore Hotel	272	1986	Upscale
Sheraton Suites Tampa Airport Westshore	260	1986	Upper-Upscale
The Westshore Hotel	237	1981	Midscale
International Plaza			
Renaissance International Plaza	293	2004	Upper-Upscale
Hilton Tampa Airport Westshore	238	1982	Upper-Upscale
Airport			
Marriott Tampa Airport	296	1982	Upper-Upscale

Source: Smith Travel Research; Facility management; PricewaterhouseCoopers

New Hotel Supply

A limited number of new hotels are planned to enter the Westshore market. While many hotels have been proposed in recent years, only one has moved forward with construction, the 170-room element Tampa Westshore. The "element" brand was launched by Starwood Hotels & Resorts in 2006 as an upscale extended-stay hotel for business travelers. The project broke ground in the spring of 2008; however, a construction lien issued in October 2008 resulted in the project's delay. According to Starwood Hotels, the hotel is expected to open in June 2011, two years later than initially planned.

Hotels that are currently in the planning phase include a 250-room hotel at the MetWest International development and a 250-room hotel at Independence Park. Several hotel projects in Westshore have

been abandoned or deferred, including the 269-room Ritz-Carlton at Rocky Point and the 152-room esuites on Lois Avenue.

New Hotel Supply in Westshore

<i>Project Name</i>	<i>Location</i>	<i>Rooms</i>	<i>Projected Opening</i>
Under Construction:			
element Tampa Westshore	4410 W. Boy Scout Blvd.	170	2011
Planned:			
Hotel @ MetWest International	Boy Scout Blvd. & Lois Ave.	250	TBD
Hotel @ Independence Park	Independence Pkwy. & West Shore Blvd.	250	TBD

Source: Smith Travel Research

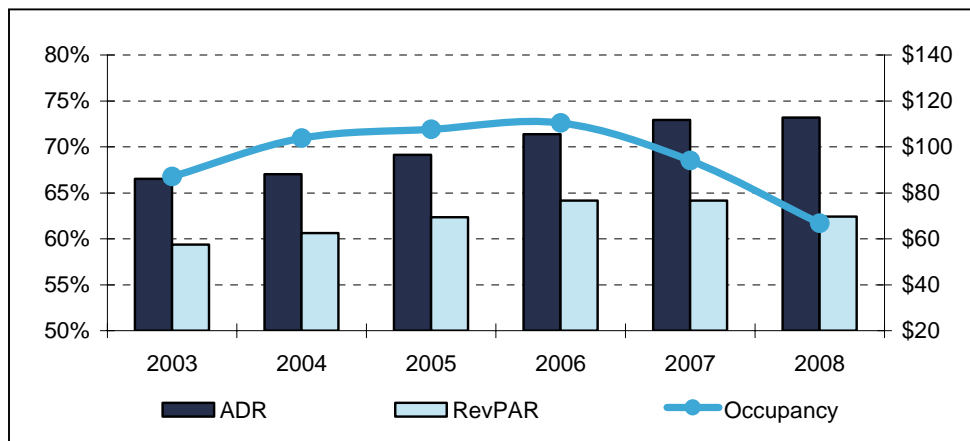
In recent months, two new hotels joined the Westshore district. The 255-room Westin Tampa Bay Airport opened in January 2009, and the 222-room Crowne Plaza Westshore (formerly the Clarion Tampa Westshore) reopened in March 2009 after being closed since 2006.

Hotel Availability and Rates

While a strong supply of hotel rooms might suggest an obvious strength in attracting corporate and association meetings/conferences, a more important consideration is the number of rooms that hotel management is willing to commit for events that are booked months or even years in advance. The costs of those rooms are also key factors for most group events. Given the concentration of office space in Westshore, the primary demand generator for the hotel market has been corporate business. Other demand generators include Tampa International Airport, which generates transient demand and contract/crew business, and to a lesser degree, sporting events, which typically generate weekend demand in the leisure segment. Group demand is largely associated with existing meeting space in the Westshore market and overflow/compression from citywide events held at the Tampa Convention Center ("TCC") downtown.

Hotel room availability can be measured by analyzing historical hotel occupancies to understand the capacity for additional room nights that might be available to support a multi-purpose facility, while costs for hotel rooms can be reflected by average daily rates ("ADR"). Revenue per available room ("RevPAR") is calculated by multiplying hotel occupancy by ADR and is a measure of guestroom yield used largely by hoteliers. If occupancies decline, hotels can maintain performance, or RevPAR, through increased ADRs. The following chart illustrates historical occupancy, ADR, and RevPAR for the Westshore area, based on data collected by STR.

Westshore Hotels Availability and Rates



Source: Smith Travel Research

Hotel room rates, measured by ADR, have continued to grow in recent years – from \$86.12 in 2003 to \$112.87 in 2008, or a compound annual growth rate of 5.6 percent, which slightly surpassed the national compound annual growth rate of 5.2 percent over the same period. While ADR has increased, the ADR of Westshore (\$112.87) was lower than the downtown district (\$167.77) in 2008. Westshore's larger hotel inventory and greater mix of limited service properties likely contributed to this rate disparity.

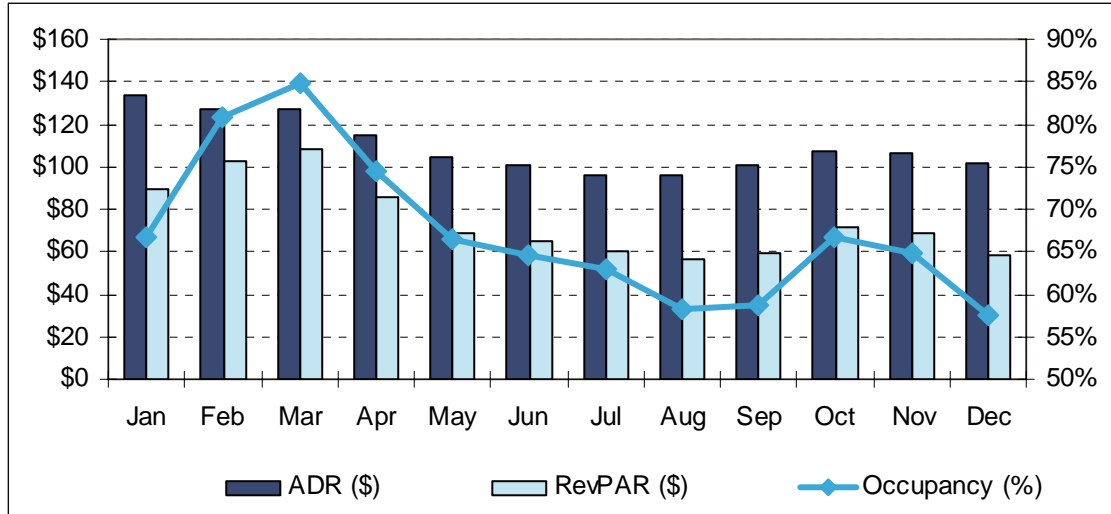
While the market has experienced growth in ADR, occupancy has declined from a peak of 72.6 percent in 2006 to a six-year low of 61.7 percent in 2008. Stakeholders attribute occupancy declines in 2007 largely to supply changes in the market, while 2008 declines are primarily due to the downturn in economic conditions. Regardless of the reasons, this significant 11-point decline in occupancy rates may largely explain why Westshore hoteliers may be interested in the idea of exploring a multi-purpose facility as a means to induce demand. Current occupancy levels on an annual basis suggest increased capacity for additional room nights—which could be generated by a new multi-purpose center. If occupancy levels rebound closer to historic levels as the economy recovers, capacity could be more limited than at present. While initial discussions with stakeholders have suggested a willingness to commit room blocks for events at the proposed multi-purpose facility, over the longer term—even with a rebound in corporate demand—this is an area of caution that should be considered as a potential challenge to the long-term viability of a multi-purpose facility.

Seasonality

Seasonality also impacts room availability and rates. Seasonality is inherent to most demand segments including commercial, group, and leisure. Based on discussions with local hoteliers, mid-January through mid-April is the peak season, while the summer months (generally June through September) are considered the low season. Weather plays a key role in seasonal fluctuations, as the winter and spring seasons are more attractive to travelers in northern locations. Also, the market has weaker demand in December due to reduced travel surrounding the holidays. The following chart illustrates the monthly

variations of occupancy, ADR, and RevPAR for the Westshore hotel market on a three-year average basis. As illustrated, occupancy is highest in March (84.9 percent) and lowest in December (57.5 percent), and ADR is highest in January (\$134.01) and lowest in July (\$96.30). During peak season, hotel occupancies above 80 percent and high ADRs suggest limited availability for large group room blocks.

Westshore Hotels Seasonality

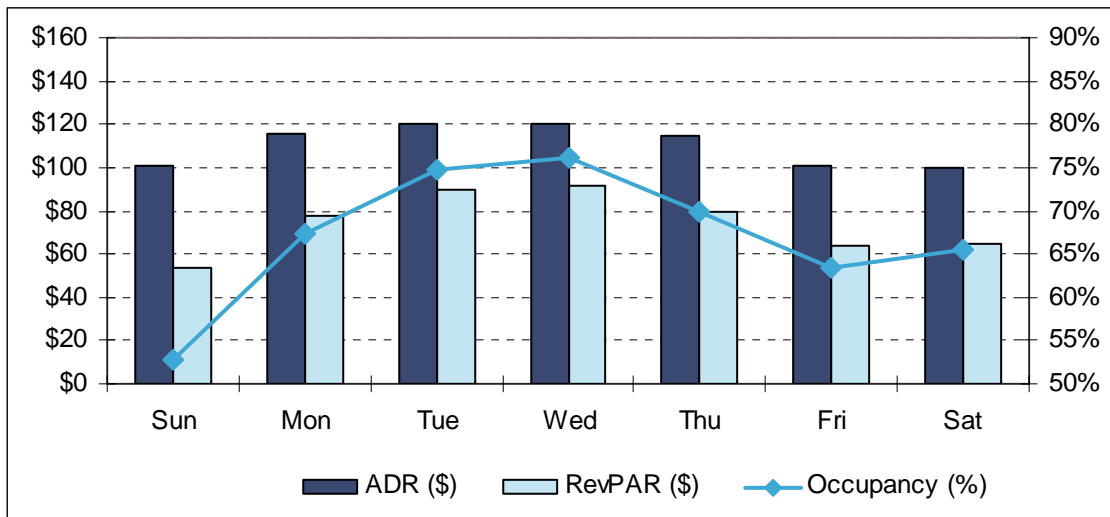


Note: Data reflects three-year average (February 1, 2006 though January 31, 2009)

Source: *Smith Travel Research*

In addition to seasonal fluctuations, most markets experience fluctuations between weekday and weekend demand. Westshore's strong corporate transient base contributes to variations between weekday and weekend demand. In general, corporate transient demand is strongest on Tuesday and Wednesday nights and weakest on weekend nights. With consistently high mid-week demand over the years and a desire to remain loyal to corporate customers, hotels within the Westshore market may be reluctant to commit large blocks of rooms months or years in advance to what they might consider "one-time" groups. This could be particularly challenging, as the typical trend for higher-rated group business is Sunday/Monday check-in and Wednesday/Thursday check-out, as opposed to lower-rated (Social, Military, Educational, Religious, Fraternal, or "SMERF") group business that is willing to meet over the weekend to take advantage of lower room rates and availability.

Westshore Hotels Weekly Availability and Rates



Note: Data reflects three-year average (February 1, 2006 though January 31, 2009)

Source: Smith Travel Research

Existing Hotel Meeting Space

The challenges associated with adapting to strategies that could successfully offset declining occupancy rates at Westshore hotels are further exacerbated by the lack of meeting/conference space within existing hotel properties. In other words, properties that have sufficient meeting space have the option of re-focusing efforts on capturing group business when corporate/transient business is in decline. This appears particularly difficult for the Westshore district, given the limited meeting facilities provided by the hotels. It appears from the following table that while the major (largest) Westshore hotel properties do contain meeting space, they were not necessarily developed to provide a great deal of flexibility to adapt to market conditions that dictate a shift to group business.

The following table details Westshore's largest hotels in terms of total rooms (those with greater than 200 rooms) and their associated function space. For purposes of this analysis, function space is defined as indoor leasable space.

Large Westshore Hotels and Function Space

Property	Hotel			Total Function Space (sq. ft.)	Function Space to Guestroom Ratio ¹
	Rooms	Open	Class		
Marriott Tampa Airport	296	1982	Upper-Upscale	18,300	61.8
Hilton Tampa Airport Westshore	238	1982	Upper-Upscale	12,300	51.6
Grand Hyatt Tampa Bay	445	1986	Luxury	19,000	42.6
Renaissance International Plaza	293	2004	Upper-Upscale	12,200	41.6
Crowne Plaza Westshore	222	1970	Upscale	9,200	41.4
Quorum Westshore Hotel	272	1986	Upscale	10,600	39.1
Mainsail Suites & Conference Center	360	1999	Upscale	13,400 ²	37.2
Doubletree Tampa Bay	203	1986	Upper-Upscale	6,900	33.9
The Westshore Hotel	237	1981	Midscale	8,100	34.3
InterContinental Tampa	323	1987	Luxury	10,600	32.8
Sheraton Suites Tampa Airport Westshore	260	1986	Upper-Upscale	7,700	29.6
Marriott Tampa Westshore	310	1981	Upper-Upscale	8,800	28.5
Doubletree Tampa Westshore Airport	489	1974	Upper-Upscale	13,600	27.8
Bay Harbor Hotel	253	1980	Midscale	6,600	26.1
Holiday Inn Express / Comfort Inn ³	334	2005	Midscale	7,300	21.9
Embassy Suites Tampa Airport Westshore	221	1984	Upper-Upscale	4,700	21.1
Westin Tampa Bay Airport	255	2009	Upper-Upscale	3,500	13.5
Sailport Resort ⁴	211	1982	Upscale	500	0.0

1 Presented as square feet of function space per guestroom.

2 Includes expansion that is under construction and expected to open Fall 2009.

3 Meeting space is shared by two hotels: Holiday Inn Express Hotel & Suites Tampa Airport Stadium (147 rooms) and the Comfort Inn Airport at RJ Stadium (187 rooms).

4 Sailport Resort contains one conference room with a capacity for 50 people.

Source: Smith Travel Research; Facility management; PricewaterhouseCoopers

An important measure in evaluating the ability of a hotel to attract group business is its ratio of function space to hotel rooms. A property with a relatively low metric may indicate that it has insufficient function space for events requiring larger room blocks, while a property with a relatively high metric may indicate that it has insufficient guestroom supply for events requiring larger function space. A ratio of approximately 80 to 100 square feet of function space to one hotel room is considered to be a balanced ratio of function space to hotel rooms for a primarily group-driven hotel.

As illustrated, the hotels with the most significant ratio of meeting space to rooms, the Marriott Tampa Airport and Hilton Tampa Airport Westshore have only 18,300 and 12,300 square feet of function space, respectively—and a ratio of 62 and 52 square feet per guest room, respectively. The majority of properties' function space to room ratios are significantly less—in the 30 to 40 square feet per room range. These properties may be challenged in their ability to function primarily as group-driven hotels (containing meeting/conference facilities) due to these low ratios. Again, it is not uncommon to see a ratio of 80 to 100 or even higher in a hotel that regularly focuses to a greater degree on group business.

Access/Transportation

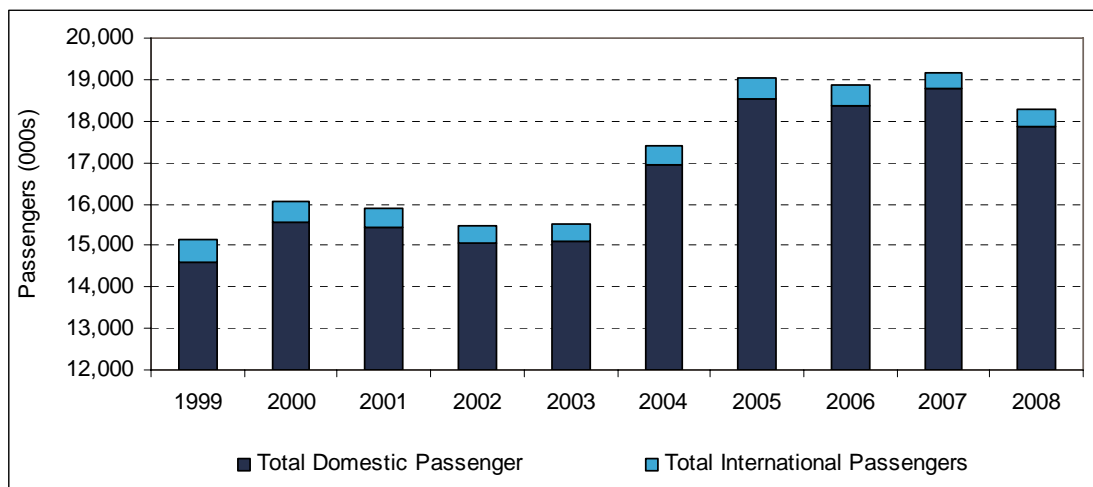
Accessibility is critical to the success of a center in attracting local, regional, state, and national events. Air access is particularly important for international and national events where the majority of attendees fly to the destination. Highway access is relevant for local, regional, and statewide events since many attendees tend to drive to the destination. Availability of public transportation facilitates the arrival of visitors as well as transport among locations.

Air Access

Tampa International Airport, located on 3,300 acres within the Westshore business district, is served by 19 commercial airlines with direct air service to 76 cities (67 domestic and nine international). With the availability of direct flights to cities throughout the U.S., Tampa is accessible from major markets as well as second- and third-tier destinations. Given Tampa's location in the southeast region of the U.S., meeting planners and attendees may perceive that Tampa is more easily accessible to attendees originating from the Northeast, Atlantic, Southern, and Midwest regions, as compared to the Mountain and Pacific regions. According to a J.D. Power & Associates study, TPA is one of the top-rated airports in terms of passenger satisfaction.

The following table illustrates trends in passenger activity at TPA over the past 10 years. Total passenger arrivals peaked in 2007 before declining 4.7 percent in 2008 - the first decline since the travel industry was impacted in the aftermath of 9/11. TPA appears to have been impacted slightly more by the recent economic downturn than the national airline industry, which experienced a 3.7 percent decline in 2008. According to airport officials, approximately 40 percent of passengers are business travelers.

Tampa International Airport – Passenger Activity



Source: Tampa International Airport

Since opening in 1971, the airport has undergone several expansion and renovation projects, the most recent of which was the addition of a new terminal (Airside C) containing 16 gates in 2005. Future

expansions are also planned. According to the TPA's *2005 Master Plan Update*, a third runway will be needed when the airport reaches an annual operation of 340,000 to 345,000 aircrafts (expected to occur in 2020 to 2021), a new North Terminal will be needed when terminal capacity reaches 25 to 28 million annual passengers (expected to occur in 2018 to 2020). The first phase of the \$950 million North Terminal is planned to include a 14-gate airside terminal and a parking garage. Given the recent decline in passenger activity, the estimated timeframes for future development may be delayed; but nonetheless, the airport is anticipating and preparing for expansion in order to accommodate future demand.

Highway Access

The Westshore business district is generally considered a convenient location as three major highways run through Westshore, making it accessible from many areas of Tampa Bay. The Howard Frankland Bridge and the Courtney Campbell Causeway connect Westshore to St. Petersburg and Clearwater, respectively, and the Veterans Expressway connects Westshore to northern suburbs. In addition, Interstate-275 connects Westshore to downtown Tampa and Florida's primary interstates, I-4 (East to Orlando) and I-75 (North to Gainesville and South to Fort Myers), allowing for direct highway access from cities such as Orlando, Jacksonville, and Fort Lauderdale.

Public Transportation

In addition to air and highway access, meeting planners also consider the convenience and costs associated with travel within a destination. Considerations include method and costs of transportation to/from the airport, transportation between hotels and the meeting facility, and transportation to off-site events and activities. Typically, meeting planners prefer destinations that reduce the need for transportation services; for example, destinations in which a hotel(s) is attached to the event facility or a hotel(s) is within walking distance of dining/shopping/nightlife.

Unlike many metropolitan areas, such as Atlanta, Charlotte, Dallas, Denver, Minneapolis, and Salt Lake City, Tampa does not offer a mass transit system, which is often an important element in transporting event attendees between airports, hotels, meeting facilities, and other activities. Not only do mass transit systems provide a quick, convenient mode of transportation, but rides are generally inexpensive, providing a cost-effective alternative to transportation costs associated with shuttle buses or other modes of transportation.

In the Westshore market, most hotels offer shuttle service to and from the airport. However, transportation within the destination is one of stakeholders' key concerns related to the success of a new facility. As a suburban market, transport is often required for travel within the area from hotels to restaurants, nightlife, and shopping, much of which is concentrated in the two shopping malls. Depending on the site of the proposed facility, transportation may also be needed to and from the hotels.

Although the Westshore district is not generally considered a pedestrian-oriented area, steps are being taken to improve the pedestrian and bicyclist quality, as well as the availability of bus transit in future years. In 2008, the Westshore Alliance released the *Westshore Area Pedestrian System Plan Addendum*, which identifies pedestrian, bicycle, and transit network infrastructure projects that are needed to improve the overall mobility and transportation environment of pedestrians and bicyclists, such

as new and enhanced crosswalks, widened sidewalks, and additional bus service connectors. Depending on the location and nature of such improvements in relation to the proposed multi-purpose facility, Westshore may become more pedestrian-friendly for meeting attendees in future years.

Tampa has also recognized the need for enhanced public transport, and the Tampa Bay Area Regional Transportation Authority ("TBARTA") was formed in July 2007 with the intent of developing a light rail system for Tampa. TBARTA created a transportation master plan for the seven-county region, including both mid-term and long-term vision plans. The mid-term plan includes development of 89 miles of short-distance passenger rail, while the long-term plans includes development of 135 miles of short-distance rail and 107 miles of long-distance rail. Plans for the initial phase of the project call for connecting the three largest business centers: the Westshore business district, downtown Tampa, and the University of South Florida ("USF") Tampa campus. Subsequent phases include connectivity to Tampa International Airport, New Tampa, South Tampa, Ruskin, Westchase, St. Petersburg, and Orlando. Funding for the project is dependent upon approval of a one-cent sales tax, which may be on the November 2010 ballot. After funding is secured, the mid-term plan involves a 25-year development period.

Costs

Tampa's travel costs are generally attractive (low) on a national scale. According to Business Travel News' *2008 Corporate Travel Index*, Tampa was the 47th most expensive city in the U.S. in terms of travel costs (a composite of hotel, meals and car rental costs). Among the cities considered more expensive than Tampa were Houston (ranked 20th most expensive), Charlotte (26th), Miami (27th), Dallas (29th), Atlanta (30th), and New Orleans (31st).

Population

Population is a key determinant of a market's potential for events that attract attendees from the local area or region such as trade shows, consumer shows, amateur sporting events (to a certain extent), and other local events. Additionally, population growth represents an important factor affecting economic stability and vibrancy of a market area. With a population of nearly 2.8 million, the Tampa MSA (consisting primarily of Tampa, St. Petersburg and Clearwater) is the second largest Metropolitan Statistical Area ("MSA") in Florida. The following table compares population growth in Hillsborough County, the Tampa MSA, the State of Florida, and the United States between 2003 and 2008.

Population			
	2003	2008	Compound Annual Growth Rate
Hillsborough County	1,073,100	1,189,800	2.1%
Tampa MSA	2,525,800	2,760,700	1.8%
State of Florida	16,959,300	18,573,900	1.8%
United States	290,447,600	304,579,400	1.0%

Source: Woods & Poole, 2008

In comparison to the U.S. average of 1.0 percent, the growth in population of the Tampa market outpaced the U.S. average, indicating that the Tampa market has grown at a faster rate relative to other cities/markets over the past five years. By 2020, the Tampa MSA's population is expected to increase to 3.2 million (compound annual growth rate of 1.3 percent), indicating a continued strong base of residents to potentially support local and regional events.

Employment

The composition of a destination's employment provides insight into its economic stability and, when specific industries of specialization are examined, it can provide an indication of the types of business travel and industry association conventions/trade shows that a destination may have a comparative advantage in attracting. According to Woods & Poole, the Tampa Bay area has a relative high concentration of employment in the finance, insurance, and real estate sector and the service sector compared to the U.S. as a whole. More specifically, the following table lists the top private sector employers in the Tampa Bay area. Three of the top employers are located in Westshore: OSI/Outback Steakhouse, AT&T, and Caspers.

Top 15 Employers (Private Sector)

<i>Rank</i>	<i>Employer</i>	<i>City</i>	<i>Employees</i>
1	BayCare Health Care Systems	Clearwater	17,000
2	Verizon Communications Inc.	Tampa	14,000
3	TECO Energy Inc.	Tampa	4,890
4	Times Publishing Co.	St. Petersburg	4,070
5	Caspers Co. (McDonald's restaurants)	Tampa	3,990
6	OSI Restaurant Partners (Outback Steakhouse)	Tampa	3,630
7	JPMorgan Chase	Tampa	3,600
8	AT&T Global Network Services	Tampa	3,500
9	Busch Entertainment Corp.	Tampa	3,500
10	MI Metals Inc.	Oldsmar	3,500
11	Raymond James Financial Inc.	St. Petersburg	3,300
12	Tech Data Corp.	Clearwater	3,200
13	Home Shopping Network	St. Petersburg	3,000
14	Jabil Circuit Inc.	St. Petersburg	2,890
15	Honeywell International Inc,	Clearwater	2,700

Note: Private-sector employers based in Hillsborough & Pinellas counties ranked in terms of number of employees in the Tampa Bay area.

Source: Tampa Bay Partnership

III. Competitive/Comparable Facilities

This section analyzes the inventory of event space in the local and regional market to illustrate potential competition for a proposed multi-purpose facility located in the Westshore area. In addition, examples where two or more centers are located in a common market are presented.

Competitive/Comparable Facilities

The inventory of potentially competitive facilities on a local, regional (including Sarasota, Lakeland, etc.), and statewide level is identified in this section.

Westshore Facilities

While the primary convention facility in Tampa is located in downtown Tampa, the Westshore district offers meeting space at many of its hotels. In addition to hotels with meeting space, Westshore is home to the A la Carte Event Pavilion, an event facility that caters largely to local groups (particularly non-profit organizations) and local social events. The properties with function space in Westshore are summarized in the following table.

Westshore Function Space (Greater than 5,000 sq. ft.)

<i>Property</i>	<i>----- FUNCTION SPACE (sq. ft.) -----</i>				
	<i>Hotel Rooms</i>	<i>Ballroom Space</i>	<i>Breakout Space</i>	<i>Largest Space</i>	<i>Total Function</i>
A la Carte Event Pavilion	0	13,500	5,600	13,500	19,100
Grand Hyatt Tampa Bay	445	10,400	8,600	10,400	19,000
Marriott Tampa Airport	296	6,000	12,300	6,000	18,300
Doubletree Westshore Airport	489	11,400	2,200	9,100	13,600
Mainsail Suites & Conference Center ¹	360	6,300	7,100	6,300	13,400
Hilton Tampa Airport Westshore	238	9,200	3,100	5,000	12,300
Renaissance International Plaza	293	7,900	4,300	7,900	12,200
Quorum Westshore Hotel	272	7,300	3,300	5,300	10,600
InterContinental Tampa	323	5,000	5,600	5,000	10,600
Crowne Plaza Westshore	222	0	9,200	5,300	9,200
Marriott Tampa Westshore	310	6,800	2,000	4,900	8,800
The Westshore Hotel	237	0	8,100	2,500	8,100
Sheraton Suites Tampa Airport Westshore	260	5,700	2,000	5,700	7,700
Holiday Inn Express / Comfort Inn ²	334	0	7,300	1,800	7,300
Doubletree Tampa Bay	203	0	6,900	1,200	6,900
Bay Harbor Hotel	253	0	6,600	3,200	6,600

1 Includes expansion that is under construction and expected to open Fall 2009.

2 Meeting room space is shared by the 147-room Holiday Inn Express Tampa Airport Stadium and the 187-room Comfort Inn Airport at RJ Stadium.

Source: Smith Travel Research; Facility management

With a 13,500 square-foot ballroom and 19,100 square feet of total function space, the A la Carte Event Pavilion is the largest event facility in Westshore. It is important to note that this facility is not within close proximity of hotel rooms, and thus, often caters to local groups rather than national corporations and associations or other non-local groups. Among the Westshore hotels presented, the Grand Hyatt Tampa Bay offers the largest ballroom (10,400 square feet) and the most function space (19,000 square feet) in Westshore. With only two ballrooms over 10,000 square feet in Westshore, each of which accommodates up to approximately 1,000 guests for banquets, Westshore properties appear limited in the capacity to attract groups exceeding this size.

As shown in the previous table, the Mainsail Suites is currently undergoing an expansion of meeting space, including the addition of a 6,300 square-foot ballroom and several meeting rooms. Upon its completion, scheduled for October 2009, the facility's function space will increase from 6,000 square feet to 13,400 square feet. The new conference center was developed to accommodate non-local groups such as corporate trainings and national/regional association groups. In addition, the Sheraton Suites is planning to convert some of its restaurant space to approximately 2,000 square feet of meeting space.

Local Facilities

In addition to these Westshore facilities, Tampa offers many more facilities, including both hotel and non-hotel event spaces, as presented in the following table.

Tampa Event Facilities (Greater than 10,000 sq. ft)

Hotel	District ¹	----- FUNCTION SPACE (sq. ft.) -----						Total Function
		Hotel Rooms	Exhibit Space	Ballroom Space	Breakout Space	Largest Space		
Tampa CC	Downtown	0	200,000	36,000	42,800	200,000	278,800	
Florida State Fairgrounds	Tampa East	0	180,000	0	0	88,000	180,000	
Saddlebrook Resort	North - Busch	800	0	38,000	16,600	17,700	54,700	
Marriott Waterside Hotel & Marina	Downtown	717	0	25,600	12,900	17,200	38,500	
Hyatt Regency Tampa	Downtown	521	0	14,500	11,700	14,500	26,200	
Crowne Plaza Tampa East	Tampa East	269	0	5,000	14,500	5,000	19,500	
A la Carte Event Pavilion	Westshore	0	0	13,500	5,600	13,500	19,100	
Grand Hyatt Tampa Bay	Westshore	445	0	10,400	8,600	10,400	19,000	
Marriott Tampa Airport	Westshore	296	0	6,000	12,300	6,000	18,300	
Embassy Suites - USF/Busch	North - Busch	247	0	9,800	4,100	9,800	13,900	
Doubletree Westshore Airport	Westshore	489	0	11,400	2,200	9,100	13,600	
Mainsail Suites & Conf. Center ²	Westshore	360	0	6,300	7,100	6,300	13,400	
Hilton Tampa Airport Westshore	Westshore	238	0	9,200	3,100	5,000	12,300	
Comfort Inn Conference Center	North - Busch	257	0	4,800	7,500	4,800	12,300	
Renaissance International Plaza	Westshore	293	0	7,900	4,300	7,900	12,200	
TPepin Hospitality Centre	Tampa East	0	0	9,700	1,400	9,700	11,200	
Westin Harbour Island	Downtown	299	0	4,800	6,300	4,800	11,100	
Sheraton Tampa Riverwalk	Downtown	277	0	7,900	3,000	4,600	10,900	
Quorum Westshore Hotel	Westshore	272	0	7,300	3,300	5,300	10,600	
InterContinental Tampa	Westshore	323	0	5,000	5,600	5,000	10,600	

1 District is defined by Smith Travel Research

2 Includes expansion under construction and expected to open Fall 2009.

Source: Smith Travel Research; Facility management

With 200,000 square feet of exhibit space and 78,800 square feet of ballroom/breakout space, the TCC is the largest convention facility in Tampa. The TCC is located on the waterfront in downtown Tampa and is connected to the 360-room Embassy Suites Downtown Convention Center via a sky bridge. The 717-room Marriott Tampa Waterside & Marina adjacent to the center is considered its primary headquarter hotel. A third hotel located within walking distance of the TCC is the 299-room Westin Harbour Island. The TCC primarily targets conventions and trade shows; however, it also hosts a variety of corporate, consumer, sports, and local events.

The hotels with the largest amount of meeting space are the Saddlebrook Resort (54,700 square feet), Marriott Waterside (38,500 square feet), and the Hyatt Regency Tampa (26,200 square feet). The Saddlebrook Resort is located in Wesley Chapel, approximately 20 miles from the Westshore district. In addition to meeting space, this property offers golf, tennis, and spa services, and generally caters to national corporate groups, particularly from the Northeast and Midwest regions of the U.S. As Saddlebrook's customers have generally been interested in resorts offering golf, there has been little competition between Saddlebrook and other facilities in Tampa. It should be noted, however, that current economic conditions may result in Saddlebrook targeting corporate events without regard to golf or tennis amenities.

In addition to the TCC, the Florida State Fairgrounds also offers dedicated exhibit space. The 180,000 square feet of exhibit space at the Fairgrounds is divided among three buildings: an expo hall (88,000 square feet exhibit), a multi-purpose entertainment hall (52,000 square feet exhibit) and an events center (40,000 square feet exhibit). The 355-acre complex also contains a 2,500-seat arena, an equestrian pavilion, and 300 acres of outdoor space. The exhibit facilities at the Florida State Fairgrounds host largely consumer shows and local events, such as gun shows, home shows, car shows, craft fairs, and cultural festivals. The complex also caters to agricultural and equestrian events. Given its market orientation as a local venue for cost-sensitive groups, the Florida State Fairgrounds generally serves a different market than the TCC and local hotels.

Future changes in the area's function space include the potential expansion of the Seminole Hard Rock Hotel & Casino in east Tampa. The \$1 billion project has multiple components, including the addition of a new hotel tower with 1,000 rooms and the addition of a 50,000 square-foot meeting/convention facility. If the project is approved and financed, construction could commence by the end of 2009.

In addition to the event facilities discussed previously, the Tampa market offers several unique venues and sports facilities that can accommodate meetings (including locations for "off-site" events). These include the Museum of Science & Industry, the Tampa Bay Performing Arts Center, the Florida Aquarium, University of Tampa's Plant Hall (three historic ballrooms totaling 12,000 square feet), USF Phyllis P. Marshall Center (student union featuring 10,000 square-foot ballroom and 21 meeting rooms), the Sun Dome (10,411-seat multi-purpose arena), and the St. Pete Times Forum (19,758-seat multi-purpose arena).

When analyzed in terms of total function space and large single space, the TCC is clearly the primary convention and exhibition facility in Tampa. The next largest facility, excluding the Florida State Fairgrounds, is the Saddlebrook Resort with its largest ballroom space of 17,700 square-feet and 54,700 square feet of total function space. Based on this inventory of local meeting space, it appears there may be a gap in size of event space between the hotel/event properties and the TCC that may not be captured in Tampa market.

Regional Facilities

The supply of meeting space in the regional market was also analyzed. For purposes of this analysis, the regional market includes the Tampa metropolitan area as well as Lakeland and Sarasota/Bradenton. Generally, the regional market consists of locations within a one-hour drive of Tampa.

Regional Meeting Facilities (Greater than 25,000 sq. ft.)

Center	City	Distance (miles) ¹	Hotel Rooms	----- FUNCTION SPACE (sq. ft.) -----					Total Function
				Exhibit Space	Ballroom Space	Breakout Space	Largest Space		
Tampa CC	Tampa	5	-	200,000	36,000	42,800	200,000	278,800	
Florida State Fairgrounds	Tampa	12	-	180,000	0	0	88,000	180,000	
Sarasota Bradenton Int'l CC	Sarasota	50	-	93,000	0	4,700	93,000	97,700	
The Lakeland Center	Lakeland	39	-	52,900	5,300	6,700	28,300	65,000	
Harborview Center	Clearwater	18	-	30,000	17,600	8,400	30,000	56,000	
Saddlebrook Resort	Wesley Chapel	13	800	0	38,000	16,600	17,700	54,700	
Innisbrook Resort & Golf Club	Palm Harbor	20	600	0	30,600	16,300	14,000	46,900	
Marriott Waterside	Tampa	5	717	0	25,600	12,900	17,200	38,500	
Hyatt Regency Tampa	Tampa	5	521	0	14,500	11,700	14,500	26,200	

¹ Driving distance to Westshore (as measured from the corner of Westshore Boulevard and Kennedy Boulevard).

Source: Smith Travel Research; Facility management; MapQuest

The TCC is also the largest meeting facility in the regional area. Other convention facilities include the Sarasota Bradenton International Convention Center, The Lakeland Center, and the Harborview Center in Clearwater. Although Clearwater contains the Harborview Center, the City of Clearwater is currently considering development of a new convention facility. Another sporting venue, St. Petersburg's Tropicana Field, also offers 160,000 square feet of exhibit space on the stadium floor when seats are retracted.

Statewide Meeting Facilities

The proposed facility may also be competitive with facilities throughout the state of Florida, particularly for state association events and national events seeking a Florida destination. The state of Florida offers a wide variety of meeting facilities with at least 50,000 square feet of function space, as detailed in the table on the following page. The Orange County Convention Center in Orlando offers 2.5 million square feet of function space and is one of the largest convention centers in the U.S. The Orlando/Kissimmee market also contains a number of large-scale convention hotels, such as the Gaylord Palms, Marriott World Center, and others.

Statewide Meeting Facilities (Greater than 50,000 sq. ft.)

Center	City	----- FUNCTION SPACE (sq. ft.) -----					Total Function
		Hotel Rooms	Exhibit Space	Ballroom Space	Breakout Space		
Orange County CC	Orlando	0	2,052,100	0	484,800	2,537,000	
Miami Beach CC	Miami	0	502,800	0	123,200	626,100	
Gaylord Palms Resort & CC	Kissimmee	1,406	178,500	78,900	41,800	299,200	
Ft. Lauderdale CC	Ft. Lauderdale	0	199,500	52,200	45,000	296,700	
Tampa CC	Tampa	0	200,000	36,000	42,800	278,800	
Marriott World Center	Orlando	2,000	0	238,400	19,100	257,500	
Rosen Shingle Creek	Orlando	1,500	0	195,000	52,400	247,400	
Swan & Dolphin Resort ¹	Lake Buena Vista	2,267	110,500	78,500	43,900	232,900	
Coronado Springs Resort	Lake Buena Vista	1,921	86,000	81,400	13,100	180,500	
Florida State Fairgrounds	Tampa	0	180,000	0	0	180,000	
Grande Lakes ²	Orlando	1,582	28,000	84,900	34,500	147,300	
Ocean Center	Daytona Beach	0	94,700	11,700	31,800	138,200	
Prime F. Osborne CC	Jacksonville	0	78,500	10,100	26,700	115,400	
Caribe Royal Resort	Orlando	1,338	0	72,400	34,200	106,600	
Boca Raton Resort & Club	Boca Raton	1,047	0	63,400	39,600	103,000	
Sarasota Bradenton Int'l CC	Sarasota	0	93,000	0	4,700	97,700	
Rosen Centre Hotel	Orlando	1,334	0	49,400	34,600	83,900	
Fontainebleau Miami Beach	Miami Beach	1,504	0	58,600	19,000	77,600	
The Lakeland Center	Lakeland	0	52,900	5,300	6,700	65,000	
Harborview Center	Clearwater	0	30,000	17,600	8,400	56,000	

1 The Walt Disney World Swan & Dolphin hotel consists of two hotels on-site: the 758-room Swan (Westin brand) and the 1,509-room Dolphin (Sheraton brand).

2 Grande Lakes contains two hotels on-site: the 998-room JW Marriott Grande Lakes and the 584-room Ritz-Carlton Grande Lakes.

Note: Lake Buena Vista and Kissimmee are located in the Orlando market.

Source: Smith Travel Research; Facility management

With the supply of event facilities on a local, regional, and state level, as well as nationally, a new multi-purpose facility in the Westshore market would face significant competition. These event facilities cater to a variety of event types (association, corporate, local, national, sports, special events, etc.), and fulfill various market niches based on size, building configuration, and location. Within the immediate local market, the supply of mid-size event space may be limited, but additional mid-size facilities are located within the region and within the state.

Markets with Multiple Centers

While the potential for significant local and regional competition faces a proposed multi-purpose facility in Tampa, there are examples of markets with more than one major facility. Other markets operate under a multiple center model serving a variety of market needs/niches. This section is intended to provide examples and insights into these situations. The table on the following page summarizes a sample of markets that contain multiple centers.

Markets with Multiple Centers

	Location	Exhibit Space (sq. ft.)	Total Function Space (sq. ft.)	Distance to Primary CC ¹
Cincinnati, OH/KY				
Duke Energy Center*	Downtown	195,300	297,400	-
Northern Kentucky Convention Center	Suburban	46,200	82,300	2
Madison, WI				
Alliant Energy Center*	Near Downtown ²	100,000	120,300	-
Monona Terrace Convention Center	Downtown	37,200	57,100	2
Boston, MA				
Boston Convention & Exhibition Center*	Near Downtown ³	516,000	700,000	-
John B. Hynes Veterans Memorial CC	Downtown	175,800	268,700	3
Minneapolis, MN				
Minneapolis Convention Center*	Downtown Minneapolis	475,200	595,600	-
St. Paul RiverCentre	Downtown St. Paul	100,300	145,900	10
San Francisco, CA				
Moscone Center*	Downtown	534,500	937,400	-
South San Francisco Conference Center	Airport	0	20,500	11
Atlanta, GA				
Georgia World Congress Center*	Downtown	1,366,000	1,685,100	-
Georgia International Convention Center	Airport	151,200	206,600	11
Cobb Galleria	Suburban	144,000	189,000	12
Gwinnett Center	Suburban	50,000	84,400	27
Seattle, WA				
Washington State Convention & Trade Center*	Downtown	205,700	310,300	-
Meydenbauer Center	Suburban	36,000	48,000	11
Lynnwood Convention Center	Suburban	11,700	21,600	17
Everett Events Center	Suburban	0	13,600	28
Dallas, TX				
Dallas Convention Center*	Downtown	949,500	1,103,600	-
Gaylord Texan	Suburban	179,300	286,400	23
Irving Convention Center	Suburban	48,100	94,100	12
Arlington Convention Center	Suburban	47,200	85,700	17
Chicago, IL				
McCormick Place*	Downtown	2,588,500	3,168,000	-
Donald E. Stephens Convention Center	Airport	787,000	862,300	18
Kansas City, MO/KS				
Kansas City Convention Center*	Downtown	388,800	574,300	-
Overland Park	Suburban	58,500	98,500	19
St. Louis, MO				
Americas Center*	Downtown	503,000	661,600	-
St. Charles Convention Center	Airport	27,600	44,700	22
Los Angeles, CA				
Los Angeles Convention Center*	Downtown	720,000	864,500	-
Anaheim Convention Center	Suburban	813,600	933,400	28
Pasadena Convention Center	Suburban	53,500	99,400	11

1 Driving distance, in miles.

2 The Alliant Energy Center is located approximately two miles from downtown Madison.

3 The BCEC is located in South Boston, approximately three miles from downtown.

Notes: Primary centers are marked with an asterisk (*). Secondary centers more than 30 miles from the primary center are excluded from table above.

Source: Facility management; Industry resources; MapQuest

One observation that stands out from a review of the preceding table is that the vast majority of multi-center markets actually have these centers located in different municipalities. In other words, unlike the proposed Westshore venue, which would result in two venues in the same municipality of Tampa, the vast majority of these examples have little or no sensitivity to cannibalizing or competing for events with the other venue(s) in the market, because the venues have separate owners/stakeholders. For example, each of the four major venues listed in either the Atlanta or Dallas market are owned and managed by separate and distinct municipalities. In other words, not only is competition among venues not a problem, but it is likely encouraged. The two examples where the venues are located in the same municipality are Boston (where the BCEC recently opened and studies have already been undertaken to explore the closing of the Hynes Convention Center) and Madison, Wisconsin (where the Alliant Energy Center is the fairgrounds facility and the Monona Terrace is the downtown conference facility—focusing on two distinct target markets).

Given the short distance of Westshore to downtown Tampa (less than five miles), and the likely very high level of sensitivity that a new Westshore venue should not cannibalize events from the Tampa Convention Center, the idea of ensuring a new venue brings incremental business to the City of Tampa (versus relocating business from downtown to Westshore) is important.

The following is a more detailed description of several of these multi-facility markets to better understand the market positioning of the primary and secondary centers.

[Cincinnati, Ohio/Kentucky](#)

The Duke Energy Center, located in downtown Cincinnati, is the primary convention center for the greater Cincinnati market. The facility has nearly 300,000 square feet of total function space, including 195,300 square feet of exhibit space, and caters primarily to conventions, trade shows, and corporate events. This downtown center is connected via sky bridge to four hotels (2,374 hotel rooms) and is within a quarter-mile of 2,991 rooms.

The Northern Kentucky Convention Center is located in Covington, Kentucky, on the southern side of the Ohio River. Although the Northern Kentucky Convention Center is located in a different state, the driving distance to the Duke Energy Center is only 1.5 miles via a bridge. With 82,300 square feet of function space (including 46,200 square feet of exhibit space), the Northern Kentucky Convention Center is considered the secondary convention facility in the market and generally caters to local and regional events. While its immediate hotel supply totaling 548 rooms in two hotels is significantly below the Duke Energy Center's supply of nearly 3,000 rooms, these two venues are considered direct competitors for corporate and association business within the greater Cincinnati area.

[Madison, Wisconsin](#)

Madison, Wisconsin contains two meeting facilities separated by approximately two miles. The Alliant Energy Center is a multi-building complex spread over the 164-acre Dane County Fairgrounds, containing a 120,000 square-foot exhibition hall, a 10,000-seat coliseum, and a 22,000 square-foot multi-purpose arena, as well as nine agricultural exhibit buildings. The complex is decades old, but the exhibition building (containing 100,000 square feet of exhibit space and 14 meeting rooms) was added in 1995 to accommodate exhibition demand in the market. The exhibition hall is connected to the 140-room Clarion

Suites hotel via an enclosed walkway. The various building configurations allow the center to accommodate trade shows, conventions, meetings, sports events, equine events, concerts, and other special events.

The Monona Terrace Community & Convention Center is located on a 4.4-acre site in downtown Madison and opened in 1997, two years after the opening of the Alliant Energy Center's exhibition hall. Monona Terrace is a smaller facility, offering 37,200 square feet of exhibit space and 57,100 square feet of total function space. Monona Terrace is connected via enclosed walkway to a 240-room Hilton hotel, which opened in 2001. As a smaller-scale convention center with a downtown location, the Monona Terrace Center generally targets a different market than the fairgrounds exhibition facility.

[Boston, Massachusetts](#)

Boston, Massachusetts is home to two major convention facilities, both owned and operated by the Massachusetts Convention Center Authority ("MCCA"). The John B. Hynes Veterans Memorial Convention Center ("Hynes Center") opened in 1965 in Boston's Back Bay historic district, an area containing upscale retail, residential, office space, and hotels. Its direct connection to approximately 3,300 hotels rooms, shopping malls, and restaurants, has contributed to the success of the center. The Boston Convention & Visitors Bureau even claims the Hynes Center is the "Best located convention center in the country." The center contains 175,800 square feet of exhibit space and 268,700 square feet of total function space. The Hynes Center is planning for an \$18 million renovation project including the addition of several new restaurants.

The Hynes Center served as Boston's primary convention facility until the Boston Convention & Exhibition Center ("BCEC") opened in 2004. The BCEC was developed, in large part, to accommodate groups that were too large for the Hynes Center. The BCEC offers 516,000 square feet of exhibit space (nearly three times the Hynes Center) and 700,000 square feet of total function space. With the opening of the BCEC only 2.7 miles from the Hynes Center, officials questioned if the market could support two facilities and created a commission in 2004 to determine the future of the Hynes Center. After studying two years of data in which the Hynes Center and BCEC coexisted, the commission determined that the Hynes Center should remain in operation because the economic benefits outweighed the costs of the center's subsidy from the State of Massachusetts. The commission quelled concerns that the BCEC would be too competitive with the Hynes Center and take a substantial portion of its business; in fact, the Hynes Center increased revenues in the first two years of the BCEC's operation. In addition, the study found that some events would leave Boston if the Hynes Center closed rather than moving to the larger BCEC.

Despite the close proximity, the Hynes Center and BCEC serve as complimentary facilities as they generally serve different market needs. The BCEC targets large-scale national conventions and trade shows, while the Hynes Center attracts regional and smaller (compared to BCEC) national meetings and conventions. Revenues at the Hynes Center have continued to grow and reached a historical high in 2008. The BCEC has also had success in recent years - since its opening, demand has continued to grow and it experienced its strongest year in 2008 in terms of attendance and room nights. Center officials are currently considering expansion of the BCEC, which could nearly double the center's exhibit space.

The opening of the BCEC was also controversial because it was developed in the South Boston harbor (just south of downtown and three miles from the airport), an area that did not contain a concentration of hotels, restaurants, and retail. This was in stark contrast to the Hynes Center with its direct connection to over 3,000 hotel rooms as well as existing restaurants and retail. Hotel concerns were somewhat alleviated with the opening of the 793-room Westin Boston Waterfront hotel, which is connected to the BCEC, in 2006. In addition, the 471-room Renaissance Boston Waterfront hotel opened in 2008 a few blocks from the BCEC. However, with a total of approximately 1,700 rooms within a short walk of the BCEC, BCEC is at a competitive disadvantage in comparison to cities with a high concentration of hotels in close proximity of the center. Currently, the Westin hotel is considering the addition of a 330-room tower to accommodate demand, and the MCCA is undertaking a study for the development of an additional headquarter hotel property for the BCEC.

Atlanta, Georgia

The greater Atlanta market contains multiple convention facilities. The primary convention center, the Georgia World Congress Center ("GWCC"), contains 1.4 million square feet of exhibit space and is among the largest centers in the U.S. This facility is located in downtown Atlanta and caters to national and international conventions and trade shows.

The Georgia International Convention Center ("GICC") is a secondary center that opened in 2003 and contains 151,200 square feet of exhibit space. The center is located on a 100-acre site adjacent to the Hartsfield-Jackson Atlanta International Airport, 11 miles from the GWCC. The proximity of the GICC to the airport is an advantage for the center, particularly for regional, national, and international events attracted to the Atlanta market. Plans are underway to develop the GICC into an integrated convention complex including hotels, office space, and retail space. The GICC, which is located approximately one-half mile west of the Hartsfield International Airport at the juncture of three major highways, is currently a stand-alone facility that is the first component of the master-planned Gateway Center. The Gateway Center is a public-private venture between the City of College Park and Atlanta-based Grove Street Partners and is planned to contain a 403-room Marriott headquarter hotel, a 147-room SpringHill Suites hotel, approximately 500,000 square feet of office space, and retail and restaurant space, which are planned to open in multiple phases. The hotels are scheduled for completion in mid-2010. In addition, the Automated People Mover connecting the center directly to the airport is scheduled for completion in 2009.

In addition to the Georgia World Congress Center and the Georgia International Convention Center, the Atlanta market contains two suburban centers. The Gwinnett Center offers 50,000 square feet of exhibit space and is located 27 miles from the GWCC, and the Cobb Galleria offers 144,000 square feet of exhibit space and is located 12 miles from the GWCC. These secondary facilities in the market hold some national events, as well as state, regional, and local events.

Gwinnett Center is part of an 80-acre mixed-use campus with a 13,000-seat arena, 700-seat performing arts center, and museum on-site. However, hotel options within walking distance of the center are limited as the only existing adjacent hotel is the 143-room Holiday Inn. While a 234-room Embassy Suites was planned adjacent to the center (a project stalled due to financing issues), future plans include a 400- to 475-room headquarter hotel on the Gwinnett Center site. Cobb Galleria is positioned as part of an 88-

acre complex that includes retail and restaurants. A 497-room Renaissance is also adjacent to the center and a number of other hotel properties are located within a mile of the center.

Dallas, Texas

The Dallas/Fort Worth Metroplex offers numerous convention facilities including the Dallas Convention Center, the Arlington Convention Center, the Fort Worth Convention Center (more than 30 miles from the Dallas Convention Center), the Gaylord Texan, and the Irving Convention Center (currently under construction). With 950,000 square feet of exhibit space, the Dallas Convention Center is the primary facility in the market and caters to large-scale regional, national, and international events.

The Irving Convention Center will serve as another secondary facility in the Dallas/Fort Worth market upon its opening, scheduled for late 2010. The convention center is part of a larger mixed-use entertainment complex located on a 40-acre site in the Las Colinas district of Irving (12 miles from the Dallas Convention Center and close to the Dallas-Fort Worth International Airport). The entertainment complex will include a 3,400-seat concert venue, 10 themed restaurants, retail shops, and a cinema. A privately developed headquarter hotel with 350 to 400 rooms is also planned for the complex in addition to the existing 361-room Marriott located adjacent to the convention center site.

The facility will include 94,100 square feet of function space, including 48,100 square feet multi-purpose/exhibit space. The Irving Convention Center is designed to attract high-end conventions, trade shows, meetings as well as special events, such as sports, concerts, and other local events. It plans to target groups ranging in size from 800 to 1,200 attendees. The center's strong corporate base in the Irving and Dallas markets is also expected to be key a supporting factor for the new facility. The center is owned by the City of Irving and managed by SMG Worldwide. The \$137 million center was funded solely through public financing, which was secured by a nine percent hotel occupancy tax.

Common Funding Methods

While the Irving Convention Center described in the previous section was funded through dedicated hotel occupancy taxes, and this (municipal revenue bond financing funded by hotel tax) represents the most prevalent form of venue funding today, convention facilities and multi-purpose centers are often funded through a variety of other sources and methods. In terms of the private sector, major convention hotels (e.g. Gaylord Hotels) are funded largely by the private sector. However, these developments sometimes rely on the public sector for land or tax incentives. The private sector may also be involved in financing an attached hotel component of a convention or multi-purpose center development. In the case of the Bethesda North Conference Center, for example, the county developed the conference center (meeting/support) space, while private developers funded the attached hotel. Under an agreement with the county, Marriott manages both the hotel and conference center. In addition to the primary funding of convention/multi-purpose center debt, the private sector may also contribute funds through the purchasing of naming rights, exclusive catering agreements, and other sources which are often used as supplementary funding for event facilities.

Public funding sources typically identified and pledged to support center costs are those which meet the following criteria: not pledged to fund general government (i.e., will not be considered an indirect cause of

a tax increase); not specifically/exclusively dedicated to another purpose (i.e., not previously committed); paid completely (or mostly) by nonresidents; and amount of revenue produced by a tax is increased as a result of the operations of the center or the economic activity generated by the center (i.e., attendee spending). As mentioned previously, hotel tax revenues are the most frequently used source of financing, but other public funding sources are also used. Some of the most common methods of financing centers are through general obligation bonds, revenue bonds, and bonds supported by tax increment financing.

IV. Stakeholder Discussions

A useful step in understanding the support for the proposed multi-purpose facility is obtaining input from local stakeholders. This process provides an understanding of the general support and possible demand for the proposed facility as well as overall perceptions of Westshore as a location for a proposed multi-purpose facility.

Discussions were held with representatives from the following list of organizations, which included hoteliers, other meeting facility representatives, and business leaders in the community. If a second phase of demand and financial analysis is conducted related to a proposed multi-purpose facility, additional local stakeholder discussions will be conducted.

- A la Carte Event Pavilion
- Crowne Plaza Westshore
- Doubletree Tampa Westshore Airport
- Grand Hyatt Tampa Bay
- Highwoods Properties
- Mainsail Suites & Conference Center
- Marriott Tampa Airport
- Marriott Waterside
- OSI Restaurant Partners
- Renaissance International Plaza
- Saddlebrook Resort
- Tampa Bay & Company
- Tampa Convention Center
- Tampa International Airport

This section summarizes the findings of our discussions. It is important to note that these responses are not representative of all stakeholders and do not represent the opinions of PricewaterhouseCoopers LLP.

- Most stakeholders were supportive of the proposed multi-purpose facility, citing the availability of hotels (particularly upscale hotels), proximity to the airport, concentration of office space, and possible need for a mid-sized facility not offered in the market as the primary reasons that the facility should be developed.
- Some stakeholders recognized that the market currently lacks a mid-sized facility to accommodate groups that are too large for local hotels and prefer not to utilize the TCC, usually due to a perception that the TCC is too large for their event. The proposed facility could fill that gap and attract business that may otherwise not have selected Tampa.
- Several stakeholders indicated that the proposed facility could be successful and supported if it is developed, although it was not viewed as a necessity for the community.
- However, some stakeholders did not support the proposed multi-purpose facility, because Tampa already has a convention center that offers sufficient convention space to attract national and regional groups. Such stakeholders also questioned whether demand (recognizing that demand is anticipated to increase in future years as the economy recovers) was sufficient to support two major event facilities in Tampa. These stakeholders were unsure if a facility in Westshore would

be an attractive option to non-local groups who have the opportunity to choose a facility with rooms on-site or connected, such as mega-convention hotels in Orlando or elsewhere nationwide.

- The primary benefactors of the proposed multi-purpose facility are seen as the Westshore hotels, which are likely to accommodate most of the room nights generated by events at the proposed facility. A secondary benefit for Westshore hotels is the opportunity to host spin-off functions, such as opening receptions in their in-house meeting space. Some stakeholders indicated that the proposed facility would not have a negative impact on any facilities/hotels in Tampa, while others recognized that the proposed facility would compete to some degree with the TCC.
- Views on the potential impact that the proposed facility would have on the TCC were mixed. Some stakeholders indicated that the TCC would not be negatively impacted because the proposed facility would likely be positioned as a complementary, not competitive, facility. For example, the proposed facility could attract events that would not otherwise have selected the TCC and events that could not be held at the TCC due to unavailability of dates and/or space. However, other stakeholders indicated that the TCC would experience some degree of competition from the proposed facility and could lose some smaller pieces of business. Stakeholders also indicated that the level of impact on the TCC is difficult to estimate as the size, configuration, location, and market orientation of the proposed center have not been determined.
- Stakeholders indicated that the key strengths of Westshore are the concentration of hotels, variety of hotel options, convenience (good highway accessibility and proximity to airport), central location in the Tampa Bay area, corporate presence nearby, limited traffic, availability of complimentary parking, and availability of upscale dining and shopping options.
- Stakeholders noted that the most significant challenge in the development of a new facility is providing attractive transportation services. The facility would likely need bus service to/from hotels in Westshore (unless within walking distance). Although most Westshore hotels offer complimentary shuttle service to the airport, events at the new facility would probably require bus service.
- Some stakeholders noted that the TCC and downtown hotels may have a competitive advantage for groups seeking a "traditional" convention center experience, as downtown offers waterfront facilities, a pedestrian-friendly area, and trolley service to the Channelside and Ybor entertainment districts.
- Stakeholders indicated that meeting space in the Westshore hotels is not highly utilized. However, stakeholders noted that Westshore hotels offer similar packages, which include approximately 300 guestrooms and 10,000 square feet of meeting space. Demand for meeting space in the past year or two has softened in conjunction with the economic downturn, but it should pick up in future years as the market recovers. Stakeholders at Westshore hotels are less interested in the utilization of meeting space and most interested in developing a demand generator to fill room nights.
- Most stakeholders agreed that there is not pent-up demand for event space at the current time. A couple of years ago, when the meetings industry was stronger, there may have been some pent-up

demand, but demand has slowed considerably over the past year, particularly in the corporate market.

- Supporters of the proposed facility suggested that it needs to be designed to attract non-local groups that will generate room nights and spending in other areas of the local economy. Local events should only be used as filler business.
- Supporters also suggested that the proposed facility should contain exhibit space in order to attract groups (particularly associations) that cannot currently be accommodated in Westshore hotels. Supporters did not see the need for a theatre/performance venue since Tampa is well-served by its entertainment and performance facilities. Some supporters envisioned a multi-purpose facility that could accommodate sports events, such as volleyball. Others noted that state-of-the-art technology should be an important consideration in the proposed facility.
- Stakeholders at the Westshore hotels would be willing to commit room blocks for events at the proposed facility. Stakeholders recognized that the size of room blocks is dependent upon a number of factors and would vary from event to event. For example, hotels may be more interested in committing larger room blocks during periods of lower demand, such as summer months, weekends, or other periods of soft demand. During periods of strong demand, independent properties and properties with a larger share of contract business may be more willing to commit larger room blocks.
- Tampa has had difficulty in attracting certain types of groups due to the meeting/hotel package offered; for example, pharmaceutical events have heavy breakout room needs which can often not be accommodated at the TCC. Also, Tampa is challenged in attracting associations that prefer beach properties or groups that require a hotel package that is more condensed than the downtown hotels can offer.
- Some stakeholders noted that the proposed facility could allow Tampa to host multiple conventions at the same time. The TCC has had difficulty at times in accommodating simultaneous groups in the exhibit halls due to space constraints and move in/out dates. If a group's preferred dates are unavailable at the TCC, the proposed facility in Westshore could be an option so that the group could stay in Tampa.

V. Summary of Findings

Based on the information presented, there are a number of supporting factors that suggest a potential opportunity for the development of a multi-purpose center in the Westshore district. Conversely, there are also a number of cautionary issues that should not only be carefully weighed, but that may represent challenges that will need to be overcome to ensure the venue is successful and adds incremental business to the City of Tampa. In this preliminary study, we present these findings of supporting factors and areas which may require further analysis.

- **Supporting factor:** The Westshore market contains the largest concentration of hotel rooms in the Tampa area, offering nearly 8,800 rooms within a 10 square-mile area. The Westshore hotel supply accounts for 44 percent of the supply in the Tampa market. Such a large concentration of hotel rooms could allow Westshore to accommodate events with sizable room needs.

Analysis required: A large room supply does not necessarily translate to “available rooms.” Corporate and association meetings are booked months or years in advance, and hoteliers (particularly those that have traditionally focused on transient/corporate demand) are often hesitant to commit major room blocks for group business. During periods of high demand for hotel rooms (mid-week, high season, etc.), hotels may be less willing to commit room blocks for events at the proposed facility, potentially resulting in limited capacity for group room nights.

Analysis required: Despite the concentration of hotel rooms in Westshore, only two hotels contain more than 400 rooms, which limits the maximum room block sizes at any one hotel. This could place the proposed multi-purpose center at a significant competitive disadvantage for the hotel package available given the number of large convention hotels and convention center headquarter hotels available in other markets. In other words, due to the enhanced competitive environment statewide, regionally, and nationally, meeting planners have multiple options for their events, many of which provide for their entire room demand to be accommodated in one or two hotel properties.

Moreover, to the extent that a second phase analysis concludes that a multi-purpose center is warranted (a smaller venue compared to the TCC), this would increase the importance of having rooms immediately and efficiently accessible for this new facility. The Tampa Convention Center faced significant hurdles in attracting business prior to the opening of the adjacent Marriott, and similar ramp-up challenges would be expected for this new facility if the hotel situation is not adequately addressed (i.e., developing the facility proximate to existing hotels that are willing to commit significant room blocks, or developing on a site that is conducive to the eventual development of a headquarter hotel). A venue smaller than the TCC broadens the competitive landscape to include hotels, particularly in Florida, that offer rooms and event space under one roof.

- **Supporting factor:** While the supply of downtown hotels is weighted towards full-service branded properties, most of which are in the Upper-Upscale class, the Westshore market offers more varied hotels options, including a mix of limited-service and full-service, branded and independent, and prices ranging from budget to luxury classes. This allows the opportunity for groups to have a

hotel package with multiple hotels at various price points. This may indicate an opportunity for SMERF and weekend business (room night-generating sports competitions, etc.).

Analysis required: According to discussions with stakeholders, the Westshore market is largely oriented to the transient market (business/corporate), which typically garners higher rooms rates than the group segment. While Westshore hotels may offer a variety of package options and price points, there is a risk that hotels may be less willing to commit room blocks for events at the proposed facility at lower group room rates than transient rates, potentially resulting in limited capacity for group room blocks.

- **Supporting factor:** Within the existing level of meeting space supply in Tampa, there appears to be a gap in facility sizes offered for groups in need of dedicated exhibit and/or ballroom space. While the Tampa Convention Center can accommodate groups that range in size, the largest single hotel space is less than 18,000 square feet, which limits options for mid-size events too large for local hotels, but perceived as too small for the TCC.

Analysis required: While a potential supply gap may exist for a mid-size facility in the immediate Tampa market, the regional area as well as the wider Florida market have significant levels of supply that fulfill a number of market needs. Orlando, in particular, has such a significant supply of event space at convention hotel properties that it poses competition for state events and national events seeking a Florida destination.

Analysis required: On a national basis, the market is often perceived as having an oversupply of convention space, particularly in second- and third-tier destinations. If the proposed facility is positioned to attract non-local business, it would be competing with event facilities across the U.S.

Analysis required: While a number of markets across the U.S. can support multiple centers, many secondary facilities are located in a more distant suburb and/or spaced further from the primary convention center in comparison to the five-mile distance between the TCC and the proposed center in the Westshore district. These more distant centers may be better positioned to define their market niches and capture local/regional business that is not competitive with the primary convention center. In addition, many of these secondary centers are owned/operated by different municipalities from the primary center where competition is encouraged and cannibalization of business is not an issue. However, as presented, proximate facilities, including those within the same municipality, do co-exist in other markets—particularly in situations where each venue targets a unique segment of the event industry.

- **Supporting factor:** The proposed facility is anticipated to impact Westshore hotels to varying degrees, largely dependent on the location of the center; however, stakeholders indicated that most Westshore hotels (and potentially hotels outside of Westshore) would experience a positive impact from the proposed center.

Analysis required: According to stakeholders, meeting space at Westshore hotels is not highly utilized, and some stakeholders were unsure if demand would be sufficient to support an additional facility. However, it should be noted that some of this sentiment may be due to current depressed

economic conditions. In addition, with any new supply in the market, there is a risk of cannibalizing existing business.

- **Supporting factor:** With close proximity to Tampa International Airport and situated at the crossroads of three major highways, an event facility in Westshore would be well-positioned to provide convenient access for both fly-in and drive-in attendees.

Analysis required: Transportation between the proposed facility and hotels/entertainment is a critical factor in providing an attractive package to event planners and attendees. Stakeholders viewed transportation as one of the key challenges for the proposed facility. While some hotels and entertainment are in walking distance of each other and hotels provide airport shuttle service, Westshore's suburban orientation typically requires transportation.

- **Supporting factor:** In the long-term, improvements in transportation and accessibility in Tampa include increased airport capacity with a new terminal and runway planned by 2020. Light rail is planned for the greater Tampa market including a connection(s) at TPA and the Westshore area. In addition, pedestrian enhancements are planned for Westshore. These developments could potentially enhance accessibility, albeit to varying degrees, to the proposed facility.
- **Supporting factor:** Due to its waterfront location, adjacent structures, and the Selmon Expressway, future expansion options for the Tampa Convention Center are limited—or at best, cost-prohibitive. Therefore, if it is the goal of the City to continue to grow its meetings market over the long term, new venues may be the only option—even if it does result in some initial competition between venues. If there is, in fact, demand for expanding the Tampa Convention Center, and the TCC is not expanded to accommodate that demand, then there may be an opportunity for that incremental demand to be captured by a Westshore multi-purpose facility. In other words, even if the Westshore venue were to take existing business from the TCC, the question should be explored as to whether or not there is sufficient “pent-up” demand for the TCC to allow it to offset any lost business with new events.
- **Supporting factor:** The Westshore district offers over 250 restaurants and a concentration of retail space (4.8 million square feet) with much these dining and shopping options located at the Westshore Plaza and International Plaza shopping malls. The concentration of dining and retail, particularly upscale options, may be attractive to event planners as they seek destinations that are appealing to attendees.
- **Supporting factor:** Westshore continues to experience growth with developments of new hotel and commercial office properties. For example, several new office buildings and hotels opened in the past several years, and others are under construction or planned.
- **Supporting factor:** Tampa is considered a relatively affordable destination on a national basis, and in comparison to the downtown district, Westshore hotels overall are generally more affordable.

- **Supporting factor:** The Tampa Bay area is an attractive destination as it offers beaches, golfing, and family activities. Tampa Bay also offers desirable weather, particularly during the winter season.

As noted, a number of supporting factors and areas that require further analysis exist in the market today. While some of these points discussed are more relevant for certain event types, such as conventions/conferences versus special events/sporting events, a facility in Westshore will likely need to accommodate a mix of event types to benefit Westshore hotels and operate successfully given the market's orientation to corporate transient business, its suburban location, the potential for limited room blocks, and the intense competitive environment.

Overall, this phase of analysis has identified a number of supporting factors for a new multi-purpose venue in the Westshore District. It has also identified a variety of areas that warrant further study prior to making any significant investment in such a facility. As described throughout this report, these areas of further study focus on:

- balancing the likelihood of Westshore hotels to commit significant room blocks against the type of business that is most appropriate for the venue;
- determining the type of business that should comprise the target market for the proposed center (corporate meetings, conventions, sporting events, etc.);
- selecting the best site to accommodate the identified demand and benefit the Westshore stakeholders, while minimizing the need for new hotel development;
- ensuring convenient transportation is accessible for event attendees; and
- exploring the potential competitive impact on the Tampa Convention Center.

Again, it is important to reiterate that the issues identified in this initial analysis, in and of themselves, do not provide the needed due diligence required to understand whether demand exists for a new Westshore venue, or whether competition with the Tampa Convention Center would be avoided or minimized (and if competition/cannibalization would exist, does sufficient demand exist for the Tampa Convention Center to offset any business lost to Westshore). These are issues we recommend be fully explored in the event the decision is made to conduct further study.