



IMPACT STUDY

Lancaster County Convention Center

LANCASTER, PA



SUBMITTED TO:

Mr. Kevin R. Molloy, Executive Director
Lancaster County Convention Center
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PREPARED BY:

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Mr. Kevin R. Molloy, Executive Director
Lancaster County Convention Center
25 South Queen Street
Lancaster, Pennsylvania 17603
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Re: Impact Analysis

Dear Mr. Molloy:

Attached you will find our Impact Study of the Lancaster County Convention Center in Lancaster, PA.

We certify that we have no undisclosed interest in the property, and our employment and compensation are not contingent upon our findings. This study is subject to the comments made throughout this report and to all assumptions and limiting conditions set forth herein.

It has been a pleasure working with you. We look forward to hearing your comments.

Sincerely,
HVS Convention, Sports & Entertainment
Facilities Consulting

A handwritten signature in black ink that reads 'Thomas Hazinski'.

Thomas A. Hazinski, MPP
Managing Director

A handwritten signature in black ink that reads 'Michael Ferguson'.

Michael Ferguson
Project Manager



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1. Introduction and Executive Summary

Nature of the Assignment

The Lancaster County Convention Center Authority engaged HVS Convention, Sports & Entertainment Facilities Consulting (“HVS”) to conduct an Economic and Fiscal Impact Study of the Lancaster County Convention Center (“LCCC”) in Lancaster, PA. The purpose of the study is to estimate the increase in economic spending from the ongoing operation of the LCCC.

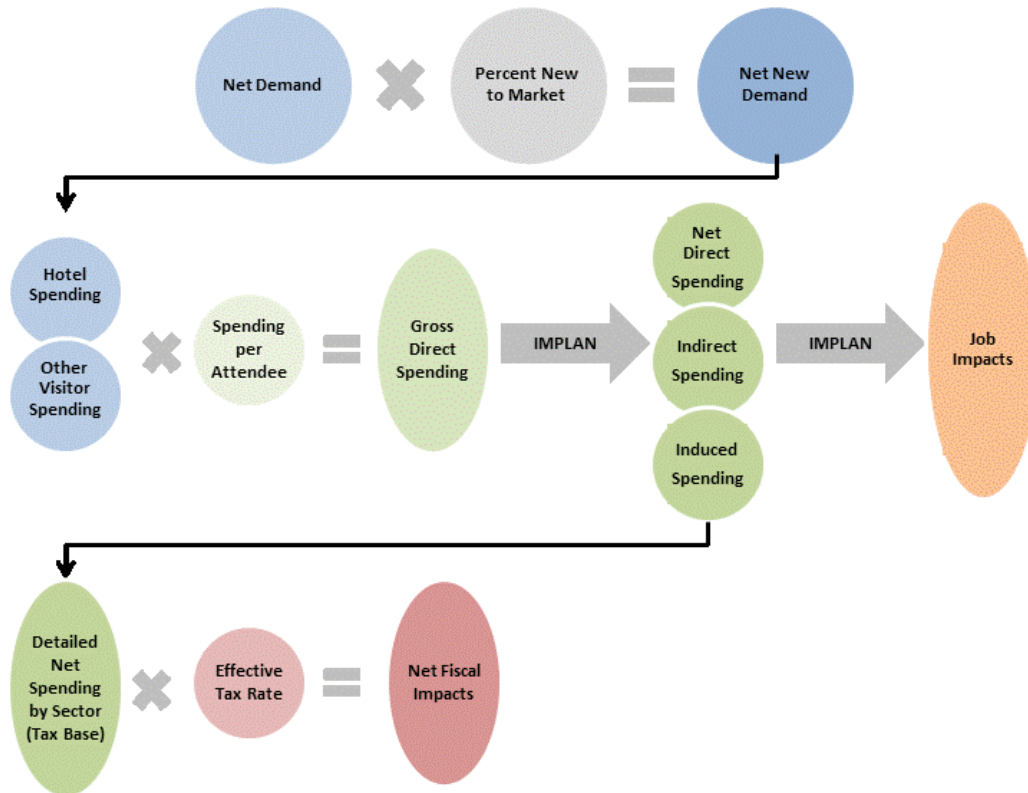
Public investment in the LCCC reflects the convention center's significant role in the state and local economy. The venue provides an essential forum for exchanging products and information in the Lancaster area and allows unique events to contribute to the city's culture. Conventions attract out-of-town delegates and exhibitors to Lancaster County. Attendee and exhibitor spending supports hotels, restaurants, retail establishments, and many other local businesses. The meeting and group visitors produce room nights in local hotels that supplement corporate and leisure business, smoothing occupancy cycles and supporting demand during low and shoulder seasons. Exhibiting companies provide temporary and permanent jobs to many area residents. Zenkaikon, the annual anime and science-fiction convention, is a notable example of the economic and cultural impact of the LCCC, as it consistently hosts more attendees per year than any other event.

This study updates our Economic and Fiscal Impact Study of the LCCC produced in 2021 (the “2021 Study”), which analyzed the impact of 2018 through 2020. In this study, the employment and spending impacts of the LCCC on Lancaster and the surrounding area are quantified using event data for 2021 through 2023. We also quantified the fiscal impacts, or new tax revenue, flowing to state and local government.

Economic Impact Methodology

We quantified spending, fiscal impacts, and employment in the City of Lancaster, Lancaster County, and the Commonwealth of Pennsylvania due to the operations of the LCCC. The figure below depicts the study process.

FIGURE 1-1



We conducted the following steps:

- Gathered detailed information on historical LCCC events from 2021 to 2023.
- Surveyed local Lancaster merchants to understand better the intangible benefits of the LCCC, as well as how they feel the convention center affects their business.
- Quantified historical demand for attendees and exhibitors.
- Estimated the percent of visitors outside the market area (net new demand).
- Estimated spending per visitor or attendee to estimate gross direct spending or income imported into the market.

- Used an input-output model of the economy (IMPLAN) to generate estimates of total net spending, indirect spending, and induced spending.
- Used IMPLAN to estimate the increase in employment associated with the total net spending.
- Identified sources of net new spending that would generate tax revenues and applied the appropriate, effective tax rates to generate fiscal impact estimates.

Our staff collected and analyzed all the information in this report. We sought reliable sources and deemed information obtained from third parties accurate.

Event Demand Analysis

The LCCC provided detailed event data on historical events from 2017 through 2023. The following figure shows event and attendance trends for each year by type of event.

FIGURE 1-2
LCCC EVENT SUMMARY

	2017	2018	2019	2020	2021	2022	2023
Events							
Conventions & Conferences	31	33	35	6	7	36	27
Consumer Shows	7	8	8	2	1	8	9
Assemblies	10	10	13	0	3	6	12
Banquets	15	3	9	0	4	8	8
Sports & Competitions	9	11	9	4	17	11	13
Concerts & Entertainment	5	2	5	0	4	4	7
Total	77	67	79	12	36	73	76
Attendees							
Conventions & Conferences	29,770	22,460	20,050	4,050	1,470	25,890	31,640
Consumer Shows	15,768	14,030	12,320	2,480	580	7,940	8,580
Assemblies	23,700	11,120	12,590	0	1,530	4,240	12,200
Banquets	11,235	3,460	14,650	0	1,390	8,430	8,740
Sports & Competitions	19,491	14,700	11,170	6,130	10,330	18,490	18,710
Concerts & Entertainment	10,950	2,700	12,800	0	3,430	9,160	13,680
Total	110,914	68,470	83,580	12,660	18,730	74,150	93,550
Attendee Days							
Conventions & Conferences	56,204	72,971	52,111	10,692	5,259	81,375	111,331
Consumer Shows	46,305	50,799	38,055	7,462	2,339	25,373	23,016
Assemblies	51,900	31,303	34,140	0	3,850	11,020	18,981
Banquets	11,735	3,461	40,720	0	3,040	12,749	13,573
Sports & Competitions	34,419	35,575	32,187	20,374	29,442	49,587	55,727
Concerts & Entertainment	10,950	7,200	12,800	0	13,437	13,657	25,734
Total	211,513	201,309	210,013	38,528	57,367	193,761	248,362

Source: LCCCA

For the period from 2017 through 2019, LCCC averaged 74 events. Event bookings peaked in 2019 with 79 events. Though banquets declined during this period, the number of conventions and conferences grew yearly.

The LCCC returned to pre-pandemic demand figures in 2022 and drew a record number of attendees in 2023. This is largely due to the continued growth of Convention & Conference attendance.

Economic Impact

To estimate the total spending of event attendees, organizers, and exhibitors, we used spending parameters from the Travel USA study by Longwoods International. We adjusted spending for inflation and local spending patterns.

Using the IMPLAN input-output model, we estimated the amounts of share of gross spending that occurred in the local economy ("Net Direct Spending"), associated

business spending (“Indirect Spending”), and related personal income (“Induced Spending”). We also calculated the number of full-time equivalent jobs needed to support the estimated direct, indirect, and induced output.

We provided estimates for three jurisdictions: 1) the City of Lancaster, 2) Lancaster County, and 3) the Commonwealth of Pennsylvania, as shown in the following figure.

FIGURE 1-3
ANNUAL ECONOMIC IMPACT ESTIMATES (\$ MILLIONS, IN 2024 DOLLARS)

	2021	2022	2023	Total
City of Lancaster				
Direct	\$4.1	\$25.9	\$33.9	\$63.9
Indirect	1.6	9.5	12.4	23.5
Induced	1.2	7.6	9.9	18.7
Total	\$6.9	\$43.1	\$56.2	\$106.2
Lancaster County				
Direct	\$3.4	\$22.9	\$33.7	\$60.1
Indirect	1.3	8.3	12.5	22.1
Induced	1.0	6.7	9.9	17.7
Total	\$5.8	\$37.9	\$56.1	\$99.8
Commonwealth of Pennsylvania				
Direct	\$0.4	\$2.2	\$2.7	\$5.4
Indirect	0.2	1.1	1.3	2.7
Induced	0.2	1.1	1.3	2.7
Total	\$0.9	\$4.4	\$5.4	\$10.7
Impacts between the City, County, and State are <u>not</u> additive.				

The impacts for each jurisdiction (City, County, and Commonwealth) overlap and are not additive. The level of net direct spending varies within each jurisdiction depending on the percentage of visitors from outside the geographic area and the share of direct spending that flows to entities within the jurisdiction. The City of Lancaster’s net direct spending is higher than that of the Commonwealth of Pennsylvania because a higher percentage of visitors to LCCC come from outside Lancaster than from outside Pennsylvania. Indirect impacts (new business income) and induced impacts (new personal income) occur as the net direct spending reverberates through the economy.

From 2021 to 2023, the LCCC generated over \$106 million in current-year dollars for the City of Lancaster. For comparison, in the HVS 2021 Study, we estimated that the LCCC generated \$83 million (inflated to 2024 dollars) from 2018-2020.

Fiscal Impacts

Net direct, induced, and indirect spending is the basis for estimating fiscal impacts. We identified eight applicable taxes that would generate new revenue for the City of Lancaster, Lancaster County, and the Commonwealth of Pennsylvania that would generate new revenue. The following figure summarizes the estimated fiscal impact for 2021 through 2023.

FIGURE 1-4
FISCAL IMPACTS (2024 DOLLARS)

	2021	2022	2023	Total
City of Lancaster				
Earned Income Tax	\$20,300	\$131,600	\$172,300	\$324,200
Lancaster County				
Hotel Room Rental Tax	\$24,800	\$250,200	\$325,200	\$600,200
Hotel Excise Tax	7,000	70,600	91,700	169,300
Total	\$31,800	\$320,800	\$416,900	\$769,500
Commonwealth of Pennsylvania				
Sales, Use, Hotel Occupancy Tax	\$48,700	\$299,600	\$370,500	\$718,800
Individual Income Tax	8,400	42,200	51,700	102,300
Corporate Income Tax	3,000	14,900	19,400	37,300
Vehicle Rental Tax	500	2,900	3,600	7,000
Liquid Fuel Tax	200	1,400	2,100	3,700
Total	\$60,800	\$361,000	\$447,300	\$869,100

The two tax sources that generate the most revenue are Pennsylvania's Sales, Use, Hotel Occupancy Tax, and Lancaster County's Hotel Room Rental Tax. From 2021 to 2023, fiscal impacts generated by the LCCC have gradually increased.

Conclusion

The following figure summarizes the economic, employment, and fiscal impacts on the City, County, and Commonwealth for 2021 through 2023.

**FIGURE 1-5
SUMMARY OF IMPACTS (2024 DOLLARS)**

	2021	2022	2023	Total
City of Lancaster				
Economic Impact (millions)	\$6.9	\$43.1	\$56.2	\$106.2
Fiscal Impact (thousands)	20.3	131.6	172.3	324.2
Full-time Equivalent Jobs	50	320	420	-
Lancaster County				
Economic Impact (millions)	\$5.8	\$37.9	\$49.8	\$93.5
Fiscal Impact (thousands)	31.8	320.8	416.9	769.5
Full-time Equivalent Jobs	42	284	373	-
Commonwealth of Pennsylvania				
Economic Impact (millions)	\$0.9	\$4.4	\$5.4	\$10.7
Fiscal Impact (thousands)	60.8	361.0	447.3	869.1
Full-time Equivalent Jobs	6	28	35	-

The LCCC has steadily increased its economic and fiscal impact over the past three years in all three geographic areas. The following figure summarizes how this impact compares to the impact generated over the prior study period.

**FIGURE 1-6
IMPACT COMPARISON FROM PREVIOUS STUDY (2024 DOLLARS)**

	2018-2020	2021-2023	% Change
City of Lancaster			
Economic Impact (millions)	\$83.0	\$106.2	28%
Fiscal Impact (thousands)	\$275.9	324.2	18%
Lancaster County			
Economic Impact (millions)	\$60.8	\$93.5	54%
Fiscal Impact (thousands)	\$559.5	769.5	38%
Commonwealth of Pennsylvania			
Economic Impact (millions)	\$13.3	\$10.7	-20%
Fiscal Impact (thousands)	\$794.6	869.1	9%

The LCCC has increased its economic and fiscal impact in the City of Lancaster and Lancaster County. These totals suggest that the LCCC has recovered from the pandemic and surpassed pre-pandemic impact figures. The impact generated by

the LCCC extends to other businesses in the area, generating revenue elsewhere and creating new jobs. This strong return of activity at the LCCC allows the City of Lancaster, Lancaster County, and the Commonwealth of Pennsylvania to reap the economic and fiscal benefits of normal visitation and tourism to the region.

2. Demand Analysis

History of the Lancaster County Convention Center

In September of 1999, the Lancaster County Convention Center Authority (“LCCCA”) was established by Penn State Partners and the Lancaster Foundation and charged with developing a convention venue in Lancaster County. The convention center was one of seventeen strategies LDR International, Inc. developed to revitalize downtown Lancaster. In January of 2000, Lancaster County passed a 3.9% hotel tax to fund the construction and marketing of the convention center. Delayed by lawsuits, construction did not begin until 2006.

The Lancaster County Convention Center (“LCCC”) opened in the summer of 2009. Since then, the county-owned facility has been the primary venue for conventions, consumer shows, tradeshow, and assemblies. The LCCC hosts the Lancaster Roots and Blues Festival, known for its large roster of nationally and regionally recognized artists. Since 2013, the LCCC has also held the annual Zenkaikon anime and science fiction convention, which attracts over 20,000 attendants annually.

The following figure shows the building program for the LCCC. The largest function space in the LCCC is the approximately 46,500-square-foot exhibit hall, capable of hosting over 270 exhibit booths. The LCCC also connects directly to the 416-room Lancaster Marriott at Penn Square.

FIGURE 2-1
LCCC BUILDING PROGRAM

Event Space	Total Area (SF)	Capacities			Exhibit Booths (10'x10')
		Theatre	Banquet	Classroom	
Freedom Hall	46,508	5,000	4,500	2,007	277
Sub-Divisions					
Hall A	15,553	1,500	1,200	750	74
Hall B	27,784	3,000	2,500	1,200	153
Heritage Ballroom	9,696	1,000	1,000	500	50
Sub-Divisions					
Ballroom A	1,298	90	100	60	-
Ballroom B	1,298	90	100	60	-
Ballroom C	4,504	400	300	225	21
Ballroom D	1,298	90	100	60	-
Ballroom E	1,298	90	100	60	-
Commonwealth Ballroom	8,274	800	800	400	45
Sub-Divisions					
Salon 1	1,508	90	100	60	-
Salon 2	1,384	90	100	60	-
Salon 3	3,045	300	300	140	15
Salon 4	2,787	225	200	120	15
Meeting Rooms	4,139				
Federal Room (2)	1,017	80	75	60	
Independence Room (2)	1,290	90	75	60	
Hickory Room (2)	1,290	90	75	60	
Walnut Room	542	30	30	12	
Conestoga Room (2)	1,290	90	75	60	
TOTAL FUNCTION SPACE	68,617				

Source: LCCCA

Historical Events and Attendance

For our 2021 Study, LCCC staff provided detailed event and attendance data from 2018 through 2020. For this analysis, the LCCCA provided bookings for 2021 through 2023. Appendix A of this report provides a complete list of events from 2021 to 2023. We classified these events based on attendance, function space used, and whether overnight rooms were required.

We estimated the percentage of overnight room nights per event outside the Lancaster Marriott at Penn Square. The sum of the Marriott Room Nights and Market Occupied Room Nights reflects the total annual room nights produced by the LCCC.

We reclassified event types into standard event categories to allow comparisons with other venues and for the projection of financial operations. We classified all events into one of the following categories.

Conventions & Conferences—associations, government, and SMERF organizations register attendees for multi-day events. Facility setup includes breakout, banquet, and exhibit space set-up and may include plenary sessions. Typically, the primary purpose of a convention is information exchange. These events often have a large general assembly meeting that can be set up in a multipurpose ballroom. The venue primarily attracts state associations with some national groups booking as well. Conventions and conferences attract many out-of-town attendees requiring lodging in the local market.

Consumer Shows—public, ticketed events featuring the exhibitions of merchandise for sale or display. Exhibition companies produce consumer shows, as they provide a means of product distribution and advertising. They only require exhibit space set-up. Food and beverage service is limited to concessions.

Assemblies—usually involve a ceremony, a speech, or another similar activity that attracts a crowd of spectators. Produced by any type of organization, assemblies are always public events. Additionally, assemblies only require a plenary set-up. Assembly events at the LCCC typically include graduations, speeches, or religious events.

Banquets—only require a banquet set-up for food and beverage meal service. These events also can be produced by any organizational type, and are either are held privately or require guests to register.

Sports/Competitions—typically require setting up a competition area in a large function space. Attendees to sporting events, which sports enterprises usually organize, may be public or registered. Some sporting events have both a registered and public aspect to the event over a few days. Sports/Competitions events at the LCCC typically include dance, cheer, and other sporting events.

Social—only require a banquet set-up for food and beverage meal service. These events also can be produced by any organizational type, and are either are held privately or require guests to register.

Concerts & Entertainment—usually a concert or some form of live entertainment, owned and organized by an event promoter for the public. Entertainment events only require production setup.

The following figure summarizes event demand at the LCCC from 2017 to 2023.

FIGURE 2-2
SUMMARY OF DEMAND HISTORY

	2017	2018	2019	2020	2021	2022	2023
Events							
Conventions & Conferences	31	33	35	6	7	36	28
Consumer Shows	7	8	8	2	1	8	9
Assemblies	10	10	13	0	3	6	12
Banquets	15	3	9	0	4	8	8
Sports & Competitions	9	11	9	4	17	11	13
Concerts & Entertainment	5	2	5	0	4	4	6
Total	77	67	79	12	36	73	76
Attendees							
Conventions & Conferences	29,770	22,460	20,050	4,050	1,470	25,890	32,440
Consumer Shows	15,768	14,030	12,320	2,480	580	7,940	8,580
Assemblies	23,700	11,120	12,590	0	1,530	4,240	12,200
Banquets	11,235	3,460	14,650	0	1,390	8,430	8,740
Sports & Competitions	19,491	14,700	11,170	6,130	10,330	18,490	18,710
Concerts & Entertainment	10,950	2,700	12,800	0	3,430	9,160	12,880
Total	110,914	68,470	83,580	12,660	18,730	74,150	93,550
Marriott Room Nights							
Conventions & Conferences	8,534	9,775	9,470	2,053	1,968	9,111	11,164
Consumer Shows	1,755	2,274	1,450	191	366	2,222	2,108
Assemblies	2,264	3,184	3,768	0	498	644	807
Banquets	464	16	2,895	0	93	94	177
Sports & Competitions	1,428	1,808	1,330	861	1,566	1,802	2,720
Concerts & Entertainment	0	122	45	0	93	432	405
Total	14,445	17,179	18,958	3,105	4,584	14,305	17,381
Attendee Days							
Conventions & Conferences	56,204	72,971	52,111	10,692	5,259	81,375	115,331
Consumer Shows	46,305	50,799	38,055	7,462	2,339	25,373	23,016
Assemblies	51,900	31,303	34,140	0	3,850	11,020	18,981
Banquets	11,735	3,461	40,720	0	3,040	12,749	13,573
Sports & Competitions	34,419	35,575	32,187	20,374	29,442	49,587	55,727
Concerts & Entertainment	10,950	7,200	12,800	0	13,437	13,657	21,734
Total	211,513	201,309	210,013	38,528	57,367	193,761	248,362

Source: LCCCA

For 2021 through 2023, the LCCC led between 38 and 76 events. 2023 marked the first year to surpass 2019 in attendee figures and attendee days. The venue's attendance outperformed 2019 by 12%, with consumer shows and conventions & conferences leading the way.

The LCCCA provided each event's room night totals for the attached Marriott hotel. The following figure summarizes Marriott room night totals at the LCCC from 2017 to 2023.

Repeat Events & Attendance

We analyzed the number of repeat events that return to the LCCC and their associated attendance and room nights, as shown in the following figure. Repeat business indicates a base of customers that are satisfied with their event experience at the LCC.

FIGURE 2-3
REPEATED EVENT AND ATTENDANCE FIGURES BY YEAR

Year	Events	Attendance	Events Repeated	Attendance Repeated	Marriott Room Nights
2018	67	201,309	57%	65%	17,179
2019	79	210,013	56%	69%	18,958
2020	12	38,528	100%	100%	3,105
2021	36	57,367	64%	61%	4,584
2022	73	193,761	51%	54%	14,305
2023	76	248,362	66%	71%	17,381

Excluding pandemic years, 2023 had the highest percentage of repeat events and associated attendance of this period. These repeat business figures show that event planners are satisfied with their event experience at the LCCC.

Event Duration

We analyzed event lengths, including the time needed for event organizers to move in and set up. The following figure presents the average event length for each year included in this update and compares them to pre-pandemic averages. We excluded 2020 from this analysis.

FIGURE 2-4
AVERAGE EVENT DURATION AND MOVE-IN (DAYS)

Event Length	2021	2022	2023	Average	
				2017-2019	2021-2023
Average Event Length					
Conventions & Conferences	5.6	2.8	3.1	2.8	3.8
Banquets	2.5	1.4	1.8	1.9	1.9
Consumer Shows	4.0	3.3	2.9	2.5	3.4
Sports/Competitions	2.9	2.8	2.9	1.8	2.9
Assemblies	2.3	2.7	1.8	2.9	2.3
Concerts & Entertainment	5.3	2.3	1.8	1.5	3.1
Average Move In Days					
Conventions & Conferences	0.7	1.0	0.9	1.1	0.9
Banquets	1.5	1.0	1.0	0.9	1.2
Consumer Shows	1.0	1.3	1.2	1.0	1.2
Sports/Competitions	1.0	1.1	0.8	0.7	1.0
Assemblies	1.0	0.7	0.5	1.0	0.7
Concerts & Entertainment	0.5	0.8	0.3	0.3	0.5

Source: LCCCA

Average event length and average move-in days grew in almost every event category compared to the pre-pandemic period. Assemblies experienced a minimal decline and growth in event length. Sports & Competitions grew by 63%. Concerts & Entertainment grew by 107%, though these numbers are affected by the greater variance of event lengths in 2021.

Room Nights

Our economic impact analysis in Section 3 uses estimates of overnight stays induced by LCCC events in the Lancaster market. The following figure shows the average room nights generated by each type of event held at the LCCC from 2021 through 2023, compared to the same average from 2017 through 2019. Only events that require overnight rooms are included.

FIGURE 2-5
AVERAGE ROOM NIGHTS PER EVENT

Event Type	2021	2022	2023	Average	
				2017-2019	2021-2023
Conventions & Conferences	394	314	465	218	391
Banquets	93	47	89	136	76
Consumer Shows	366	444	351	265	387
Sports/Competitions	98	164	209	107	157
Assemblies	166	644	161	328	324
Concerts & Entertainment	47	108	135	61	97

Conventions and conferences showed the largest increase in room nights per event, with the average growing by 79% between 2017–2019 and 2021–2023. Only banquets showed a sizable decrease in this metric.

Along with the Marriott room night figures, the LCCCA also listed if each event had room nights overflowing to other hotels in the area.

Conclusion

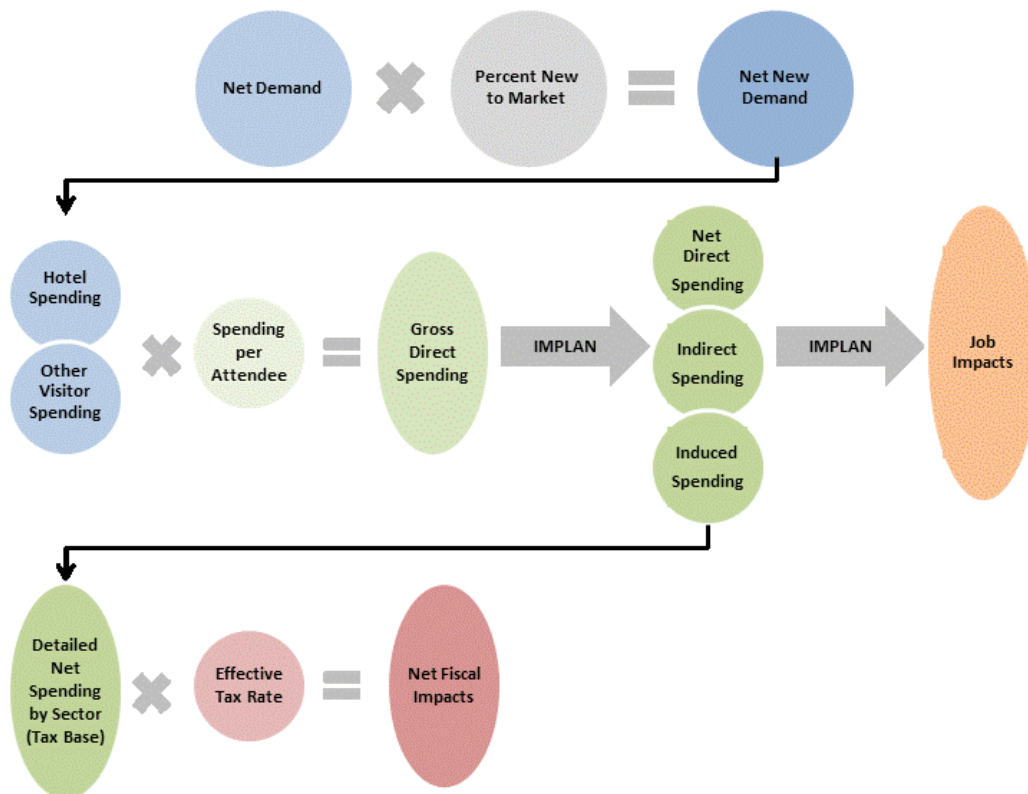
Before the COVID-19 Pandemic, the LCCC's attendance increased yearly to over 200,000 attendee days. The LCCC has not only recovered successfully from the COVID-19 Pandemic but has also seen its highest demand yet, with 2023's demand marking an all-time high in attendance, events, and occupied room nights. The consistent number of repeat events shows that event planners view the LCCC as a desirable destination.

3. Economic Impact

Based on the demand projections presented in this report, we identified the new spending that would occur in the local economy due to the ongoing operation of the Lancaster County Convention Center (“LCCC”). We estimated the income and employment new visitors, event organizers, and exhibitors would generate in the City of Lancaster, Lancaster County, and the Commonwealth of Pennsylvania.

The figure below demonstrates our methodology.

FIGURE 3-1
METHODOLOGY FOR ECONOMIC AND FISCAL IMPACT ANALYSIS



Direct, Indirect, and Induced Spending

Spending falls into three categories:

- **Direct spending** includes the new spending of event attendees and organizers. For example, an attendee's expenditure on a restaurant meal is a direct spending impact. Direct spending includes only new spending that originates from outside Lancaster, the County, or the Commonwealth. Spending by attendees who live within the market area is a transfer of income from one sector of the area's economy to another; therefore, this analysis does not count spending by residents as a new economic impact. Net direct spending is the amount of direct spending that falls into the local economy.
- **Indirect spending** follows from the business spending resulting from the initial direct spending. For example, an event attendee's direct expenditure on a restaurant meal causes the restaurant to purchase food and other items from suppliers. The portion of these restaurant purchases that remain within Lancaster, the County or the Commonwealth count as indirect impacts.
- **Induced spending** represents the change in local consumption due to the personal spending by employees whose incomes change from direct and indirect spending. For example, a server at a local restaurant may have more personal income because of an event attendee dining at the restaurant. The increase in income that the waiter spends in the local economy has an induced impact.

To generate direct spending estimates, we applied assumptions about the amounts of new spending generated by LCCC events. We used the IMPLAN input-output model of the local economy to estimate net direct, indirect, and induced spending. The sum of net direct, indirect, and induced spending estimates make up the total estimated spending impact of LCCC events.

Some refer to indirect and induced impacts as multiplier effects. The relationship between direct spending and the multiplier effects varies based on the specific size and characteristics of a local area's economy.

Sources of Direct Spending

We identified four sources of new direct spending impact:

- **Overnight Guests:** Visitors to the City of Lancaster who require overnight lodging, including convention delegates, meeting attendees, and attendees at other LCCC events. Overnight delegate spending includes meals, shopping, local transportation, recreation and entertainment, and other goods and services while in town.
- **Daytrip Attendees:** Visitors to the LCCC who do not require paid lodging. In most markets, day-trippers typically spend money on meals, shopping,

local transportation, recreation and entertainment, and other goods and services while in town.

- **Event Organizers:** Individuals, associations, or other organizations that plan, sponsor, organize, and coordinate events that take place at LCCC facilities. In addition to facility spending, event organizers also spend on lodging, meals, local transportation, facility rentals, equipment rentals, and other goods and services required to plan and organize a successful event.
- **Exhibitors:** Individuals or companies that rent exhibition space, typically from event organizers, to display information or products at events. In addition to spending at the facility, exhibitors purchase lodging, meals, local transportation, vendor services, meeting room rentals, equipment rentals, and other goods and services.

Estimation of new spending of each of these sources involves three sets of assumptions: 1) the number of new visitors to the market, 2) the geographic location of their spending, and 3) the amounts typically spent by each of the sources.

New Visitors

We estimated the percentage of each visitor type that would come from outside the market rather than from the local area. The spending estimates only include new visitor spending because non-residents import income, whereas residents transfer income already in the market area. Our estimates of new visitors remain consistent with our past studies.

- **Overnight Guests—** we assume that 95% of overnight guests are new to Lancaster County, meaning they originated from outside of Lancaster County and are non-residents. This percentage was determined based on the LCCC's status as the lone facility of its size in Lancaster County. Some overnight guests may stay with friends and family or outside the market. We determined the new overnight visitation to the Commonwealth of Pennsylvania by determining which events could occur at other venues in the Commonwealth and which could only occur in Lancaster. The number of overnight guests reflected in the model only reflects overnight guests for events at the LCCC. Additional overnight visitation related to days added before or after an event are not reflected in this model, though they may produce additional economic impact.
- **Day Trips—** we determined the percentage of new day trips to the City of Lancaster and Lancaster County by comparing their populations to the one-hour drive-time population. Based on the event profile, we assume that events draw few day-trip visitors from outside the Commonwealth.

- Exhibitor/Organizer spending on Attendees/Delegates— we based the percentage of new exhibitors and organizer spending on the percentage of new attendees.

The product of the visitor forecasts and the percent of demand new to the market yields an estimate of the sources of impact shown in the following table. That is:

$$\text{Total Overnight Guests} \times \text{Percent New} = \text{New Overnight Stays}$$

$$\text{Total Day Trips} \times \text{Percent New} = \text{New Day Trips}$$

$$\text{Total Delegate Days} \times \text{Percent New} = \text{New Delegate Days}$$

The following figure shows the number of new visitors to the LCCC that generate new spending.

FIGURE 3-2
PERCENT NEW VISITORS BY REGION AND EVENT TYPE

Geographic Area/Visitor Type	Overnight Guests	Day Trips	Exhibitor Attendees
City of Lancaster			
Conventions & Conferences	95%	97%	65%
Consumer Shows	95%	97%	65%
Assemblies	95%	10%	0%
Banquets	95%	10%	0%
Sports & Competitions	95%	97%	0%
Concerts & Entertainment	95%	97%	0%
Lancaster County			
Conventions & Conferences	97%	74%	50%
Consumer Shows	95%	74%	50%
Assemblies	95%	10%	0%
Banquets	95%	10%	0%
Sports & Competitions	95%	74%	0%
Concerts & Entertainment	95%	74%	0%
State of Pennsylvania			
Conventions & Conferences	3%	10%	10%
Consumer Shows	35%	10%	10%
Assemblies	0%	5%	0%
Banquets	100%	5%	0%
Sports & Competitions	30%	10%	0%
Concerts & Entertainment	41%	10%	0%

The following figure shows the number of visitors to the LCCC by event type from 2021 through 2023.

FIGURE 3-3
SUMMARY OF VISITATION BY EVENT TYPE

	2021	2022	2023
Overnight Visitors			
Conventions & Conferences	4,900	22,900	28,000
Consumer Shows	200	1,700	2,000
Assemblies	500	600	1,300
Banquets	100	200	300
Sports & Competitions	1,100	2,000	2,000
Concerts & Entertainment	100	300	300
Total	6,900	27,700	33,900
Day-Trip Visitors			
Conventions & Conferences	359	58,475	87,331
Consumer Shows	2,139	23,673	21,016
Assemblies	3,350	10,420	17,681
Banquets	2,940	12,549	13,273
Sports & Competitions	28,342	47,587	53,727
Concerts & Entertainment	13,337	13,357	21,434
Total	50,467	166,061	214,462
Attendee Days*			
Conventions & Conferences	5,259	81,375	115,331
Consumer Shows	2,339	25,373	23,016
Assemblies	3,850	11,020	18,981
Banquets	3,040	12,749	13,573
Sports & Competitions	29,442	49,587	55,727
Concerts & Entertainment	13,437	13,657	21,734
Total	57,367	193,761	248,362
*Used to estimate exhibitor and organizer spending			

These numbers are then multiplied by the net new percentages shown in Figure 3-2 to get the net new visitation by event type. The following figure summarizes the visitation by type of visitor and geographic region.

FIGURE 3-4
NET NEW VISITATION BY GEOGRAPHIC AREA

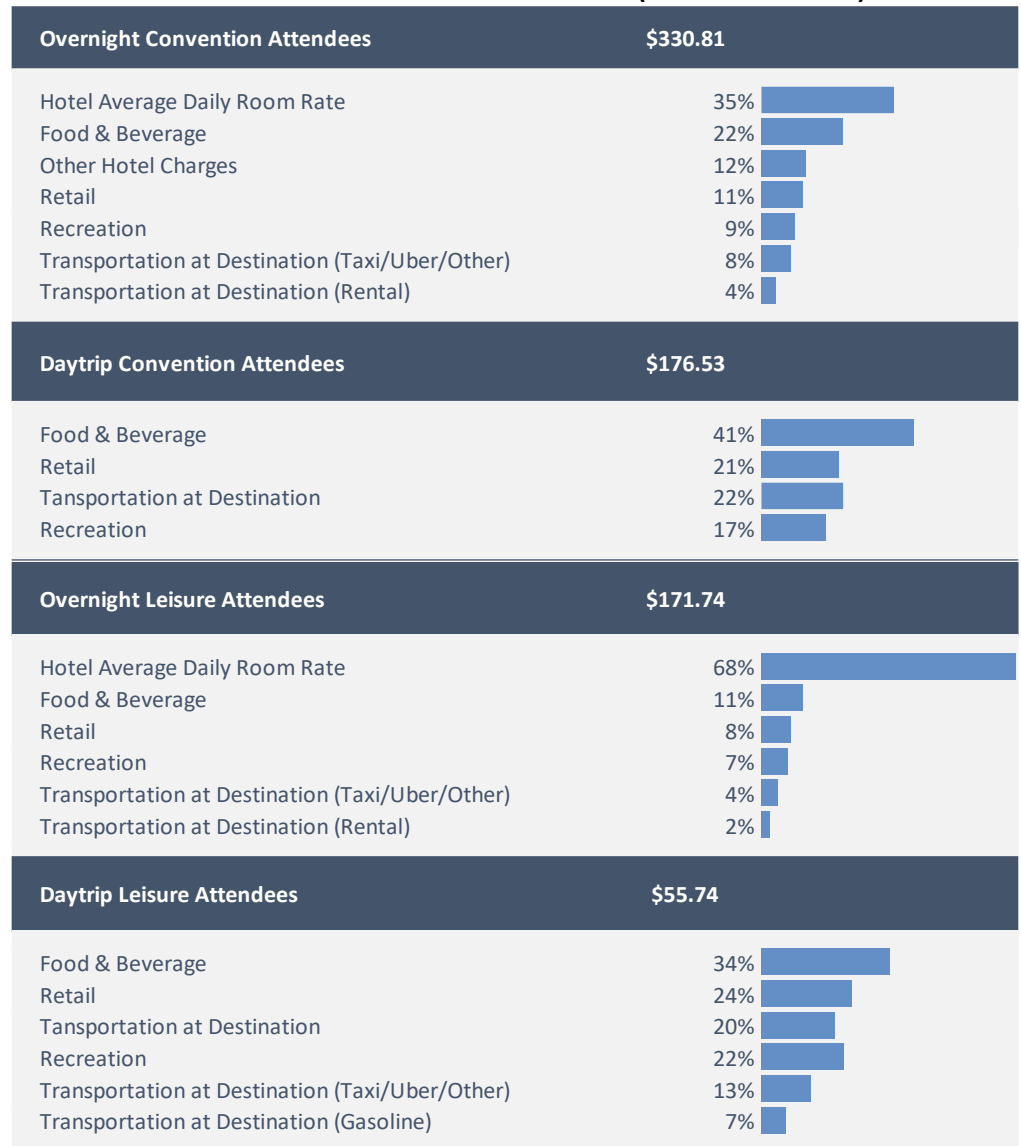
	2021	2022	2023
City of Lancaster			
Overnight Visits	6,600	26,300	32,200
Day-trips	43,500	141,100	181,100
Exhibitor Attendee Days	4,900	69,400	89,900
Organizer Attendee Days	49,000	164,900	209,300
Lancaster County			
Overnight Visits	6,700	26,800	32,800
Day-trips	33,300	108,200	138,900
Exhibitor Attendee Days	3,800	53,400	69,200
Organizer Attendee Days	37,900	127,500	161,900
Commonwealth of Pennsylvania			
Overnight Visits	700	2,200	2,600
Day-trips	4,700	15,500	19,900
Exhibitor Attendee Days	800	10,700	13,800
Organizer Attendee Days	5,000	17,000	21,600

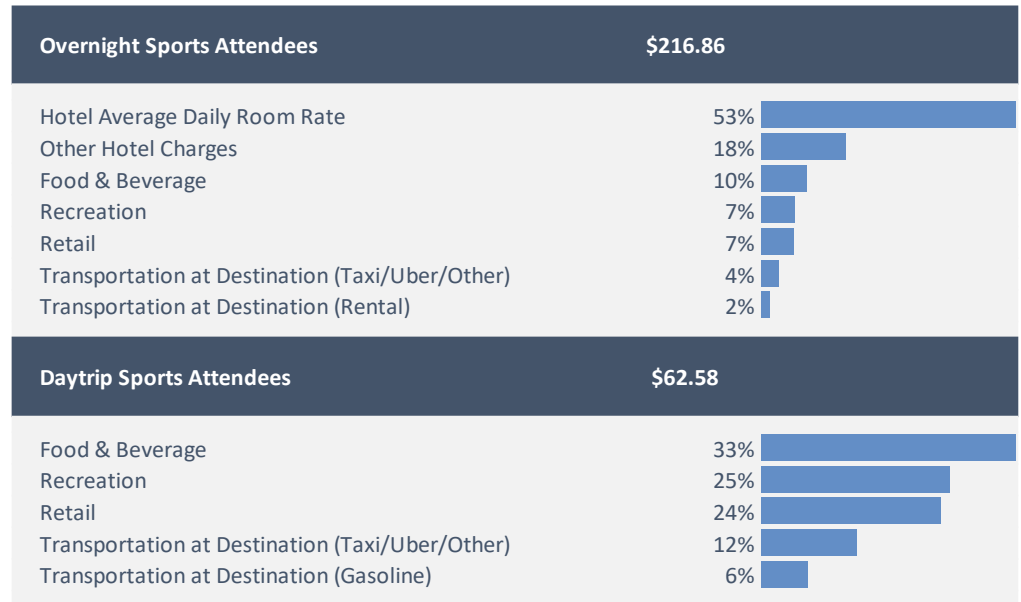
Spending Parameters

We estimated the total spending of event attendees, organizers, and exhibitors using results from the Travel USA study by Longwoods International. This survey is conducted annually with a sample size of approximately 350,000 trips and assesses the trip's origin, spending, party size, and primary purpose. We applied parameters from the Corporate Travel Index ("CTI") to account for local spending patterns.

The following figure shows average spending parameters for 2021 through 2023.

FIGURE 3-5
LCCC ATTENDEE SPENDING SUMMARY (IN 2023 DOLLARS)

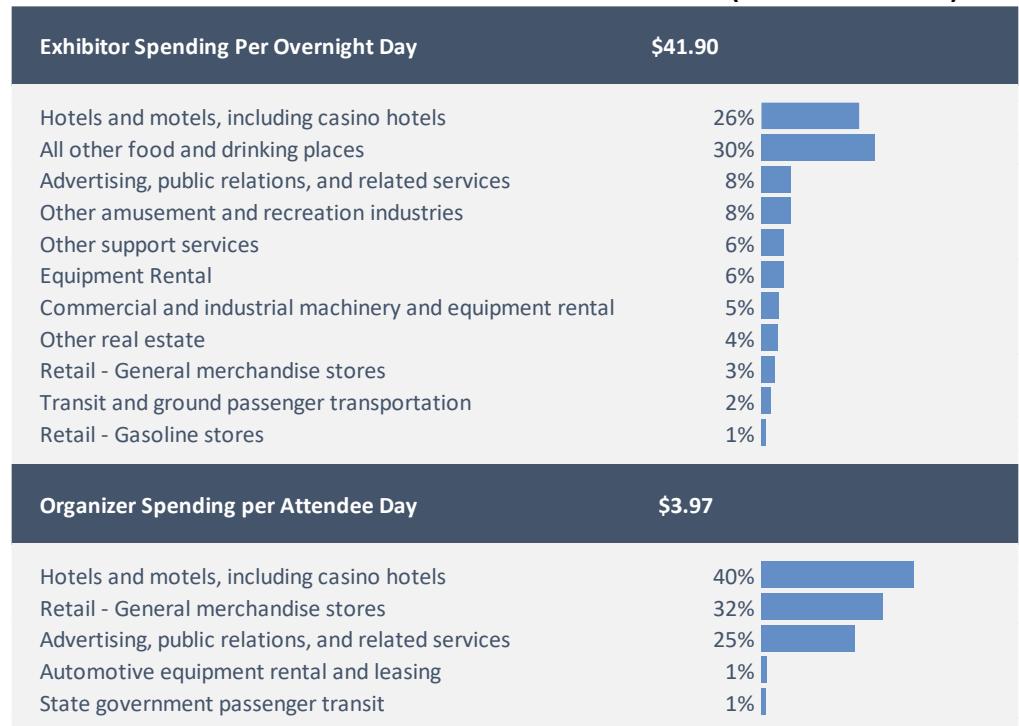




Source: HVS and Longwoods International

The following figure shows our assumptions of exhibitor and organizer spending.

FIGURE 3-6
EXHIBITOR AND ORGANIZER SPENDING PARAMETERS (IN 2023 DOLLARS)



Source: HVS and Longwoods Internation

IMPLAN Impact Modeling

We use the IMPLAN input-output model to estimate the impact of indirect and induced spending and employment. IMPLAN is a nationally recognized model developed at the University of Minnesota and commonly used to estimate economic impacts. An input-output model generally describes the commodities and income that normally flow through the various sectors of a given economy. The indirect and induced spending and employment effects represent the estimated changes in the flow of income, goods, and services caused by the estimated direct spending. The IMPLAN model accounts for the specific characteristics of the local area economy and estimates the share of indirect and induced spending that it would retain.

We categorized new direct expenditures into spending categories, which we provide inputs into in the IMPLAN model. Specifically, the IMPLAN model relies on spending categories defined by the U.S. Census according to the North American Industry Classification System ("NAICS"). Because the spending data from our spending surveys do not match the NAICS spending categories, we translate the spending categories into the NAICS spending categories that most closely match.

**Annual Net Direct
Spending**

Not all gross direct spending has an economic impact because some do not generate income within the market. . We adjust gross direct spending to account for income leaking from the local economy by estimating retail margins and local purchase parentages. As a result, the realized direct spending (“net direct spending”) is lower than the gross direct spending in the market area.

Retail Margins

Spending at retailers creates a smaller economic impact than spending in other industries. Retailers add value equal to the margin or price increase of the good above the original price paid to obtain the good. The IMPLAN model is product-based, so we use IMPLAN margin numbers to account for the discrepancy between retail purchaser prices and producer prices.

**Net Direct, Indirect,
and Induced Spending**

The relationship between direct spending and the multiplier effects can vary based on the specific size and characteristics of a local area’s economy. We enter the gross direct spending estimate into the IMPLAN input-output model of the local economy to estimate the net direct, indirect, and induced spending. We obtained the most recent data from IMPLAN for the City of Lancaster, Lancaster County, and the Commonwealth of Pennsylvania. .

The following figures present the output of the IMPLAN model—the net new direct, indirect, and induced economic impacts that are attributable to the ongoing operation of the LCCC. We also used IMPLAN to estimate the jobs created based on direct, indirect, and induced spending estimates.

Annual Net Spending Impacts

The following figure shows the annual net direct, indirect, and induced spending generated for the City of Lancaster, Lancaster County, and the Commonwealth of Pennsylvania. Note that the impacts between geographic areas are not additive.

FIGURE 3-7
ANNUAL ECONOMIC IMPACT ESTIMATES (\$ MILLIONS, IN 2024 DOLLARS)

	2021	2022	2023	Total
City of Lancaster				
Direct	\$4.1	\$25.9	\$33.9	\$63.9
Indirect	1.6	9.5	12.4	23.5
Induced	1.2	7.6	9.9	18.7
Total	\$6.9	\$43.1	\$56.2	\$106.2
Lancaster County				
Direct	\$3.4	\$22.9	\$33.7	\$60.1
Indirect	1.3	8.3	12.5	22.1
Induced	1.0	6.7	9.9	17.7
Total	\$5.8	\$37.9	\$56.1	\$99.8
Commonwealth of Pennsylvania				
Direct	\$0.4	\$2.2	\$2.7	\$5.4
Indirect	0.2	1.1	1.3	2.7
Induced	0.2	1.1	1.3	2.7
Total	\$0.9	\$4.4	\$5.4	\$10.7

*Impacts between the City, County, and State are not additive.

Employment Impacts

We calculated the full-time equivalent jobs supported by the spending in each geographic area. The following figure summarizes the results.

FIGURE 3-8
EMPLOYMENT IMPACTS
NUMBER OF FULL-TIME EQUIVALENT JOBS

	2021	2022	2023	Total
City of Lancaster				
Direct	35	235	305	575
Indirect	10	45	60	115
Induced	5	40	55	100
Total	50	320	420	790
Lancaster County				
Direct	31	207	272	509
Indirect	6	41	54	102
Induced	5	36	47	89
Total	42	284	373	700
Commonwealth of Pennsylvania				
Direct	4	19	23	45
Indirect	1	4	5	11
Induced	1	5	7	13
Total	6	28	35	69
Jobs between the City, County, and State are <u>not</u> additive.				

In its first two full post-pandemic years, spending generated by events at the LCCC supported a consistent number of full-time equivalent jobs. These impacts reflect jobs across all sectors of the economy that have increased output because of operating events at the LCCC. For example, the retail and food and beverage sectors see increased jobs from LCCC events.

Fiscal Impacts

Fiscal impacts are the public sector's share of the economic impacts of tax collections on new spending. The previously discussed spending estimates provide a basis for estimating potential tax revenue.

The IMPLAN analysis results in direct, indirect, and induced spending classified into hundreds of detailed spending categories. We evaluated these spending categories to determine which taxes would apply to each type of spending output. We then used the appropriate tax rates to estimate the amount of tax revenue.

We applied these nominal tax rates to a detailed breakdown of spending and income categories that result from direct, indirect, and induced spending through the operation of the LCCC. We then estimated the potential annual revenue from each tax source. To calculate all income taxes, we calculated a percentage of IMPLAN's total employee compensation figures. Sales & Use, hotel, vehicle, and liquid fuel taxes were each calculated by taking the applying the appropriate tax rates to the new spending within relevant industries. The following figure describes each tax included in the analysis.

**FIGURE 3-9
TAX DESCRIPTIONS**

Tax	Nominal Rate	Base
CITY OF LANCASTER		
Earned Income Tax	1.1%	Lancaster levies a 1.1% personal income tax.
LANCASTER COUNTY		
Hotel Room Rental Tax	3.9%	Hotels and motels in Lancaster County collect the tax. The nominal incidence of the tax falls on the guest. Revenues are divided between Discover Lancaster and the LCCC.
Hotel Excise Tax	1.1%	The excise tax applies to all types of accommodations, including bed & breakfast locations.
STATE OF PENNSYLVANIA		
Sales, Use, and Hotel Occupancy Tax	6%	Imposed on the retail sale, consumption, rental or use of personal property, including hotel room revenue.
Individual Income Tax	3.07%	Levied against income of residents, estates, corporations, etc.
Corporate Net Income Tax	8.49%	Imposed on both domestic and foreign corporations doing business in state.
Vehicle Rental Tax	2%	Imposed on all rental companies with five or more motor vehicles.
Liquid Fuel Tax	\$0.576 per Gallon	Imposed on fuels used or sold and delivered by distributors in the state.

The following figure summarizes the fiscal impact on the City, County, and Commonwealth based on the abovementioned tax rates.

FIGURE 3-10
FISCAL IMPACT (IN 2024 DOLLARS)

	2021	2022	2023	Total
City of Lancaster				
Earned Income Tax	\$20,300	\$131,600	\$172,300	\$324,200
Lancaster County				
Hotel Room Rental Tax	\$24,800	\$250,200	\$325,200	\$600,200
Hotel Excise Tax	7,000	70,600	91,700	169,300
Total	\$31,800	\$320,800	\$416,900	\$769,500
Commonwealth of Pennsylvania				
Sales, Use, Hotel Occupancy Tax	\$48,700	\$299,600	\$370,500	\$718,800
Individual Income Tax	8,400	42,200	51,700	102,300
Corporate Income Tax	3,000	14,900	19,400	37,300
Vehicle Rental Tax	500	2,900	3,600	7,000
Liquid Fuel Tax	200	1,400	2,100	3,700
Total	\$60,800	\$361,000	\$447,300	\$869,100

The following figure summarizes recurring annual economic and fiscal impacts produced by the LCCC from 2021 through 2023.

FIGURE 3-11
SUMMARY OF ECONOMIC AND FISCAL IMPACTS (2024 DOLLARS)

	2021	2022	2023	Total
City of Lancaster				
Economic Impact (millions)	\$6.9	\$43.1	\$56.2	\$106.2
Fiscal Impact (thousands)	20.3	131.6	172.3	324.2
Full-time Equivalent Jobs	50	320	420	-
Lancaster County				
Economic Impact (millions)	\$5.8	\$37.9	\$49.8	\$93.5
Fiscal Impact (thousands)	31.8	320.8	416.9	769.5
Full-time Equivalent Jobs	42	284	373	-
Commonwealth of Pennsylvania				
Economic Impact (millions)	\$0.9	\$4.4	\$5.4	\$10.7
Fiscal Impact (thousands)	60.8	361.0	447.3	869.1
Full-time Equivalent Jobs	6	28	35	-

The LCCC has steadily increased its economic and fiscal impact over the past three years in all three geographic areas. The following figure summarizes how this impact compares to the impact generated over the prior study period.

FIGURE 3-13
IMPACT COMPARISON FROM PREVIOUS STUDY (2024 DOLLARS)

	2018-2020	2021-2023	% Change
City of Lancaster			
Economic Impact (millions)	\$83.0	\$106.2	28%
Fiscal Impact (thousands)	\$275.9	324.2	18%
Lancaster County			
Economic Impact (millions)	\$60.8	\$99.8	64%
Fiscal Impact (thousands)	\$559.5	769.5	38%
Commonwealth of Pennsylvania			
Economic Impact (millions)	\$13.3	\$10.7	-20%
Fiscal Impact (thousands)	\$794.6	869.1	9%

The LCCC has increased its economic and fiscal impact in the City of Lancaster and Lancaster County. These totals suggest that the LCCC has recovered from the pandemic and surpassed pre-pandemic impact figures.

These economic and fiscal impact estimates are subject to the assumptions described throughout the report. Numerous assumptions about the circumstances of visitor spending and lodging form the basis for these estimates. Although we consider these assumptions reasonable, actual events and circumstances could have differed from the assumptions in this report, and some of those differences may be material.

Conclusion

The COVID-19 pandemic was still affecting LCCC activity in 2021, resulting in relatively low levels of economic impact. The strong bounce back in the past two years, 2022 and 2023, show the LCCC is in full recovery. The LCCC's robust return to activity the City of Lancaster, Lancaster County, and the Commonwealth of Pennsylvania to reap the economic and fiscal benefits of normal visitation and tourism to the region.

4. Intangible Benefits and Impacts on Local Business

Overview

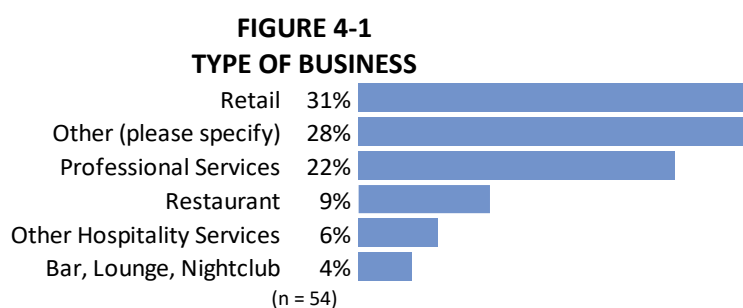
During the COVID-19 pandemic, the LCCC halted normal operations, which depressed visitation to Lancaster and the surrounding community. To evaluate the impact on residents and local businesses now that multiple years have passed since the onset of the pandemic, we designed and conducted a survey of Lancaster merchants.

With the assistance of the Lancaster City Alliance, the survey was distributed to approximately 800 representatives of merchants who manage and own businesses in Downtown Lancaster. The survey targeted merchants operating businesses in retail, hospitality, and other sectors providing goods and services to visitors to Lancaster. Relative to restaurants/bars and retail, industries such as consulting, real estate, service-based businesses, and cultural groups and institutions traditionally see little direct impact from convention activity.

We received 65 responses, 38 of which were complete, with all questions answered, and 27 were partial, with some questions left unanswered. The following summary of responses highlights key results.

Survey Respondents

Respondents were asked what kind of business they operate. The following figure shows the cross-section of respondents by type of business.



Respondents were asked what year their business opened. The LCCC opened in 2009 as part of a plan to spur redevelopment in downtown Lancaster. The Commonwealth of Pennsylvania established a 130-acre City Revitalization and Improvement Zone ("CRIZ") in Downtown Lancaster to encourage business development. The CRIZ continues to allow Lancaster to revitalize its downtown area beyond economic development spurred by the LCCC. In 2016, CRIZ revenues were

Impacts on Business Activity

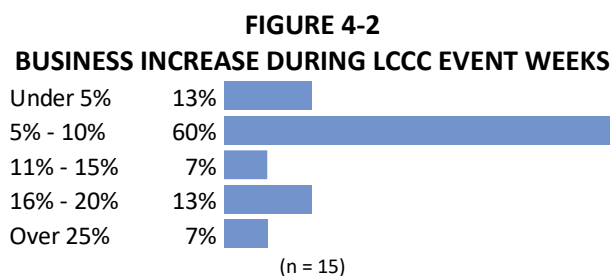
used for debt service associated with the expansion of the Lancaster Marriott at Penn Square.¹

60% of the sample opened before 2009—the year the LCCC opened—and 40% opened after 2009. Fourteen percent of respondents in the sample opened in 2020 or later.

To identify the LCCC's effect on businesses in downtown Lancaster, we asked respondents in the sample if they were aware of when the LCCC hosts events. 81% of respondents are aware of when the LCCC hosts events.

Of those respondents answering yes to the previous question, we asked if they felt the LCCC events influence the level of visitation to their business. Fifty-two percent of respondents felt LCCC events impact visitation.

Of those respondents who feel LCCC events impact visitation, we asked them to estimate how much business increases during a week when an event occurs at the LCCC compared to weeks when no events occur.

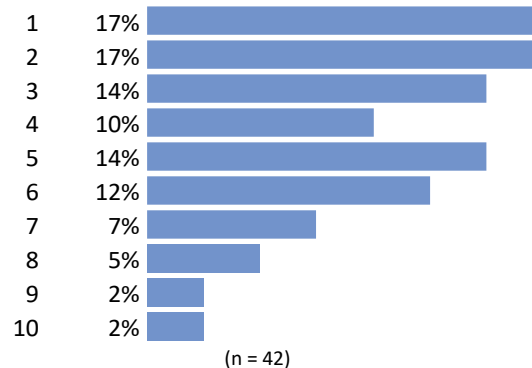


The most frequent response was that business grew by 5-10%. From the analysis of the open-ended questions in the survey, whether merchants see little to no impact on business likely reflects proximity or distance from the LCCC rather than business type.

We asked respondents to rate how essential LCCC activity is to their business's profitability on a scale of one to ten, with one meaning not essential and ten meaning incredibly essential. The distribution of responses is shown in the following figure.

¹ "CRIZ authority approves financing Marriott expansion costs," Lancaster Online, Dan Nephin, July 26, 2016. https://lancasteronline.com/news/local/criz-authority-approves-financing-marriott-expansion-costs/article_27a06e3a-5381-11e6-82c3-9b0f534621fe.html

FIGURE 4-3
LCCC ACTIVITY ESSENTIAL TO BUSINESS PROFITABILITY



Of the businesses in the sample, 43% identified the LCCC as somewhat or very essential for their profitability.

Additionally, we asked respondents to describe how their businesses performed in 2022 and 2023 compared to years past. The distribution of responses is shown in the following figures.

FIGURE 4-5
BUSINESS PERFORMANCE IN 2023 COMPARED TO YEARS PAST

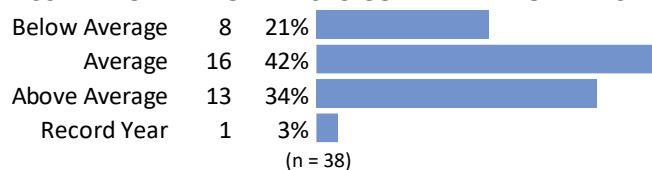
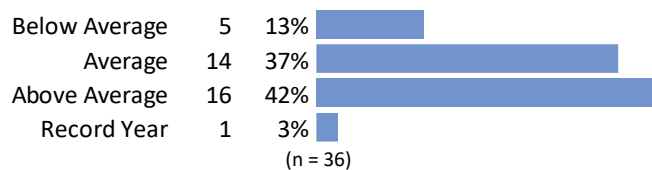


FIGURE 4-6
BUSINESS PERFORMANCE IN 2022 COMPARED TO YEARS PAST



Thirty-seven percent of respondents indicated that business in 2023 occurred at an above-average or record level, compared to 45% in 2022.

LCCC Intangible Benefits

In an unaided answer, we asked respondents to describe their thoughts on the impact of the LCCC on their business and on downtown Lancaster. Given the sample size, we grouped responses based on common themes and chose representative examples.

The LCCC brings tourism and spending to Downtown Lancaster

- “We do benefit greatly from the increased visitors and events at the LCCC.”
- “The LCCC has created an environment where visitors will look for places to dine and have fun.”
- “It helps raise awareness of the cultural programming we offer.”
- “I can speak firsthand to the difference in vibrancy between pre-LCCC Lancaster and post-LCCC Lancaster.”
- “A huge plus – attracting people and dollars.”
- “I think it really helps downtown businesses.”
- “It brings an array of people through our downtown area.”
- “Essential to Lancaster city operations.”
- “The LCCC does help to create a vibrancy in Downtown Lancaster, with increased activity and foot traffic happening regularly.”
- “I feel strongly that the LCCC is a significant asset for Downtown Lancaster and has been one of the catalysts for Lancaster’s success over the past 15 years.”

The LCCC impacts surrounding businesses

- “The Convention Center is a key part of the economy in downtown, bringing in people to patronize restaurants, hotels, and businesses.”
- “The Convention Center and Ballpark developments were essential in turning Lancaster into a city primed for redevelopment... property owners and the city as a whole have only benefitted from their creation and that long-term success of the LCCC and the downtown have now reached a symbiotic state which should be preserved.”
- “I think it really helps downtown businesses.”
- “Great for exposure for everyone.”
- “More attention is paid to the aesthetics of Downtown Lancaster, which helps attract higher-tier businesses.”
- “The impact on Downtown Lancaster is huge! The number of people attending conferences who walk around and visit downtown businesses is large.”
- “The Convention Center brings traffic to the city that would not be here otherwise.”

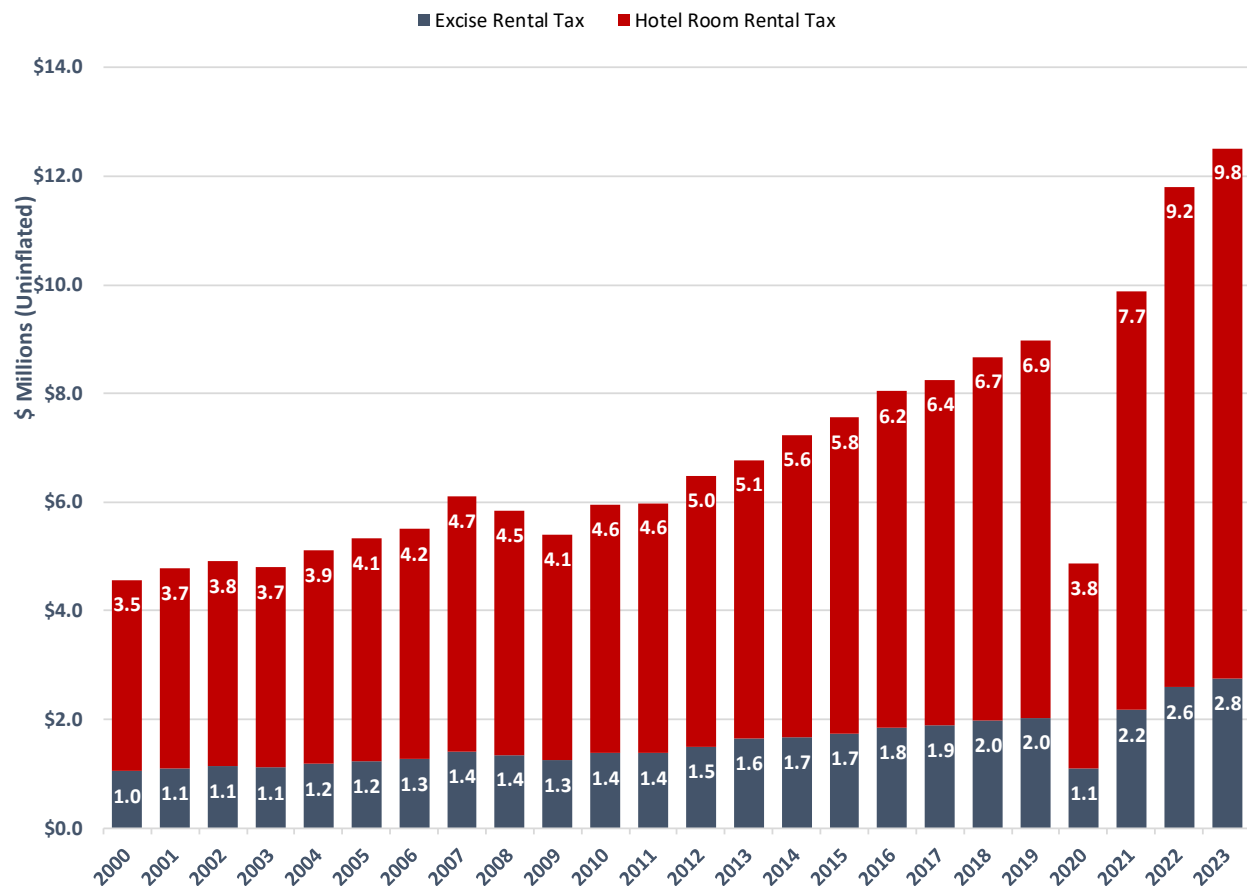
Areas for Improvement

- “Would love it if [the LCCC] promoted a list of all restaurants in Lancaster City!”
- “It would be advantageous if local businesses were allowed to advertise at the convention center.”
- “We would love the chance to offer materials, small gifts, coupons, etc., to event attendees to welcome them to Lancaster.”
- “Would love to see more industry trade shows come through town.”

Lodging Tax Collections

We analyzed historical Hotel Room Rental Tax and Excise Rental Tax collections to evaluate the LCCC's effect on the lodging industry in Lancaster. The Lancaster County Convention Center Authority ("LCCCA") provided historical collections data from Lancaster County Treasurer Reports. See the following figure.

FIGURE 4-4
HOTEL RENTAL TAX REVENUES



Source: Lancaster County Treasurer

From 2000 to 2009, Lancaster County hotel room rental taxes grew at a compound annual growth rate of 2.0%. From 2009 to 2019, when the LCCC was open, the compound annual growth rate was 5.0%. As was experienced across the United States, lodging tax collections in 2020 suffered due to the COVID-19 pandemic. From 2019 to 2020, lodging tax collections in Lancaster fell by 46%. Since recovering from the pandemic in 2021, hotel tax revenues have increased by 19% in 2022 and 6% in 2023. 2023 marked a record year for Lancaster hotel tax revenues, as revenue in 2023 was 35% larger than the revenue seen in 2019.

Conclusions

The LCCC provides significant benefits to the local economy. It boosts almost all nearby businesses, as 87% of survey respondents said they received over a 5% business increase during event weeks. Many of these businesses even rely on the LCCC, as 43% of survey respondents said it is essential to their businesses' profitability. The impacts of the LCCC extend beyond its doors and flow into the surrounding community by driving tourism, spending, and increasing business across Downtown Lancaster. Outside of direct spending impacts, many local merchants believe that the LCCC has increased foot traffic and enhanced the business environment in downtown Lancaster.

5. Statement of Assumptions and Limiting Conditions

1. This report is to be used in whole and not in part.
2. No responsibility is assumed for matters of a legal nature.
3. We have not considered the presence of potentially hazardous materials on the proposed site, such as asbestos, urea formaldehyde foam insulation, PCBs, any form of toxic waste, polychlorinated biphenyls, pesticides, or lead-based paints.
4. All information, financial operating statements, estimates, and opinions obtained from parties not employed by HVS are assumed to be true and correct. We can assume no liability resulting from misinformation.
5. Unless noted, we assume that there are no encroachments, zoning violations, or building violations encumbering the subject property.
6. We are not required to give testimony or attendance in court by reason of this analysis without previous arrangements, and only when our standard per-diem fees and travel costs are paid prior to the appearance.
7. If the reader is making a fiduciary or individual investment decision and has any questions concerning the material presented in this report, it is recommended that the reader contact us.
8. We take no responsibility for any events or circumstances that take place after the date of our report.
9. The quality of a facility's on-site management has a direct effect on a facility's economic performance. The economic impacts presented in this analysis assume responsible ownership and competent management. Any departure from this assumption may have a significant impact on the projected operating results.
10. The impact analysis presented in this report is based upon assumptions, estimates, and evaluations of the market conditions in the local and national economy, which may be subject to sharp rises and declines. Over the projection period considered in our analysis, wages and other operating expenses may increase or decrease due to market volatility and economic forces outside the control of the facility's management.
11. We do not warrant that our estimates will be attained, but they have been developed based on information obtained during our market research and are intended to reflect reasonable expectations.

12. Many of the figures presented in this report were generated using sophisticated computer models that make calculations based on numbers carried out to three or more decimal places. In the interest of simplicity, most numbers have been rounded. Thus, these figures may be subject to small rounding errors.
13. It is agreed that our liability to the client is limited to the amount of the fee paid as liquidated damages. Our responsibility is limited to the client and use of this report by third parties shall be solely at the risk of the client and/or third parties. The use of this report is also subject to the terms and conditions set forth in our engagement letter with the client.
14. Although this analysis employs various mathematical calculations, the final estimates are subjective and may be influenced by our experience and other factors not specifically set forth in this report.
15. HVS, is not a municipal advisor and HVS is not subject to the fiduciary duty set forth in section 15B(c)(1) of the Act (15 U.S.C. 78o-4(c)(1)) with respect to the municipal financial product or issuance of municipal securities. The reader is advised that any actual issuance of debt would be done under the advice of its bond counsel and financial advisors. Financial advisor would provide advice concerning the specific structure, timing, expected interest cost, and risk associated with any government loan or bond issue. Potential investors should not rely on representations made in this report with respect to the issuance of municipal debt.
16. This report was prepared by HVS Convention, Sports & Entertainment Facilities Consulting. All opinions, recommendations, and conclusions expressed during this assignment are rendered by the staff of this organization, as employees, rather than as individuals.
17. This report is set forth as an impact study of the subject facility; this is not an appraisal report.

6. Certification

The undersigned hereby certify that, to the best of our knowledge and belief:

1. the statements of fact presented in this report are true and correct;
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;
3. we have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
4. HVS is not a municipal advisor and is not subject to the fiduciary duty set forth in section 15B(c)(1) of the Act (15 U.S.C. 78o-4(c)(1)) with respect to the municipal financial product or issuance of municipal securities;
5. we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
6. our engagement in this assignment was not contingent upon developing or reporting predetermined results; and
7. our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report.



Thomas Hazinski
Managing Director



Michael Ferguson
Associate