

**CEDAR RAPIDS EVENTS CENTER
EDA GRANT APPLICATION
SUPPLEMENTAL INFORMATION**



**Submitted by VenuWorks
Ames, Iowa**

July 9, 2009



Fulfilling promises. Creating success.



July 9, 2009

Bob Olson
Regional Director
Economic Development Administration
410 17th Street, Suite 250
Denver, CO 80202

Dear Mr. Olson:

We have prepared additional information on the Cedar Rapids Events Center project following our conversations with you and others from your staff in reaction to our formal presentation to you on May 21. We believe you will find substantial evidence of market feasibility of the center and economic development potential in downtown Cedar Rapids.

This report was compiled by VenuWorks, Inc, the Iowa company retained by the City of Cedar Rapids for the past ten years to manage the U.S. Cellular Center and the Paramount Theatre. Their ongoing experience in managing the facilities in Cedar Rapids and fourteen other US markets brings to the report a realistic, operator's perspective. The report also draws on the experience and expertise of a variety of organizations, including our local Convention and Visitors Bureau. I'm confident you'll find valuable information throughout the report, but several key findings in Section 4 are worthy of highlighting here:

- A new facility would draw additional meetings that would result in \$7.7 million in new direct spending.
- If the facility spurred development of a new hotel, which seems very likely, the direct spending increases to \$9.5 million.
- The near-certain attraction of additional flat-show exhibits and sporting events perhaps as much as double the direct spending impact of meetings.

Of course, the Cedar Rapids Event Center is about more than spending projections. This project is at the very heart of our collective vision for a disaster recovery that doesn't just restore Cedar Rapids but transforms our community into one of America's greatest cities. Many of our 41 reopened entertainment district restaurants (down from 51 pre-flood), for example, have pointed to the rejuvenation of the arena facility as a key to their long-term survival. Meanwhile, elected leaders and urban planners have looked upon the expanded facility as the anchor of a much broader downtown revitalization strategy.

As anticipation of this project has built, leadership and grassroots support has solidified, and it is a clear No. 1 priority of our City Council and County Board of Supervisors. The designation of top priority is a reflection that our leadership understands that what we are planning in Cedar Rapids is much more than just a convention center. Our Event Center will be "What you need when you need it". It will not only host conventions but trade shows, corporate meetings, banquets, sporting events, community events, political events, small theatrical performances, consumer shows, wedding receptions and so much more.

Finally, it's worth noting how ideally located the facility is, and how that helps mitigate any potential risk in this project not meeting expectations. The current issue of *Next American City* examines failures in some convention centers across the country and, in illuminating those failures, convincingly makes the case for our project here in Cedar Rapids.

"Convention centers," the article states, "sit most comfortably on large forlorn parcels, often surrounded by other large, forlorn parcels." When located on highways, interchanges or other "edge" locations, convention centers attract people to conventions but not to the city itself. More and more, urban planners and industry experts understand the need, as the article states, to make sure such facilities have a "connection to the urban fabric."

That's exactly what we plan to do here. And that plan was buoyed last month by the observations of the Urban Land Institute (ULI), which strongly endorses the concept of the Event Center becoming an anchor of downtown. ULI suggested several design elements that would ensure an event center that attracts people and investment to the community, rather than insulating them/it from the community.

I hope this report provides the information you need to complete your review of our application. We stand ready to provide additional input, as needed. Thank you for your consideration.

Best Regards,



Patrick DePalma
Chairman
Five Seasons Facilities Commission

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1. INTRODUCTION

The U.S. Cellular Center has been a vital component in the downtown area for the past 30 years. It has served as an anchor and a magnet for all of downtown Cedar Rapids. The events that are hosted create synergies that blend the arena with other downtown businesses and attractions making downtown Cedar Rapids a destination for citizens and visitors.

The U.S. Cellular Center has served the community well over the years but the world has not stood still around it. In 1979 the U.S. Cellular Center (then known as the Five Seasons Center) opened as the premier facility in the region drawing hundreds of thousands of visitors to the downtown each year. At that time, the Center and the new attached hotel were a driving force for economic development in the downtown. The Center has enhanced the quality of life for the citizens of the region by providing a gathering place for cultural, recreational and educational events.

The building was originally designed as a multi-use facility with a single floor space to host arena events, conventions and exhibit events. The facility has not experienced any expansion or reconfigurations since it was opened in 1979 and growing industry demands have outpaced the existing amenities at the arena. Solutions for this problem have been investigated by community leaders, facility managers and architects since 1992. The resulting studies have identified the need for separate meeting and convention spaces that would allow for simultaneous, multiple events to be hosted at these facilities. While research has shown significant community support for keeping the U.S. Cellular Center competitive in attracting events, expansion plans have never advanced due primarily to a lack of funds available to move these projects forward.

With the current focus of federal agencies on the critical needs for Cedar Rapids' long term economic recovery, the expansion project is now more timely than it has ever been. The U.S. Economic Development Administration is currently reviewing Cedar Rapids' application for economic adjustment assistance for the Cedar Rapids Events Center and U.S. Cellular Center project. This report is being provided by VenuWorks at the request of the Five Seasons Facilities Commission to provide supplemental information to the application.

VenuWorks serves as a third-party contractor to the City of Cedar Rapids and the Five Seasons Facilities Commission providing management services for three public assembly facilities including the U.S. Cellular Center, Paramount Theatre and Cedar Rapids Ice Arena. VenuWorks brings two distinctive areas of expertise to this application process. As the operators of the U.S. Cellular Center since 1998, we are uniquely positioned to have first-hand knowledge of all facets of the facility's operation. This provides VenuWorks with a strong background in the booking history, audience responses, demographics of the area and the long standing need for expanded and separate meeting, convention and event space.

Based in Ames, Iowa, VenuWorks (formerly known as Compass Facility Management, Inc.) is the third largest facility management company in the country providing management services for arenas, theaters, and convention centers all across the United States as well as providing consulting services related to all facets of the public assembly sector. Because VenuWorks manages buildings day in and day out, we excel in providing solutions that are practical, cost effective and workable. This national, regional and local experience provides VenuWorks with the practical knowledge of how successful facility operations can meet or exceed community quality of life expectations and produce impressive economic impact results.

2. VISION

It is well documented that public assembly facilities are an integral part of the cultural, social, and economic fabric of a community. Facilities such as arenas, theaters and convention centers can be a catalyst for community development. From an economic standpoint, these facilities are financial magnets drawing in patrons who frequently come from great distances. Convention and meeting attendees will be in the community for multiple days and will use events and festivities to plan weekend, or even week long vacations. Patrons drawn to these events require entertainment related support services and amenities as part of their visit. The money they spend in the community has a positive impact on the facility and the community as well. Restaurants, hotels and other local attractions all benefit from a strong, vibrant event center.

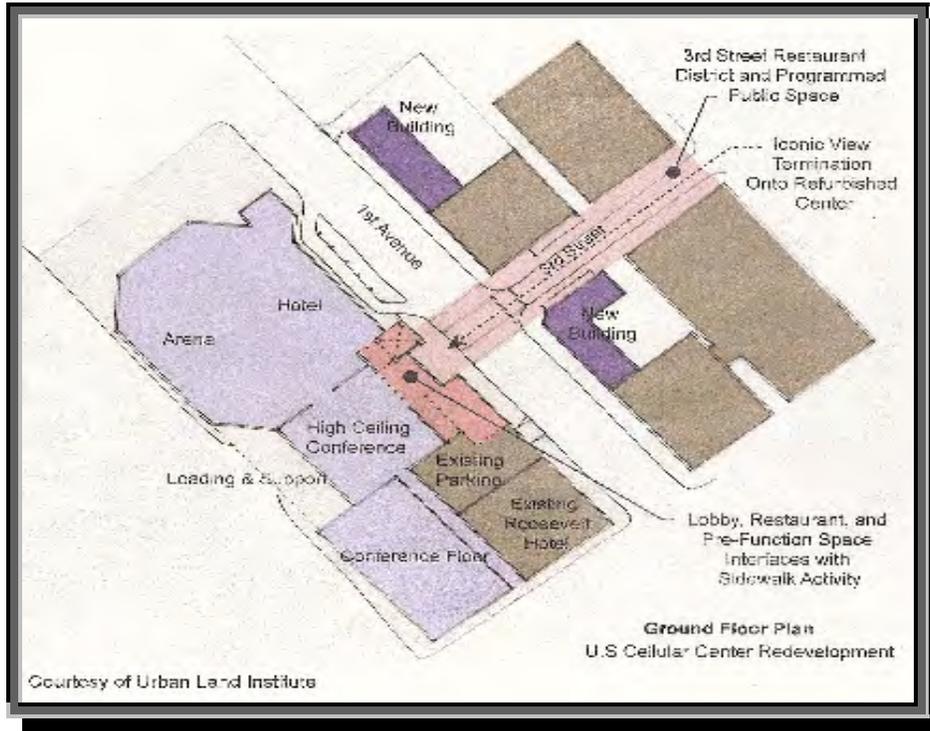
Like many U.S. cities, the landscape of Cedar Rapids' downtown area has evolved throughout the years from being the hub of retail in the community to a diverse mix of commercial and entertainment ventures. However, unlike many U.S. cities, Cedar Rapids has a long history of vision and commitment in keeping the downtown an appealing and active area. Community leaders have proactively focused on the changing dynamics of the downtown area. As large retail stores moved to malls, large and small commercial business operations located downtown. Cultural entities such as the Paramount Theatre and Theatre Cedar Rapids that had a long rich history in the community were complemented by the development of the U.S. Cellular Center, Science Station, IMAX Theatre, History Center, Art Museum and a new and expanded Cedar Rapids Main Public Library. These destination locations created the traffic necessary for niche retail shops, restaurants and night spots to begin to fill the storefronts.

In June of 2008 the dynamics changed again for downtown Cedar Rapids, only this time the changes came swiftly and were vastly destructive. In June of 2008 Cedar Rapids was at the epicenter of the worst natural disaster in Iowa's history and one of the five worst natural disasters in U.S. history. The devastating flood that crested well beyond the 500-year flood stage in Cedar Rapids, forced 24,000 people from their homes, submerged more than 400 city blocks of Cedar Rapids and left behind some \$5 billion of damage recovery and reinvestment needs.

While the flood decimated the downtown it also left Cedar Rapids with many interesting opportunities to rebound and rebuild. The magnitude of this historic event calls for historic recovery efforts. Assistance from all levels of government never before utilized by Cedar Rapids is needed for the City to effectively move forward and continue as a strong, vibrant center for local and regional commerce.

By updating the Compass Facility Management, Inc. 2007 Needs Analysis and combining those results with the recommendations of JLG Architects, a practical solution has been identified that provides effective results to overcome the shortcomings of the current facility. The functional separation of the proposed new Cedar Rapids Events Center, combined with a renovated U.S. Cellular Center, creates a dynamic catalyst to generate growth in both economic and physical developments for the downtown district and the City. Research conducted as part of this report estimates that the potential economic impact from new event business to be over \$14 million per year. When combining the events at the existing U.S. Cellular Center with those of the proposed Cedar Rapids Events Center, the economic impact by year three of full operation is estimated to be in excess of \$24 million per year.

A structural connection of the two facilities along with the addition of dramatic architectural elements will provide the “Iconic View” to the north end of a proposed 3rd Street Arts, Cultural and Entertainment District envisioned in previous studies and reinforced by the Urban Land Institute (ULI) in their June 4, 2009 initial presentation. This physical connection also allows for efficient operation of both facilities by utilizing existing staff and the ability to share equipment and services.



(View of 100 block of 3rd Street SE looking north across 1st Ave)

Drawings courtesy of the Urban Land Institute

Future growth potential in the downtown area abounds. Motivated by the activity generated by the Cedar Rapids Events Center and the U.S. Cellular Center developers and entrepreneurs are likely to recognize and emulate the city's commitment to rebuilding downtown. The addition of more shops, restaurants, night clubs and other entertainment and performance venues are certainly possible, if not probable. Developing a pedestrian friendly streetscape that includes sidewalk seating and slower traffic flows will also inspire the growth of downtown housing opportunities. The additional economic growth initiated by the Cedar Rapids Events Center project will drive the demand for new or renovated hotels to accommodate the increase in visitors to the area.

While many downtown structures were destroyed or damaged by the flood, there has been a growing effort on the part of civic leaders, business leaders and the community to rebuild the downtown. The City is currently working with several private organizations and government agencies to design and implement a flood mitigation plan that will protect the community from future catastrophic events like the "Epic Flood of 2008".

As a result of these efforts, discussions have been renewed to create an arts and entertainment district within the downtown district as a way to stimulate economic growth, business and housing opportunities. The City has also made a commitment to rebuild the historic Paramount Theatre. Theatre Cedar Rapids has moved ahead with their "Next Act" capital campaign and is planning to invest \$6 million in rebuilding their downtown theatre across First Avenue from the U.S. Cellular Center. Pat Deignan, Theatre Cedar Rapids Board President stated, "Investment in this theater is really an investment in the next 75 years of Cedar Rapids." ¹

Several major businesses in and around the downtown district were also committed to rebuilding after the flood and many have reopened. A new federal courthouse that has been in the planning stages for many years prior to the flood has broken ground and started construction. In a [Cedar Rapids Gazette](#) article², Doug Neumann, Director of the Economic Planning and Redevelopment Corp. stated, "80% of the downtown businesses have returned in the year after the flood, which tops the 60%

¹ "TCR Announces Plans for Return of Iowa Theater Building." [Theatre Cedar Rapids Press Release](#), 26 February 2009. www.theatrecr.org

² Rick Smith. "Cedar Rapids Counts Cost, Looks to Future", [Cedar Rapids Gazette](#). 6 June 2009

mark that is a figure elsewhere after a natural disaster.” He further stated, “That’s a testament to the resiliency of people willing to reinvest their money and their spirit into a downtown and core riverside neighborhood.”

3. BACKGROUND AND STUDIES

The idea of expanded or stand alone convention/event center space has been in the discussion, planning and research phases since 1992. For reference, below is a listing of the specific studies, actions and results. The common conclusion reached in all the previous studies and reports identifies the unmet need to create additional meeting, convention and event spaces centered in or around the U.S. Cellular Center.

1. 1992 – 1994 - Expansion Feasibility Study of the Center was completed in 1992 and updated in 1994 by Compass Facility Management, Inc. and OPN Architects. At that time it was determined that an additional facility consisting of 30,000 square feet of exhibit space, coupled with an additional 12,000 square feet dedicated to meeting space would meet the needs identified by existing and potential user groups. The expansion project was projected to cost \$10.75 million dollars. Even though there was significant public support for the project, the City had other projects competing for the same funding at that time and the decision was made by the City to not pursue this expansion.
2. 1996 through 1998 - The expansion of the U.S. Cellular Center again came to the forefront of discussions. Updated market research done at that time supported that many of the needs identified in the 1994 study were still pertinent. During this time frame, the Cedar Rapids Area Convention & Visitors Bureau's had developed a strong sports tourism initiative and the existing configuration of the U.S. Cellular Center was not conducive to many of the needs of the events that could be pursued for Cedar Rapids. Therefore, in further partnership with OPN Architects of Cedar Rapids, the concept floor plan of the expansion was redesigned to be easily converted from convention/exhibition space to wide-open floor space. Additional locker rooms were planned for the main floor. This expansion concept was a part of the City of Cedar Rapids GO CR! local option sales tax vote which included eight other community projects. The measure on the ballot was a yes/no question in the aggregate and voters could not vote for the individual

- projects. Although the events center project rated well in public opinion surveys, some of the other projects were controversial and the initiative was not approved by the voters. When the voters did not approve this tax, the expansion did not move forward.
3. 2000 - A study was conducted to determine if the U.S. Cellular Center could be reconfigured to accommodate arena football because the current floor is too short. In this study the west end seating would have been redesigned to meet this need. It was anticipated that by reworking the west end of the facility, not only could the arena then accommodate arena football, capacities for other events should also increase, thus making the Center more competitive in the region. In partnership with Brown, Healy, Stone & Sauer Architects of Cedar Rapids an analysis of the potential configurations showed that the net gain of seating was only 416 seats. This gain was not sufficient to meet other programming needs and at a cost of \$285,000 to complete the renovation, this plan was not pursued.
 4. 2005
 - a. Discussions were begun between Compass Facility Management, Inc. and the Five Seasons Facilities Commission with regard to the long-term improvements that were needed if the U.S. Cellular Center was to regain its competitive position in the entertainment and convention market.
 - b. The Five Seasons Facilities Commission, the City, and Compass agreed that a needs analysis be undertaken with regard to the upgrade and/or expansion of the U.S. Cellular Center. Compass volunteered to lead this initiative. Ellerbe Becket Architects of Kansas City, MO agreed to partner with Compass in the project. The narrow scope of the analysis was to include the existing arena and options for a convention/events center.
 - c. At the same time, a separate community planning process was coordinated by the Cedar Rapids Area Chamber of Commerce and the Greater Cedar Rapids Community Foundation to identify 15 great ideas that could be accomplished in Linn County within five years. During a

three and a half month period, more than 3,500 ideas were submitted to the Fifteen in 5 Committee for consideration. The final list of top 15 projects included the upgrade and expansion of the U.S. Cellular Center, to make the facility the cornerstone for regional entertainment by improving its appeal, competitiveness and viability.

5. 2007 - The Compass Facility Management, Inc. Needs Analysis Report³ presented in May of 2007 concluded that if the City of Cedar Rapids believed it was important to assure a flow of events into the community, it would need to update existing facilities and build new spaces that could better compete for concert, athletic, convention, trade show, consumer and family show activity. (Compass Facility Management, Inc. changed its name to VenuWorks in July 2007.) The report, a copy of which was provided to EDA in June of 2009, presented a case for the need for new facilities and some alternatives for how that might be accomplished at the present site of the U.S. Cellular Center. The report provided a detailed analysis of the following:
 - Methodology (Surveys and interviews with patrons, current and potential event planners, clients, civic and business leaders, public officials and facility staff)
 - Market Analysis
 - Typical Multi-Function Facility Capabilities
 - Analysis of Need for Upgrade and/or Expanded Public Assembly Facilities in Cedar Rapids
 - Potential Facility Layout Options

6. 2007 – JLG Architects was commissioned by the City of Cedar Rapids to focus on the entire downtown revitalization. This report indicated that the first decision that needed to be made was the future of the U.S. Cellular Center which would be a major factor in how the rest of the downtown would be redeveloped.

³ Compass Facility Management, Inc. "Public Assembly Facility Needs Analysis for the City of Cedar Rapids, Iowa and Evaluation of the Feasibility of Upgrading and/or Expanding the U.S. Cellular Center." 15 May 2007. (Compass Facility Management, Inc. is now known as VenuWorks.)

7. 2007-2008 - The Cedar Rapids Chamber of Commerce appointed the Community Enhancement Task Force which consisted of community leaders and U.S. Cellular Center stakeholders. The Task Force was asked to narrow the focus and develop a plan to move the U.S. Cellular Center redevelopment project forward. This Task Force is currently focused on a broader view due to the flood damage and the resulting redevelopment needs for the downtown district.
8. June 2008 – Flood damages the U.S. Cellular Center. Parts of the facility reopened in limited capacity in August of 2008. At the time of this writing, major areas of the facility are still unusable. The facility staff was displaced and is working at the Cedar Rapids Ice Arena.
9. December 2008 – JLG Architects, Grand Forks, ND was hired by the Five Seasons Facilities Commission to prepare a study of all options that may be available for the upgrade, expansion and/or relocation of the U.S. Cellular Center and the development of new convention center space.
10. April 2009 – Five Seasons Facilities Commission approved Option 2B of the JLG Report as the best design to be the catalyst for the redevelopment of downtown. Grant application underway with EDA utilizing Map Option 2B.
11. May 2009 – Presentation made to EDA regarding elements of grant application. VenuWorks hired to update previous research as part of the grant process.
12. June 2009 – Urban Land Institute conducts an on site evaluation of the downtown district and makes a preliminary presentation with the formal report to follow in 90 days. The initial presentation identified the expansion and upgrade of the U.S. Cellular Center as the key component of revitalizing the downtown district.

The number and frequency of studies and actions regarding expansion opportunities for the U.S. Cellular Center indicates that the community has a long-standing

interest in improving the functionality of this valuable asset. Since 2007 the momentum for a solution has increased as the needs become even more critical to the economic viability of the facility and the downtown district.

Table 3-1

ACTIONS AND PREVIOUS STUDIES

Expanded or stand alone convention center space for the U.S. Cellular Center has been discussed and researched since 1992. Momentum has increased since 2007.

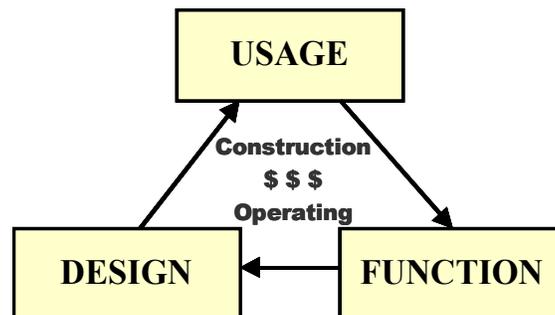
Year	Action or Study	Results
1979	Five Seasons Center opens as a premier facility in the region	Project driven by need to revitalize the downtown district, designed as multi-use
1992	Ogden and OPN Architects complete expansion study	Recommendation to add 30,000 s.f. exhibit space & 12,000 s.f. meeting space
1994	Ogden and OPN Architects update 1992 expansion study	Cost estimated at \$10.75 million, expansion project not pursued
1996	Compass and OPN develop concept plans for expansion	Driven by need to compete for growing sports tourism and convention business
1998	Project included in Go CR! local option sales tax proposal	Public vote for local option sales tax fails to garner enough votes, project stalls
2000	Compass and Brown, Healy, Stone & Sauer analysis	Expand west end of arena for football & other events, deemed not cost effective
2005	Compass and Ellerbe Becket partner in Needs Analysis	Project to identify arena and convention space options for expansion
2005	CR Community Foundation & CR Chamber 15 in 5 Initiative	Upgrade and expansion of USCC rated in top 15 projects of 3,500 recommendations
2007	Compass (VenuWorks) / Ellerbe Becket Needs Analysis completed	Identified need to expand and developed options for location and design
2007	JLG hired to develop plans for downtown revitalization	Identified USCC future as a major factor in downtown redevelopment
2007-2008	Community Enhancement Task Force appointed by the Chamber	Focused on moving USCC expansion project forward
June 2008	Epic flooding damages USCC, downtown and region	Cedar Rapids suffers from \$5 billion in damage, USCC partially reopens in Aug 2008
Dec 2008	JLG hired to develop plans for USCC overall options	Options developed based on previous studies and current redevelopment needs
April 2009	Five Seasons Facilities Commission approve JLG Option 2B	Option calls for new convention & meeting spaces attached to updated USCC
April 2009	Five Seasons Facilities Commission seeks EDA grant	EDA funds would finance major portion of expansion, if approved
May 2009	Presentation made to EDA, VenuWorks hired to assist FSFC	VenuWorks updating previous research & market demands as part of grant process
June 2009	Urban Land Institute conducts redevelopment assessment	Initial presentation identifies USCC upgrades key to downtown redevelopment

Source: VenuWorks

4. EVENT OPPORTUNITIES

The success of any public assembly facility is all about the “Events”. The 2007 Needs Analysis Study includes a review of the U.S. Cellular Center’s current events, lost business opportunities and market feasibility research to determine the range of events that might occur at the facility. After an assessment of the various events was completed, conclusions about how each event would use the space and what equipment, tools, and furnishings they needed to have a successful event or meeting were developed. With this information in hand, criteria were developed to produce an effective facility design that would meet the usage and function criteria.

VenuWorks believes that the evolution of any public assembly facility arises out of interrelated components encompassing usage, function and design, as illustrated by the diagram below:



Layout and design decisions affect operational capabilities. Operational capabilities affect service capabilities and service capabilities affect the ability of the facility to serve a diverse group of potential users. The ability to sell the facility directly impacts the operating bottom line. Decisions made as early as the design and development stage of a project can have a profound effect on the level of success the facility ultimately achieves. VenuWorks has a long history of collaborating with designers and architects of public assembly facilities to ensure that completed projects are operationally sustainable long term. The Cedar Rapids Five Seasons Facilities Commission has adopted this theory when making its decision to approve JLG’s Option 2B to enhance the U.S. Cellular Center’s ability to attract events to the City.

For the 2007 Analysis, VenuWorks interviewed, surveyed, and/or consulted with over 400 community members, industry professionals, civic leaders, stakeholders and business associates. This market research generated information related to all aspects of programming at the U.S. Cellular Center. The data gathered was used to evaluate the potential for the upgrade and/or expansion of the facility including convention and meeting spaces. Interviewees had a vested interest in the well-being of Cedar Rapids. Most agreed that revitalization of the U.S. Cellular Center and the addition of a separate convention/events space were critical to the continued success in attracting top quality entertainment and meetings to the community.

Cedar Rapids is not alone in recognizing the limitations associated with a single space, multi-use facility and how that relates to the inability to book a wide variety of events. The table below is a sampling of other Midwest cities which have made a commitment to building dedicated convention and meeting spaces in addition to other public assembly facilities in their communities. While Cedar Rapids is unable to effectively compete, these communities have positioned themselves to be successful in securing today's convention and meeting opportunities.

Table 4-1

MIDWEST CONVENTION CENTERS

This is a sampling of communities within 300 miles of Cedar Rapids that have separate convention center facilities. Arena floor square footage utilized for exhibit spaces were excluded from this summary.

Location	Facility Name	Mileage from CR	Exhibit Space s.f.	Ballroom / Meeting Room s.f.
Coralville, IA	Coralville Convention Center	25	30,000	27,588
Council Bluffs, IA	Mid America Center	260	24,500	42,300
Davenport, IA	RiverCenter (w/o Adler Theatre)	85	57,300	8,605
Dubuque, IA	Grande River Center	75	30,000	24,000
Des Moines, IA	HyVee Hall- Ia Events Ctr (excluding Vets Auditorium)	130	148,042	37,800
Des Moines, IA	Polk County Convention Center	130	53,461	15,316
Sioux City, IA	Sioux City Convention Center	270	50,000	10,000
Waterloo, IA	Five Sullivan Brothers Convention Center	65	19,080	11,280
Peoria, IL	Peoria Civic Center	180	110,000	43,550
Rock Island, IL	QCCA Expo Center	90	60,000	n/a
Rochester, MN	Mayo Civic Center (Exhibit Hall & Meeting Rooms)	170	25,000	39,114
St. Charles, MO	St. Charles City/County Convention Center	265	35,700	29,252
Lincoln, NE	Pershing Center (w/o arena)	300	28,600	1,805
Omaha, NE	Qwest Center (Exhibit Halls & Meeting Rooms)	260	194,000	50,000
Madison, WI	Alliant Energy Center (Exhibit Hall and Meeting Rooms)	165	100,000	50,000
Madison, WI	Monona Terrace Convention Center	165	40,000	42,000
Milwaukee, WI	Midwest Airlines Center	245	188,695	76,876
Oshkosh, WI	Oshkosh Convention Center	255	15,400	18,510
Cedar Rapids, IA	Proposed Cedar Rapids Events Center (w/o arena)	n/a	*60,000	**12,000

* The U.S. Cellular Center arena floor is not included in this figure.

**The Crowne Plaza meeting rooms are not included in this assessment. The existing ballrooms equal 13,000 square feet of additional space.

Source: VenuWorks research and Billboard AudArena Guide 2007

Even though the present schedule of activities at the U.S. Cellular Center is a combination of national, regional and local events, the event mix has changed over the past several years. Still successful in bringing a versatile lineup of events to the community, each year the facility's structural limitations make it increasingly difficult to remain competitive in the industry.

The charts below reflect event days of annual event activity for the years of 1995 through 2008. This data shows a decline of business in the areas of concerts, consumer shows, fundraisers, meetings, performances and trade shows.

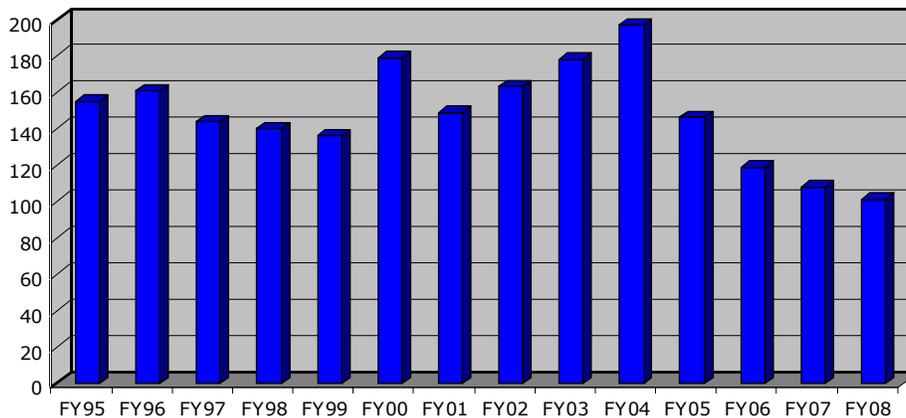
Table 4-2
Event Days

U.S. Cellular Center Number of Event Days- Comparison by Fiscal Year 1995-2008

Event Type	Number of Event Days													
	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08
Concerts	17	14	8	12	6	8	5	7	15	5	6	5	12	5
Consumer Shows	51	43	38	40	35	49	35	37	29	26	18	24	11	16
Conventions	7	9	14	7	26	28	36	38	27	17	14	13	3	4
Family Shows	23	36	22	21	20	33	17	18	22	42	32	24	36	23
Fundraisers	11	9	10	10	11	10	14	16	14	12	10	7	7	5
Meetings	7	3	2	4	0	7	4	6	7	0	1	2	6	6
Performances	1	7	10	0	0	0	0	0	0	8	0	0	0	0
School	6	6	4	9	7	24	9	10	11	9	10	10	9	10
Sporting	12	8	8	8	11	8	18	12	23	60	43	30	22	31
Trade Shows	19	26	22	26	17	9	9	11	10	4	2	3	1	1
Miscellaneous	1	0	6	3	3	3	2	8	20	14	10	1	1	0
Total	155	161	144	140	136	179	149	163	178	197	146	119	108	101

Source: VenuWorks

Table 4-3
Number Of Event Days
1995-2008 Annual Totals



Source: VenuWorks

The 2007 Analysis also described in detail the space requirements, services and amenities that today's event planners require. This section will highlight those results along with updated relevant information.

Conventions and Meetings

A February 13, 2006 Trade Show Week Industry Analysis by Michael Hughes⁴ provides the following statistics regarding meeting and trade shows:

- Conventions and meetings often drive between 25% and 40% of a community's tourism and hospitality gross revenues.
- According to Destination Marketing Assn. Intl., a convention and exhibition delegate generates an average economic impact for the host city of \$1,449 per event visit.
- The average convention and exhibition is booked 4.4 years in advance. 23% of events are booked six or more years out and 9% are booked more than 10 years out.
- Beyond ensuring a city has enough prime exhibit space, the main site-selection driver for event producers is a city's hotel capacity, quality and range of price points.

An article by Dave Barista in the August 2005 edition of Building Design & Construction⁵ entitled "Next-Gen Convention Facilities" cites that venues that are designed to maximize productivity are extremely attractive to meetings planners and exhibitors. Wireless Internet access, efficient transportation and reduced walking distances to meeting rooms and food service areas are crucial components to increasing meeting productivity. Mr. Barista further states that facilities should be designed to cater to a diverse audience with amenities to attract local community and corporate events as well as regional and national trade shows and meetings.

An article in Midwest Meetings 2.0⁶ highlights the importance that technology based amenities will play in securing events of the future. The article states in part, that while nothing is more basic than wireless internet some facilities are installing systems that will allow for multiple, concurrent internet users and transmit data at

⁴ Michael Hughes. "So You Want to Build a New Venue." Tradeshow Week. 13 February 2006:18

⁵ Dave Barista. "Next-Gen Convention Facilities." Building and Design Construction. August, 2005: 24-24

⁶ Matt Alderton. "The Heartland's venues stay relevant with high-tech tools, rather than toys." Midwest Meetings 2.0. 8 April 2009. www.meetingnews.com

faster speeds. This provides convention and meetings planners with the means to set up private networks and utilize hi-band width technology such as video and VoIP. Hearing impaired attendees can participate completely in all aspects of the meetings and conventions at the newly renovated Oshkosh Convention Center through a state of the art hearing loop system with transmits PA sound directly and wirelessly to hearing aids without background noise. The new Quad-Cities Waterfront Convention Center is equipped to send sound wirelessly along with video to any of several ceiling-mounted projectors installed throughout the facility enabling event organizers to broadcast breakout sessions from one meeting room to another in the event of overflow. These are just a few examples of advanced technology that allow these Midwest facilities to make their mark. By building new convention and meeting spaces, the Cedar Rapids facilities will be able to capitalize on advanced technology thereby sharpening their competitive edge in the market.

Convention and meeting planners demand versatility as they plan their events. Facilities that can provide flexibility combined with amenities will prove successful in securing and maintaining this business. Survey results and conversations with current convention/meeting planners and representatives of the Cedar Rapids Area Convention Bureau further indicate:

- 67% of the survey respondents meet every year
- 50% choose their meeting locations on an annual basis
- 42% require meeting, banquet and exhibit space on the same day
- 75% require break out rooms with 44% of these respondents needing 5-10 rooms
- 82% require an on site hotel as their number one priority in site selection

The Cedar Rapids Area Convention & Visitors Bureau has provided the following sampling of business that could not be attracted to Cedar Rapids in the past due in part to facility limitations needed to meet event requirements. This listing reflects an average of \$2.3 million per year over the last 15 years of economic impact/direct spending not realized in the Cedar Rapids community. The development of the Cedar Rapids Events Center provides the opportunity for Cedar Rapids officials to reconnect with past meeting planners and reintroduce them to the Cedar Rapids market.

Table 4-4

CONVENTION/MEETING AND TRADE SHOWS

Sampling of Lost Business 1993 - 2008. Certain events were tracked by Economic Impact and others by Direct Spending. During this time there were also several pieces of business that the Convention & Visitors Bureau and U.S. Cellular Center did not pursue due to known facility limitations.

Event	Attendance	Estimated Economic Impact / Direct Spending
School Administrators of IA	3000	\$300,000
Iowa Association of Soil & Water	600	\$180,000
Iowa Snowmobile Association	350	\$105,000
Iowa Tire Dealers Association	400	\$120,000
Inc. 100	1000	\$600,000
National Ag Conference	600	\$180,000
Iowa Library Association	600	\$180,000
Order of the Eastern Star	800	\$320,000
Automobile License Plate Collectors	800	\$304,047
National Rural Letter Carriers Association	1500	\$1,534,404
Piano Technicians Guild	848	\$485,168
National Horseshoe Pitchers Association	1450	\$16,378,340
General Conference of Church of God (7th Day)	1500	\$2,195,868
Airborne Law Enforcement Association	800	\$631,642
American Baptist Association	2170	\$857,328
Professional Secretaries International	1600	\$1,451,292
National Farmers Union	630	\$406,072
Iowa State Association of Counties	1100	\$343,617
Iowa League of Cities	1000	\$278,910
Petroleum Marketers of Iowa	1200	\$344,484
Associated General Contractors of Iowa	700	\$200,949
Iowa Veterinary Medical Association	750	\$215,302
Iowa Farm Bureau Federation	1000	\$287,070
Iowa Motor Truck Association	550	\$157,888
Iowa Newspaper Association	800	\$153,104
American Association of State Colleges & Universities	700	\$200,949
American Forensic Association	800	\$229,656
Association for Development/Computer Based Instruction System	700	\$200,949
American Institute of Architecture Students	800	\$229,656
Neighborhoods USA	1200	\$391,312
United Methodist Church	1000	\$509,247
International Conference of Police Chaplains	750	\$354,357
Iowa Agribusiness Association Tri-State Feed Conference	800	\$229,656
Iowa Agribusiness Iowa Meeting	1000	\$275,070
American Angus	2000	\$407,340
Association of Midwest Fish & Wildlife Agencies	700	\$200,949
Association Milk Producers, Inc.	1200	\$431,124
American Hemerocallis Society	560	\$151,879
Iowa League of Cities	1000	\$160,880
Iowa Downtown Summit	300	\$61,356
Iowa State Association of Counties	900	\$318,195
National Stereoscopic Association Annual Convention	500	\$283,494
National Historic Railway Association National Convention	1000	\$326,556
Living Church of God	800	\$419,000
National Association of Campus Activities	875	\$223,581
General Association of Regular Baptists	1500	\$432,049
TOTALS	44833	\$34,247,740

Over the past 15 years the estimated economic impact and direct spending totals almost \$2.3 million per year from lost business.

Source: Cedar Rapids Area CVB and VenuWorks June, 2009

VenuWorks attempted to identify how many of these events were lost to facilities outside of a 100 mile radius of Cedar Rapids, thus creating an economic loss to the entire region. However, the Cedar Rapids Convention and Visitors Bureau no longer has access to these records because they were destroyed during the flood of 2008.

Through discussions with current clients, information gathered from survey respondents and VenuWorks' resources throughout the industry, information was gathered as to the facility requirements and amenities that are required to be competitive in this convention/meeting programming segment. A complete list is

detailed in the 2007 Needs Analysis Report. The top five elements specific to the needs of Cedar Rapids include:

- Exhibit Space – A minimum of 60,000 square feet
- Hotel accommodations attached to exhibition/meeting space or in close walking proximity
- Ballroom/Meeting Rooms – Carpeted, flexible configurations to accommodate 8-13 rooms with capacities from 25-2500
- Banquet and kitchen capacity to accommodate a meal function for 3000
- Wireless technology

Utilizing this information, VenuWorks consulted with the Cedar Rapids Area Convention & Visitors Bureau to determine the potential of new business that could be pursued upon approval of the proposed Cedar Rapids Events Center. There are many database tools available for this research. The Cedar Rapids Convention & Visitors Bureau utilized one database available to them through *empowerMINT*, a resource of the Destination Marketing Organization. This resource provides the CVB with a tool to select query options applicable to their city amenities. With the query options customized, the resulting reports provide possible leads with regard to the specific events.

There are many variables that must be considered to be successful in attracting events to a city and venue. However, the following results indicate a dramatic increase in the opportunities available based upon the expansion project for the Cedar Rapids Events Center project.

Search Criteria #1

1. Exhibit space – equal to or less than 60,000 square feet
2. Hotel rooms – less than 290 (current maximum block available through the Crowne Plaza Hotel)
3. Meeting location – willing to rotate throughout Midwest United States
4. Meeting frequency – annually

This search resulted in identifying 1843 organizations which hosted 2071 convention/meetings that met these criteria.

Search Criteria #2

1. Exhibit space – equal to or less than 90,000 square feet
2. Hotel rooms – less than 290 (current maximum block available through the Crowne Plaza Hotel)
3. Meeting location – willing to rotate throughout Midwest United States
4. Meeting frequency – annually

This search resulted in identifying an additional 459 organizations which hosted 468 convention/meetings that met these criteria.

When factoring a 4.8% conservative success rate in securing meetings identified in searches #1 and #2, the direct spending effect in the for Cedar Rapids community is estimated at \$7.7 million.

Table 4-5		
ESTIMATED DIRECT SPENDING FROM NEW BUSINESS		
Based on Criteria in Search #1 & Search #2 (with existing hotel rooms)		
Formula	Total	Direct Spending Total
Total meetings identified Search 1 & Search 2 = 2539		
Percent of meetings secured - 4.8% of total	121.87	
Average meeting attendance - 600	73,122	
Average Daily Spending x 100% of attendees	73,122	
Average Daily Spending Rate	\$47.42	\$3,467,445.24
Average overnights x 75% of attendees	54,841.50	
Average Overnights Rate	\$77.82	\$4,267,765.53
ESTIMATED DIRECT SPENDING		
\$7,735,210.77		
Source: VenuWorks		

The focus of Search #3 was initiated to broaden the scope of available events if additional hotel rooms would become available. The presumption is being made in this scenario that either a full or limited-service hotel would be built in the downtown district with a minimum of 110 rooms available to block for convention and meeting events.

Search Criteria #3

1. Exhibit space – equal to or less than 90,000 square feet
2. Hotel rooms – up to 400 (current maximum block of 290 available through the Crowne Plaza Hotel plus the potential of a new hotel constructed which would block an additional 110 rooms)
3. Meeting location – willing to rotate throughout Midwest United States
4. Meeting frequency – annually

This search resulted in identifying an additional 591 organizations which hosted 608 convention/meetings that met these criteria.

When using the same 4.8% factor the success rate in securing meetings identified in searches #1, #2 and #3, the direct spending effect in the for Cedar Rapids community increases to over \$9.5 million.

Table 4-6		
ESTIMATED DIRECT SPENDING FROM NEW BUSINESS		
Based on Criteria in Search #1, Search #2 & Search #3 (with the addition of a new hotel)		
Formula	Total	Direct Spending Total
Total meetings identified in the 3 searches = 3147		
Percent of meetings secured - 4.8% of total	151.05	
Average meeting attendance - 600	90,630	
Average Daily Spending x 100% of attendees	90,630	
Average Daily Spending Rate	\$47.42	\$4,297,674.60
Average overnights x 75% of attendees	67,972.50	
Average Overnights Rate	\$77.82	\$5,289,619.95
ESTIMATED DIRECT SPENDING		
\$9,587,294.55		
Source: VenuWorks		

The initial results of these queries are a strong indicator of the volume of convention/meeting business that could be pursued for the proposed Cedar Rapids Events Center.

Flat Floor/Exhibition

These events are defined as activities that require a defined flat floor space, usually with no central focal point such as a stage. They feature exhibition booths with distributed services, including electricity, phone and internet. Auxiliary activities may be featured such as meetings, banquets and possibly concessions but the key requirement is a large flat floor space.

As part of the Meeting Planner survey in the 2007 Report and conversations with current and former exhibitors at the U.S. Cellular Center, the following example of their lost business was developed:

- Due to a lack of adequate flat floor space at the U.S. Cellular Center, the Cedar Rapids Boat, Sport & Travel Show moved to the Coralville Convention Center.
- The Cedar Rapids Home & Builders Show has a long waiting list for exhibitors. The show continues to look for an alternate location to host its annual event in order to meet the increased space requirements their current and potential exhibitors demand.
- The Cedar Rapids Antique Show & Collector's Fair moved to an alternate Cedar Rapids location due to the U.S. Cellular Center's lack of ability to subdivide the arena floor per their show requirements.

The loss of these shows and others resulted in nearly 15,000 less patrons coming through the doors of the U.S. Cellular Center on an annual basis with a loss of revenue to the Center's operational budget of approximately \$73,000.

In addition to many of the key factors mentioned in the Convention/Meetings section of this report and also outlined in the 2007 Needs Analysis Report, specific Flat Floor/Exhibition facility requirements and amenities include:

- Doors and traffic patterns designed for efficient exhibit load-in/load-out
- Drive-in loading and air lock loading doors
- Ample areas for marshalling and staging of vehicles and equipment
- Booth power strategically laid out for ease of access without impacting booth arrangements and flow of attendee traffic

With this information and the JLG proposal, a finished design plan could effectively meet these needs for the new Cedar Rapids Events Center and its trade show/exhibit clients. Typically, clients of this business segment desire to have a “home” for their events. They would prefer to have the security of knowing that they are booked into a desirable facility under long-term agreements. This stability provides them the opportunity to build their exhibitor and patron base.

Athletic Events

As noted in the Economic Impact section of this report, a balanced event load at the Cedar Rapids Events Center and U.S. Cellular Center will provide a consistency of business traffic in the downtown and in the community. While the athletic programming segment offers many tournaments throughout the entire calendar year, many national AAU tournaments take place in June, July and August which is traditionally a quiet time for event activity in the U.S. Cellular Center. Organizers, participants and spectators with athletic events have expectations that differ from the convention/meeting planner attendee and choose their event locations with the following parameters in mind.

- Athletes and spectators are motivated to attend because of the event itself, not the location of the event.
- Events are scheduled year-round and are generally date specific based on prior competition schedules. Many AAU events occur during the summer months when additional family members can also travel.
- Events occur both during the week and on the weekends.
- The average length of the event is 1-3 days; sometimes utilizing multiple weekends
- Hotel requirements can be flexible. Athletes and spectators will use both full and limited service hotels in reserving room blocks and are very cost-conscious of the room cost.
- Host facility must accommodate majority of activity and other athletic venues throughout the area can be used as well.
- Athletes typically are accompanied by spectators.

Current, former and potential promoters of athletic events at the U.S. Cellular Center were surveyed to determine their current and future event requirements. Interviews of current clients indicated that the U.S. Cellular Center is adequate for the events that they are currently bringing to the facility. However, the size and configuration of the U.S. Cellular Center significantly limits growth in the athletic event market.

The Cedar Rapids Area Convention & Visitors Bureau has provided the following sampling of business from 2003-2006 that could not be attracted to Cedar Rapids, due in part to facility limitations needed to meet the minimum event requirements. This listing reflects an average of \$7.8 million per year over the four year period of direct spending not realized in the Cedar Rapids community. The table below describes these events but does not include additional business opportunities that were not pursued due to the known facility limitations of the current U.S. Cellular Center.

Table 4-7				
SPORTING EVENTS				
<u>Sampling of Lost Business from 2003 - 2006</u> (During this time there were also several pieces of business that the Convention & Visitors Bureau and U.S. Cellular Center did not pursue due to known facility limitations)				
Event	Number of days	Athletes	Spectators	Estimated Overnights
AAU Boys' Basketball	7	700	1,050	1,800
AAU Girls' Basketball	7	700	2,380	2,550
AAU Gymnastics	4	1,100	2,200	1,200
AAU & USA Wrestling	2	1,000	1,500	1,500
AAU Volleyball	3	n/a	n/a	n/a
US Trampoline & Tumbling	5	2,050	5,000	2,331
AAU Jr. & Sr. Karate National Championships	4	1,500	3,000	1,600
U.S.T.A./AAU Trampoline & Tumbling	4	2,300	5,000	2,400
AAU Jr. & Sr. Taekwondo National Championships	4	1,100	2,200	2,400
AAU Folkstyle World Championships	2	2,700	4,860	2,400
AAU Grand Nationals	4	1,000	1,800	1,800
AAU Middle School National Duals	2	750	1,350	675
AAU Scholastic Challenge	2	500	900	450
AAU Elementary School National Duals	2	700	1,260	630
AAU Ironman World Championships	2	1,000	1,800	900
LeFemme Nationale	2	350	630	315
AAU Boys Basketball National Championship	7	700	1,050	1,800
AAU Girls Basketball National Championship	8	700	2,380	2,550
AAU National Championships	4	1,200	2,400	600
Totals	75	20,050	40,760	27,901
Average number of overnights	3.95			
Average daily spending	\$130			
Total Attendees	60,810			
Total Direct Spending	\$31,225,935			
			2003-06 Annual Average	\$7,806,484

Source: Cedar Rapids Area CVB and VenuWorks

Through discussions with current clients, other athletic event promoters throughout the United States and the Cedar Rapids Area Convention & Visitors Bureau information was gathered to determine the facility requirements and amenities necessary to be competitive in this programming segment. An extensive list is contained in the 2007 Need Analysis, with the primary requirements defined as:

- Adequate open floor space to accommodate 6-8 basketball courts with portable seating for 500-2500 spectators (not all are necessary to be in one location, they could be split between the arena and based on its design, also utilize the events center.)
- Dressing/Locker rooms with showers and toilet facilities separate from spectators to accommodate 4-8 teams simultaneously
- A large area close to the competition floor to stage participants
- Storage areas for portable floor, baskets, sports turf when not in use
- Concessions available to the public

The development of the Cedar Rapids Events Center provides the opportunity for Cedar Rapids officials to reconnect with past sports events planners and reintroduce them to the Cedar Rapids market. A strong possibility also exists within this market segment for securing events with multiple-year commitments.

When communities make the commitment to build the facilities with the amenities required to host all of the above listed event activities, the payback can be substantial – increased community activity, economic stimulus and increased civic pride.

5. FUNCTIONALITY OF DESIGN

VenuWorks believes for a public assembly facility to be a successful venture, design criteria must be based on the following characteristics:

- The form and function must arise out of the activities of the groups that will use it.
- It must attract NEW business to the community in the form of conventions, meetings and trade shows that infuse new dollars from outside the local community.
- It must book and/or promote new commercial activity in the form of specialized shows and expositions for the benefit of the show promoter, the exhibitors and the patrons attending the event. It may provide the city and the region with reasonably priced space for non-profit, charitable and community activities.
- It must attract promoters and/or self-promote entertainment, cultural, religious, business, tourist and other special events for the community's benefit.
- It must expand current capabilities for banquets, receptions and meetings in order to meet the current and future needs of the local community.

During VenuWorks interviews as a part of the 2007 study, participants were asked to rate four types of events on a scale of 1-5 based on their personal preference (with 1 being the most important) as to an area of the city where a facility should be located to best host these events. They were then asked to give their opinion from a regional viewpoint in an attempt to see how a visitor to the city might view the same topics. The overwhelming majority listed the downtown area as their preference for all four types of events both from a personal and regional viewpoint. The survey responses from thirty-one stakeholders are presented in the following tables.

Table 5-1 (A)

Where should these facilities be located based on personal preference

Event Type	Cedar Rapids Locations					Other/ no preference
	Downtown	Northeast	Southwest	Northwest	Southeast	
Business related events / meetings	81%	16%	3%	0%	0%	0%
Consumer/ Trade Shows	74%	6%	16%	0%	0%	3%
Entertainment and sporting events	65%	3%	32%	0%	0%	0%
Large Banquets	77%	10%	3%	0%	3%	6%
Other	6%	0%	0%	0%	0%	0%

Source: VenuWorks

Table 5-1 (B)

Where should these facilities be located based on a regional viewpoint

Event Type	Cedar Rapids Locations					Other/ no preference
	Downtown	Northeast	Southwest	Northwest	Southeast	
Business related events / meetings	68%	19%	3%	0%	0%	10%
Consumer/ Trade Shows	65%	6%	16%	0%	0%	13%
Entertainment and sporting events	61%	3%	26%	0%	0%	10%
Large Banquets	61%	23%	3%	0%	3%	10%
Other	3%	0%	0%	0%	0%	0%

Source: VenuWorks

The report also identified the required amenities necessary to be competitive as well as the need for the creation of additional meeting and convention/event space that would be separate from the arena. This separation and flexibility would provide the opportunities to host multiple, simultaneous events. An arena based event could then occur at the same time when a large convention, trade show, exhibit or other event is being hosted at the proposed Cedar Rapids Events Center. Additionally, larger events could be pursued that would utilize the combined event space. The 2007 report called for building the new arena across Third Street to the west and converting the existing U.S. Cellular Center into convention space. The main opposition to this proposal was generated from a desire to keep the historic Roosevelt Hotel building that the new arena would have displaced.

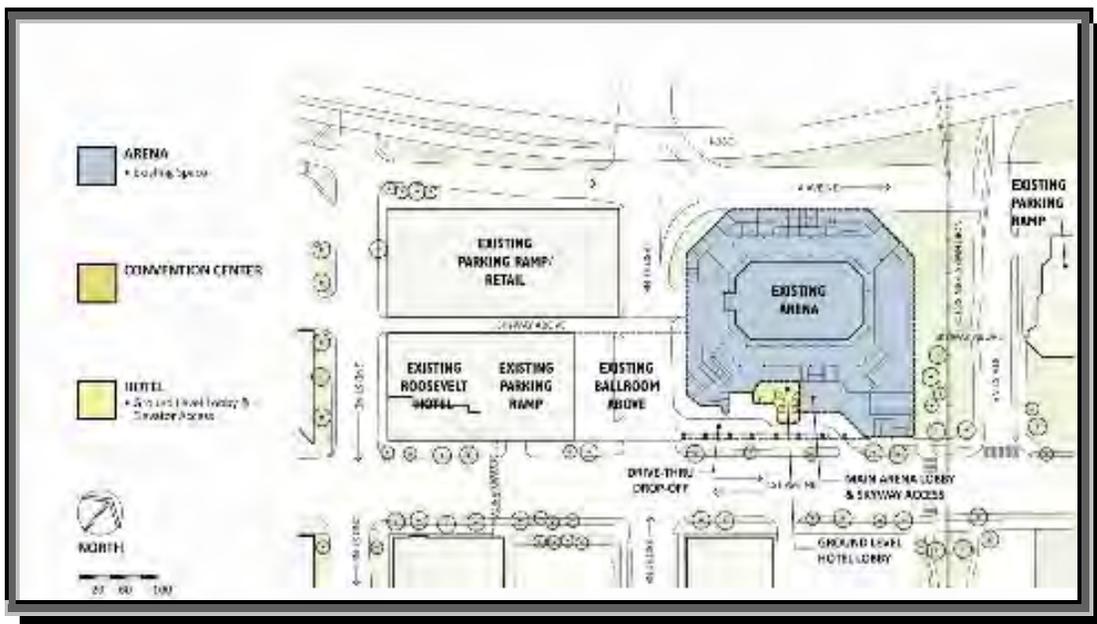
The services of JLG Architects, Grand Forks, ND, were secured in 2007 by the City of Cedar Rapids to evaluate the data that has been collected and develop additional concept drawings. JLG considered various design options within several general

groupings. The considerations included keeping the U.S. Cellular Center and Cedar Rapids Events Center on one site, moving one component off site or moving all components off site.

JLG’s conclusion was to leave the U.S. Cellular Center on the existing site, taking advantage of the location and the infrastructure already in place. The construction of a new Cedar Rapids Events Center spaces adjacent to the U.S. Cellular Center completes the need identified in previous studies.

In April 2009, through evaluation of past studies, ongoing discussions and careful consideration of multiple designs, the Five Seasons Facilities Commission made a determination identifying the best solution for the U.S. Cellular Center’s future.

JLG’s Option 2B that depicts a separate convention/event space constructed adjacent to the U.S. Cellular Center was selected as the best option for the recovering downtown district and the City. The following JLG drawings illustrate the current configuration of the U.S. Cellular Center and surrounding properties as well as how the area would appear after the expansion project is completed.



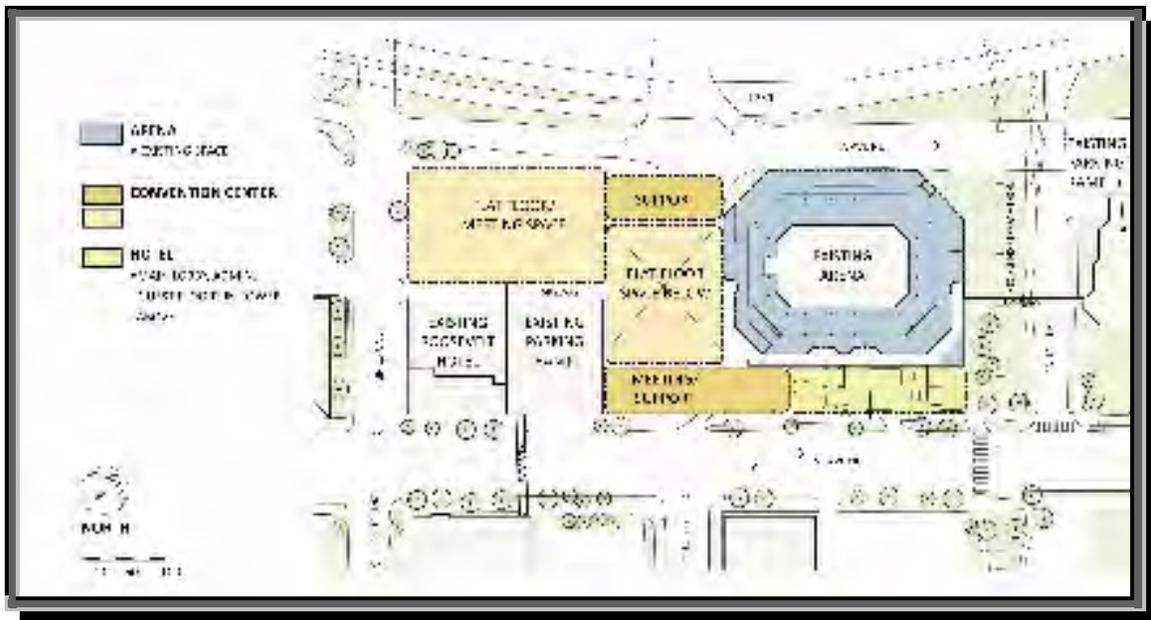
Existing Site

Source: JLG Architects



Proposed Main Level

Source: JLG Architects



Proposed Second Level

Source: JLG Architects

The land identified above for this expansion is located directly west of the U.S. Cellular Center. This property encompasses the north end of the block located between Second Street to Third Street NE and First Avenue and A Avenue NE. Located on this parcel is a structure owned by one local businessman. This owner has supported previous expansion concepts for several years and is willing to work with the City in the acquisition of the land necessary to make this concept a reality. Additionally, the City will close Third Street N.E. between First Avenue and A Avenue to accommodate sections of the expanded facilities.

The proposed complex will provide a continuous impressive façade along First Avenue from Second Street all the way to the Fourth Street railroad tracks. Drivers passing along the north side of the building on I-380 or driving through the downtown area along the south exposure of the facility on First Avenue (Hwy 151), which is one of Iowa’s busiest streets, will easily identify this signature landmark.

By connecting these two event spaces, this proposal capitalizes on the existing location, resources and amenities of the existing U.S. Cellular Center with its attached hotel. This design maximizes the efficiencies of the facilities and staff while providing the space necessary to host multiple, simultaneous events. The proposed Cedar Rapids Events Center will be much more than a convention center. Design elements as proposed in JLG’s U.S. Cellular Center Facility Planning Study include the amenities necessary to attract meetings, conventions, trade shows, exhibit shows, athletic events and high tech multi-media presentations with the capability of flexible seating. The addition of the Events Center in combination with the U.S. Cellular Center will once again make Cedar Rapids a destination stop for convention and event planners.

Adjoining the proposed Cedar Rapids Events Center to the existing U.S. Cellular Center provides the following amenities:

- Approximately 60,000 square feet of flat floor space in addition to the U.S. Cellular Center’s 30,000 square feet
- Approximately 12,000 square feet of meeting space
- Defined main entry and pre-function space to serve the entire complex
- Full kitchen facilities

- Shared loading docks and marshalling areas configured to meet the demands of multiple show move in and move outs
- The historic properties adjacent to the complex would be retained and available for commercial development
- The skyway connections to other downtown facilities would be retained
- Direct connection to the Crowne Plaza Hotel from both the U.S. Cellular Center and Cedar Rapids Events Center
- Potential to spur the construction of another downtown hotel

The preliminary findings of the Urban Land Institute report expanded upon the JLG design and are consistent with the vision for making the U.S. Cellular Center and the Cedar Rapids Events Center the key components in the redevelopment of the downtown district. This proposal provides the space and amenities needed to effectively compete for events that require the square footage and flexibility that the combined facilities will offer. The development of this complex will once again make Cedar Rapids a destination stop and provide event planners with the dynamic experiences they seek in today's market.

6. ECONOMIC CONDITIONS INFLUENCING THE MARKET

When considering the investment of millions of dollars toward the creation of convention and meeting spaces like those proposed for Cedar Rapids, the question may be asked, “Based on the current national economic conditions, what is the future of convention and meeting business?”

The January 2009 report from MPI FutureWatch 2009⁷ stated that although meeting planners are anticipating a 9% decrease in the number of meetings their organizations will hold in 2009, they still see face to face meetings as the most effective tool for a variety of purposes that are central to their organizational missions. Personal contact is important for:

- Building relationships and trust
- Engendering a sense of community
- Conducting highly interactive programs
- Engaging participants at an emotional level
- Demonstrating new products that require physical use (from medical devices to sporting goods, from product training seminars to display of agricultural related equipment and products)

The U.S. Travel Association⁸ recently published the following data to emphasize the importance of conventions and meetings to the recovery of the economy.

- Broadly, business travel creates 2.4 million jobs, injects more than \$240 billion into the national economy annually and generates \$39 billion in federal, state and local tax revenue
- Specifically, meetings, events and performance incentive travel in the United States are responsible for almost 15% of all domestic travel and generate 1 million jobs and \$27 billion in wages
- Meetings and events can provide a solution to economic woes
- Meetings and events support local communities and working families around the country – an important aspect in rebuilding the economy
- Meetings and events drive business growth

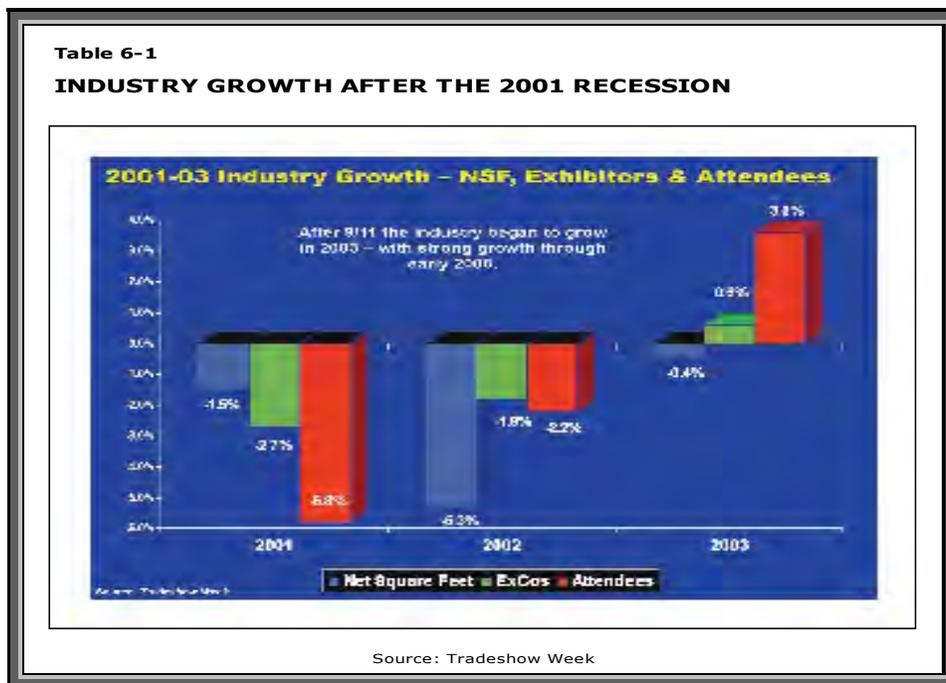
⁷ “FutureWatch 2009”, Meeting Professionals International, 2009 <http://www.mpiweb.org>

⁸ “Meetings Mean Business”, U.S. Travel Association, 2009 <http://www.ustravel.org>

- Fortune 1000 Chief Marketing Officers said that meetings and events provide the highest return on investment of any marketing channel
- 87% of Americans who have attended out of town meetings or conventions for work say that it is important to running a strong business
- Each meeting and event traveler spends an average of \$1000 per trip.

An April 2009 publication by Tradeshow Week⁹ highlights the good news in the convention and meeting business, stating in part:

- A time of significant change drives attendance, education and networking needs – especially at industry leading conventions and tradeshow.
- While attendance may be on the decline, exhibitors and show managers are seeing a higher quality attendance.
- Larger conventions and tradeshow are more stable in an economic downturn than other traditional marketing media.
- Attendance at conventions and tradeshow recovered quickly following the 2001 recession. The following chart reflects the recovery rate.



⁹ "The Value of Exhibiting in a Downtown", Tradeshow Week, April 2009 <http://www.tradeshowweek.com>

While the meetings of the future will require a greater level of return on investment to drive increased attendance, industry professionals agree that the convention and meeting business will rebound and grow. FutureWatch 2009 further states that planner’s operational decisions of the future will be driven overwhelmingly by cost and secondarily by practicalities such as airlift for destinations and customer service for hotels and meeting venues.

Table 6-2 (A)		Table 6-2 (B)	
VENUE SELECTION		DESTINATION SELECTION	
2009 Factors Influencing Venue Selection		2009 Factors Influencing Destination Selection	
Overall Cost	40.3%	Overall Cost	26.0%
Customer Service	11.2%	Airlift	24.9%
Quality and condition of venue	8.2%	Travel Cost	15.5%
Location relative to meeting purpose	6.6%	Location relative to meeting purpose	11.4%
Meeting space requirements	6.6%	Ease of access / travel	10.9%
Flexible / dedicated staff	5.4%	Proximity to members and attendees	7.1%
Value	5.1%		

Source: FutureWatch 2009

Research from TNS Global’s TravelsAmerica¹⁰ Survey reports that Iowa’s share of U.S. Business Travel spending in 2007 was over \$2 billion. Iowa’s share of U.S. Meetings and Events Travel spending in 2007 was \$532 million. Cedar Rapids already has the key components in place for the Events Center to be successful in its mission of securing additional meeting, convention and other event business, and being an economic generator for the community.

- Accessibility / Location
 - The Eastern Iowa Airport is located within the city limits providing connections to locations all across the globe.
 - The Cedar Rapids downtown area is conveniently located with easy access directly off of major interstates and primary highways.
 - The City is a regional hub within four to six hours drive time of Chicago, Minneapolis, Milwaukee, Omaha, St. Louis and Kansas City.
 - Cedar Rapids is located in the population center for Iowa. Of the three million people who live in the State, two million are within a two hour drive of Cedar Rapids.

¹⁰ “Meetings Mean Business”, U.S. Travel Association. 2009 <http://www.ustravel.org>

- Proximity of Hotels
 - The recently remodeled Crowne Plaza Hotel is attached to the U.S. Cellular Center. The design of the proposed Cedar Rapids Events Center will also have a direct connection to the Crowne Plaza. This is a full service hotel which offers the services and amenities required to be considered as the group's host hotel.
 - In addition to the Crowne Plaza, Cedar Rapids has three additional full service properties that are also willing to commit large room blocks for event planners.
 - Several smaller limited service properties are located throughout the community to offer attendees an option of price levels and amenities to meet each attendee's specific budget.
 - Space is available in close proximity to the U.S. Cellular Center for the development of additional hotel properties.
 - A network of skywalks currently connects several downtown blocks of businesses including Crowne Plaza Hotel and the U.S. Cellular Center.
- Safe Environment
 - Cedar Rapids has a very low crime rate.
 - The downtown area boasts of a safe, welcoming environment where people can easily walk from the Center to attractions, restaurants and night spots.
- Cost / Affordability
 - The facility pricing, room rates, restaurant and bar rates are considerably less expensive than larger cities in the country and competitively priced with like-sized cities in the Midwest.
- Attractions
 - As meeting planners look for locations to host activities as a part of their events, there are a number of tourist attractions in the Cedar Rapids area to complement the programming of the Cedar Rapids Events Center. Locations such as the U.S. Cellular Center, Veteran's Memorial Baseball Stadium, Cedar Rapids Museum of Art, McLeod Busse Science Station, Brucemore Historic Site, African American Historical Museum & Cultural Center, Carl & Mary Koehler History Center, Legion Arts/CSPS, National Czech and Slovak Museum,

Paramount Theatre (to be restored post flood), Cedar Rapids Ice Arena, Theatre Cedar Rapids (being restored post flood), Ushers Ferry Historical Village and the nearby Amana Colonies provide a diverse selection of opportunities.

As the economy recovers, the strong business and workforce base of Cedar Rapids makes the community well positioned for success. Cedar Rapids Priority One, the economic development division of the Cedar Rapids Area Chamber of Commerce, in the January 2009 edition of their newsletter Priorities¹¹, highlights the successes Priority One has experienced as they enter the midway point for their Priorities 2010 Focus on the Future campaign. The campaign has already resulted in the creation of 4616 new jobs, 13 new businesses and \$1.19 billion in capital investment in the community. Priority One will continue its regional industry cluster strategy targeting seven primary sectors: bio-processing/food ingredients, distribution/logistics, food processing, electronic equipment/design, process manufacturing, wind energy and service industries.

Community Data¹²

- Population
 - Cedar Rapids primary trade area -201,853–16.6% increase from 1990
 - Primary and secondary market trade area combined – 249,320 – 44.4% increase from 1990
 - 60 minute radius to Cedar Rapids - 953,700
 - Outer limits of the effective Cedar Rapids market area for events (150 miles) - over 5.1 million people
- Resident unemployment rate
 - End of 2005 - 3.8%
 - April 2009 – 4.8%
 - National average April 2009 – 8.9%

¹¹ Cedar Rapids Priority One, www.priority1.com

¹² "Cedar Rapids, IA Area 2007/2008 Demographic Information", Cedar Rapids Chamber of Commerce" 2007 <http://www.cedarrapids.org>; "Economy at a Glance", U.S. Bureau of Labor Statistics 16 June 2009 <http://data.bls.gov>; Dave DeWitte, "Largest Iowa employers see economy improving", The Gazette, 2 June 2009; "Pending home sales rise 6.7 percent in April", The Gazette, 3 June 2009, national ed; George G. Ford, "Real Estate market improving in Corridor, Iowa", The Gazette, 17 June 2009.

- Cedar Rapids building permits for residential and commercial property
 - Increased 11.3% from 1999 to 2005
 - June 2009- CR residential permits increased 4% over June 2008
- The Cedar Rapids Association of Realtors recorded increases in home sales
 - 19% increase from April 2009 to May 2009 in the Cedar Rapids area
- The Iowa Association of Realtors reports an increase in home sales state wide
 - 2,487 homes sold in Iowa in May 2009
 - 17.6% increase from April 2009-May 2009
- Major Employers
 - 29 major manufacturing employers
 - Number of employees ranging from 115 to 9,000
 - 45 major service employers
 - Number of employees ranging from 166 to 4,000

Cedar Rapids National Recognitions

- In May of 2009 Cedar Rapids received a "Next Cities" distinction as one of the best American cities to live and work for young professionals, ranking 4th in the listing of Next Cities with a population of 100,000-200,000.
- Forbes Magazine rated Cedar Rapids 2nd in the top 20 "Kid Friendly" cities in the country based on the criteria of education, crime, arts and culture.
- An article in Bizjournals in March of 2009 indicated that utilizing U.S. Census Bureau data, Cedar Rapids ranked 13 out of 124 mid-sized metro areas for best quality of life.
- An article in the Cedar Rapids Gazette indicates that although home prices are declining on a national level, data released in March of 2009 by First American CoreLogis showed home prices in Cedar Rapids rose 8.83% in December of 2008 in comparison to December 2007. Nationally during this same period home prices declined 11.1%.

The above indicators signify that Cedar Rapids has the foundation necessary to support the activities at the U.S. Cellular Center and the proposed Cedar Rapids Events Center. The local and state economies are showing an upswing of growth in many areas. The national economic picture is expected to improve in the upcoming months and years, just as it has in the past. In Cedar Rapids, the timing of the

construction and opening of the new Cedar Rapids Events Center will build upon its current growth and stimulate future growth.

Industry averages indicate convention/meeting planners secure their event locations 4.4 years in advance of the meeting date. Should the Cedar Rapids Events Center project receive approval and funding in 2009, facility staff would begin booking the facility immediately. This process creates an events calendar that coordinates the facility opening with the scheduling of its first events thereby maximizing all opportunities based on the availability of the spaces. Simultaneously, they would be working with the CVB to secure event activity that would be scheduled to start as late as 2012. With that information in hand, it would be reasonable to assume that the construction period would provide the staff with a window during construction to book events prior to the facility opening, build upon this success and reach a stabilization period in year three of full operation, projected to be 2015.

7. ECONOMIC IMPACT/BUSINESS DEVELOPMENT

Public assembly facilities are significant contributors to the economic impact of their communities. From 1995 – 2006, the events and activities at the U.S. Cellular Center have generated over \$129 million in economic impact in the Cedar Rapids community. Still successful in bringing a versatile lineup of events to the community, each year the facility’s structural limitations make it increasingly difficult to remain competitive in the industry. This has caused a dramatic decrease in the amount of economic impact generated by events at the facility from over \$12 million in 1995 to less than \$8 million in 2006 as illustrated in the table below.

Table 7-1									
ECONOMIC IMPACT HISTORY									
U.S. Cellular Center 1995 - 2006									
A)=Fiscal Year	B)=Attendance Totals	C)=1/2 Attendance x Daily Average Spending Rate of \$55							
		D)=10% of Attendance x Average Hotel Rate of \$65				E)=Wages		F)=Concessions	
		G)=Contracted Services		H)=Equipment Repair, Maintenance and Supplies			I)=Advertising	J)=Total	
A	B	C	D	E	F	G	H	I	J
1995	315,179	\$8,667,423	\$2,048,664	\$797,604	\$293,593	\$201,641	\$73,506	\$68,001	\$12,150,431
1996	338,879	\$9,319,173	\$2,202,714	\$861,540	\$329,113	\$28,398	\$79,230	\$130,551	\$12,950,718
1997	279,317	\$7,681,218	\$1,815,561	\$822,082	\$244,520	\$35,680	\$86,202	\$53,079	\$10,738,341
1998	269,229	\$7,403,798	\$1,749,989	\$891,176	\$280,166	\$22,987	\$74,578	\$77,581	\$10,500,274
1999	275,450	\$7,574,875	\$1,790,425	\$840,101	\$298,112	\$28,139	\$48,950	\$61,196	\$10,641,798
2000	262,218	\$7,210,995	\$1,704,417	\$921,017	\$313,895	\$41,060	\$60,689	\$81,306	\$10,333,379
2001	312,062	\$8,581,705	\$2,028,403	\$971,957	\$280,957	\$36,048	\$36,376	\$68,547	\$12,003,993
2002	283,090	\$7,784,975	\$1,840,085	\$891,861	\$401,952	\$38,427	\$41,560	\$75,896	\$11,074,756
2003	274,048	\$7,536,320	\$1,781,312	\$1,035,501	\$488,926	\$37,563	\$52,387	\$125,054	\$11,057,063
2004	275,795	\$7,584,363	\$1,792,668	\$996,246	\$359,831	\$59,327	\$76,905	\$91,365	\$10,960,704
2005	231,866	\$6,376,315	\$1,507,129	\$801,136	\$125,326	\$81,129	\$70,444	\$103,270	\$9,064,750
2006	195,428	\$5,374,270	\$1,270,282	\$698,053	\$215,285	\$31,744	\$64,350	\$124,483	\$7,778,467

Source: VenuWorks

The addition of the events center provides the capability to maximize the use of all the spaces available, which in turn creates the opportunity to host a variety of simultaneous events each drawing its own event planners and attendees. Conservative estimates of “new” business activities by the third year of full operation of just the Cedar Rapids Events Center are impressive on their own.

In looking ahead three years to the potential event activity at the new Cedar Rapids Events Center, the forecast is somewhat speculative as there is no established baseline of activity. However, based on the knowledge of potential events, the

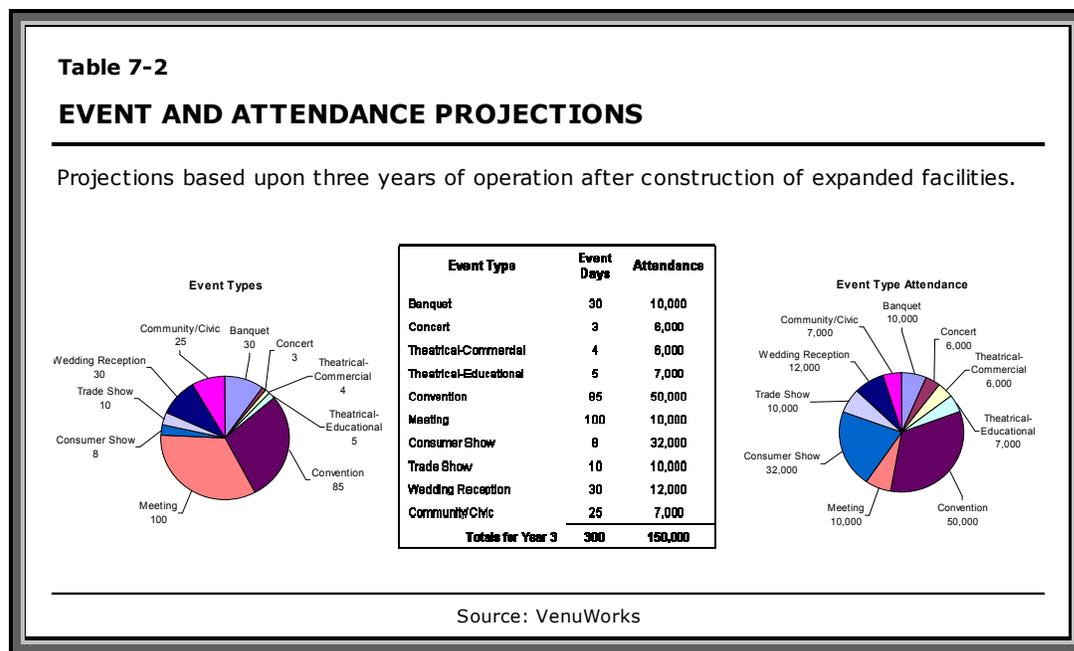
opportunity to reconnect with previous lost business opportunities and the market research that has been conducted, the following table presents a projection for year three of full operation. Conventions and other large multiple day events generally book three to five years in advance. Full sales capability can not be determined until event planners can see the actual building instead of concept drawings. Industry standards also indicate that year three of full operation of a new facility is a period of stabilization in the programming as staff and event planners expand upon the center's capabilities. During the first two years local and regional clients are becoming familiar with the actual features and amenities of the new facility. As the notoriety of the facility grows, the number and frequency of events grow accordingly. By year three a more accurate picture of event activity and patron attendance develops.

In developing the projections listed in Table 7-2, the following aspects of event activity were analyzed:

- Banquets – Events occurring Monday – Friday including breakfast, lunch and dinner events.
- Theatrical – Currently the Paramount Theatre produces a school programming series for the younger students in the area. The theatrical-educational event activity is projected as an extension of the school programming series meeting a demand for a Middle School and High School series. In 2008 this series was pursued but it was not possible to find sufficient open dates at the Paramount. The school programming events have simple set changes and do not require rigging. Therefore, these events will work well in the proposed Events Center.
- Consumer shows - Events that are open to the public and need to draw 4000 or more patrons to be financially successful.
- Trade shows – Generally part of a meeting/convention with attendance limited to registered attendees (for example the current Agricultural Show hosted at the U.S. Cellular Center in May of each year.)

- Wedding Receptions - As wedding receptions primarily occur on Saturday nights, this type of event activity would block the facility from pursuing its main mission of larger, multi-day activities. The Events Center would have the largest ballroom in the area and thus its niche will be securing and servicing larger weddings of 300-400 guests. It is our estimation that the smaller wedding receptions will continue to utilize existing facilities in the region.

The data represented in the table below does not include activity at the U.S. Cellular Center. It is estimated that the Events Center will host an additional 300 event days and draw over 150,000 patrons generating in excess of \$14 million of economic impact to the community.



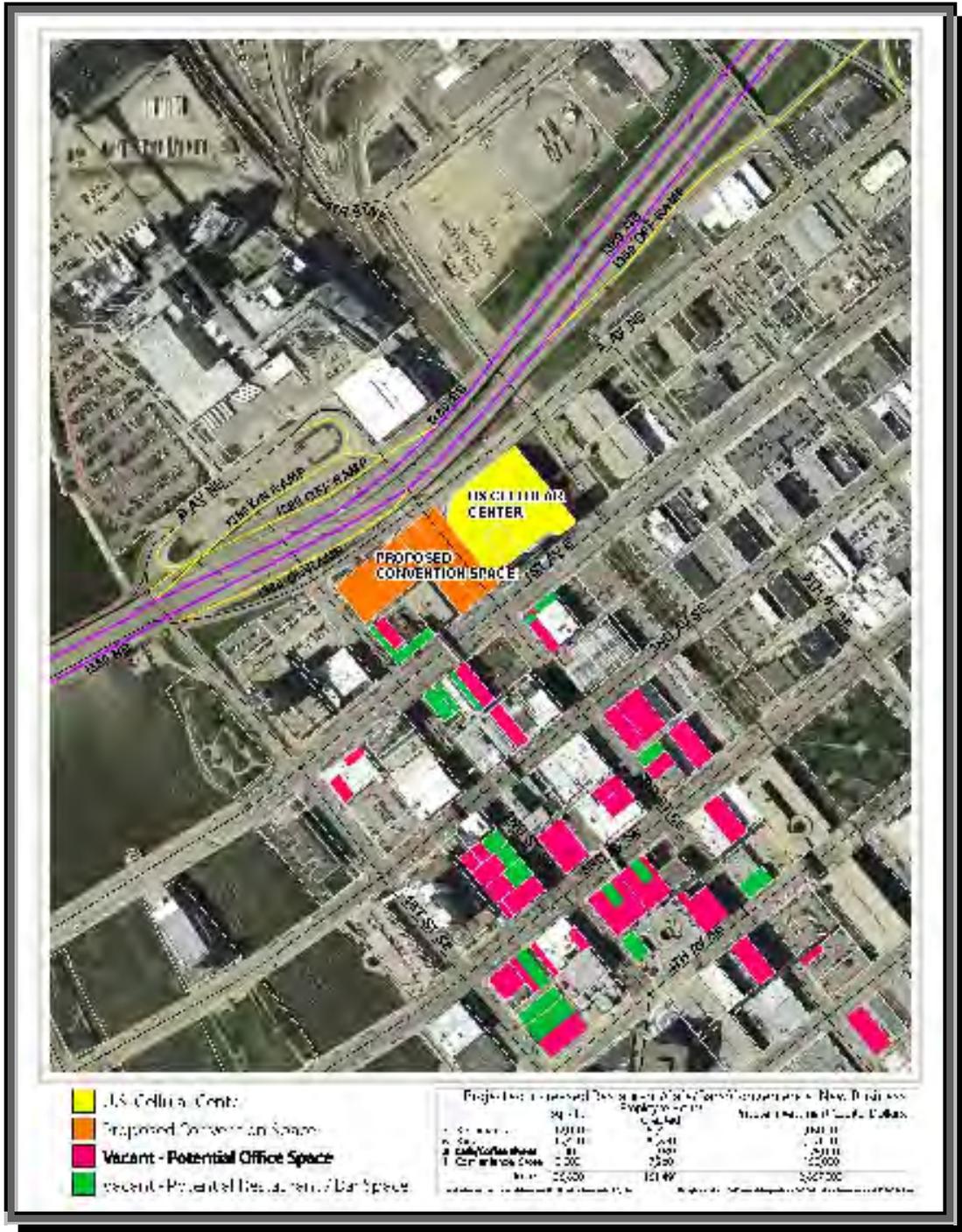
When averaging the 1995-2006 economic impact figures, the U.S. Cellular Center generated approximately \$10.7 million per year. Combining the activities at the U.S. Cellular Center and the Cedar Rapids Events Center the resulting third full year of operation economic impact is estimated to be \$24,925,597.

It is important to note that these figures do not include any multipliers that would reflect the repetitive circulation of each dollar in the community through the payment of wages and the purchase of goods and services. If the circulation of these dollars was included in the calculation, the end result of the economic impact would be even more impressive by increasing the total exponentially. Other communities use a wide range of multipliers when factoring their estimates. These factors can be as low as a multiple of 3 or as high as a multiple of 12. As an example, if the \$24,925,597 was multiplied by a factor of 4.5 the estimated economic impact would be \$112,165,187 per year.

VenuWorks currently manages 30 facilities in 15 markets all across the United States. This provides us with a national and regional perspective of the current entertainment and convention demands. The 2005-2008 economic impact from just the convention center components of these facilities generated between \$7 million and \$20 million per year. The \$20 million figure came from the RiverCenter in Davenport, IA which is also located in the eastern third of the State and part of the Quad Cities metropolitan region.

Traditionally, the major commercial businesses in the downtown district provide a significant source of revenue for smaller businesses. The addition of the events center will improve this revenue stream. The associated revenue generated from an increase in activity and visitors will bring many new dollars into the community. Simultaneous events allow for an “even flow” of attendees through the downtown in turn providing for an “even flow” of economic impact throughout the community. This consistency of business is more conducive to sustaining and developing additional downtown businesses catering to the citizens and visitors drawn by the activities hosted at the events center and the arena.

This positive impact to the downtown district cultural attractions, shops and restaurants will be significant and is urgently needed. Even though flood recovery efforts have been steady, many former business locations remain vacant. A June 16, 2009 estimate identifies approximately 32 properties totaling 148,664 square feet of available commercial space on the first floor level of downtown buildings as highlighted on the following map.



Source: VenuWorks, City of Cedar Rapids and Scott Byers of Iowa Realty Commercial

The following table is list of available properties in the downtown district.

Table 7-3
VACANT FIRST FLOOR SPACES
Offices/Retail/Restaurants spaces available of June 16, 2008

Downtown District Address				Ground Floor s.f.	Lot Size s.f.
101	1ST AVE	SE		2,448	14,140
201	1ST AVE	SE		1,500	1,500
201	1ST AVE	SE		2,200	4,000
203	1ST AVE	SE		2,200	2,200
205	1ST AVE	SE		2,200	2,200
211	1ST AVE	SE		3,150	3,150
213	1ST AVE	SE		5,740	5,740
310	1ST ST	SE		6,400	9,588
320	1ST ST	SE		7,200	8,400
330	1ST ST	SE		7,200	8,400
312	1ST ST	SE		5,504	8,400
200	2ND ST	SE		8,400	8,400
209	2ND ST	SE		3,240	3,240
211	2ND ST	SE		3,240	3,240
215	2ND ST	SE		8,400	8,400
223	2ND ST	SE		8,400	8,400
324	2ND ST	SE		1,500	10,400
109	3RD AVE	SE		7,212	7,212
115	3RD AVE	SE		1,200	1,200
116	3RD AVE	SE		1,100	1,200
124	3RD AVE	SE		1,200	1,200
201	3RD AVE	SE		16,800	16,800
310	3RD AVE	SE		1,200	1,200
221	3RD AVE	SE		9,000	27,000
100	3RD ST	SE		5,780	5,780
216	3RD ST	SE		8,400	8,400
308	3RD ST	SE		2,400	2,400
310	3RD ST	SE		2,400	2,400
312	3RD ST	SE		2,400	2,400
323	3RD ST	SE		4,200	21,800
416	3RD ST	SE		1,650	1,650
417	3RD ST	SE		4,800	4,800

Total Number of Properties Available 32	Total 1st Floor Sq. Ft. Available 148,664
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Estimated Filled Rental Space 80% = 118,931 sq./ ft.
Possible Restaurants/café/bars = 82,114 sq. / ft.
80% = 65,691 sq. / ft.

Source: VenuWorks

Typically, Cedar Rapids experiences a 20% vacancy rate for these spaces in any given year. When factoring an 80% availability rate, nearly 119,000 square feet of space is ready for development as of June 2009. Using the criteria of location, store front design and level of remodeling required, 17 properties equaling 82,114 square feet of space were identified as possible restaurant, café or bar locations currently vacant.

Conservative estimates project a substantial increase in restaurants, café, bars and convenience store businesses that would benefit from the events and activities hosted at the facilities. The following table identifies the number of businesses, square footage, employee hours created, and the estimated amount of private investment capital dollars that would be generated. According to the Iowa Restaurant Association, every \$1.00 spent in Iowa’s restaurants generates an additional \$1.02 in sales for Iowa’s economy. Each \$1 million spent in Iowa’s eating and drinking establishments generates an additional 32.8 jobs in Iowa. Marshall & Swift estimates remodeling costs at \$85 a square foot for restaurants and \$65 per square foot for bars. Utilizing these estimates and calculations a projected 12 new business developments would occupy 36,800 square feet of first floor space, provide employees with 161,491 hours of employment annually and generate private investment capital dollars of nearly \$2.7 million.

Table 7-4
PROJECTED NEW BUSINESS INCREASES

Restaurants/Cafe/Bars/Convenience - As of June 16, 2008

Number	Type Of Business	Sq. / Ft.	Employee Hours Created	Private Investment Capital Dollars
3	Restaurants	12,000	61,402	\$1,050,000
6	Bars	19,400	80,870	\$1,291,000
2	Café/Coffee Shops	2,400	11,939	\$176,000
1	Convenience Store	3,000	7,280	\$150,000
12	Totals	36,800	161,491	\$2,667,000

Iowa Restaurant Association states every \$1 million in sales equals 32.8 jobs
Using Marshall and Swift remodeling costs are \$85.00/sq. ft. for Restaurants and \$65.00 for Bars

Source: VenuWorks

In their preliminary report the Urban Land Institute identified business development in the downtown district as being vital to attracting downtown housing. Recently, developers have received funding to renovate the historic Roosevelt Hotel into mixed use housing. The Roosevelt is located in the 200 block of 1st Avenue N.E. and is connected to the U.S. Cellular Center through the existing skywalk system. Not only will these new businesses service patrons attending the activities hosted in the downtown district, they will continue to create the amenities and services needed to sustain and grow downtown housing.

The initial estimate of \$50 million in construction cost will have a much needed benefit in job creation in the Cedar Rapids area. The procurement of building supplies, equipment and services related to the construction will have a positive impact on the local economy. It is estimated that this project will require 300,000 full time man hours for construction. The local man hour resources will come from all phases of the building industry including architectural design, engineering, site preparation/demolition, construction and FF&E.

The ongoing operation of the newly combined facilities will create 20,800 part time employee hours and 12,480 full time employee hours in the areas of sales, marketing, event services, maintenance and administration.

Total Economic Development Summary

Construction

Cedar Rapids Events Center = \$50 million

Downtown businesses developed = 13

Private investment – downtown business development = \$2.7 million

Event Opportunities (Annual Economic Impact/Direct Spending)

Conventions & Meetings (without a new hotel) = \$7.7 million

Conventions & Meetings (with a new hotel) = \$9.6 million

Sports Tourism Events = \$7.8 million

Hotel Overnight Demand = 67,975 rooms

Jobs and Employment Hours

Construction = 300,000 full time employment hours (various trades)

Facility Operations (Annual) = 20,800 part time employee hours

12,480 full time employee hours

New downtown businesses (Annual) = 161,491 employee hours

Event Activity (First Full Year of Operation)

Cedar Rapids Events Center = \$14 million

U.S. Cellular Center = \$11 million

Combined facilities = \$25 million

8. CONCLUSION

The payback of financial investment in this project can be substantial – increased community activity, economic stimulus and increased civic pride. While other communities have recognized the value of public assembly facilities in their cities and have established themselves in the convention and meeting industry, Cedar Rapids has lagged behind. Since the flood, Cedar Rapids has been the benefactor of an impressive amount of long-term planning assistance from an extensive list of professionals in the private and governmental sectors. Local businesses are now looking to the leaders in Cedar Rapids to take an aggressive approach in revitalizing the downtown district. Many businesses are waiting to see what the City will do with its signature downtown facilities before they make decisions regarding their own future in this promising area of redevelopment. The development of the Cedar Rapids Events Center can be the catalyst that makes a strong statement to the community, the State and the Region that Cedar Rapids is open for business and focused on its continued development as a strong, vibrant community.

As operators of facilities located all across the United States, and based on research compiled through our consulting services, it is the opinion of VenuWorks that the proposed Cedar Rapids Events Center is a project that has been thoroughly researched and well vetted. The design, operation and ongoing support are critical to the success of any events center. Cedar Rapids has secured the services of nationally known architects and facility managers to provide professional services for two-thirds of this equation. The final part of the equation is the proven record of financial commitment from the City to provide ongoing operational support for their public assembly facilities. Unfortunately, the demand for City dollars is overwhelming due to the devastation caused by the flood. Without the financial support from the Economic Development Administration to build the Cedar Rapids Events Center, the U.S. Cellular Center’s competitive edge will continue to decline causing a negative economic impact for the community.

We sincerely thank you for your consideration.

9. SOURCES

Billboard AudArena Guide www.billboard.com

Cedar Rapids Chamber of Commerce www.cedarrapids.org

Cedar Rapids Convention & Visitors Bureau www.cedar-rapids.org

Cedar Rapids Gazette www.gazetteonline.com

Ellerbe Becket Architects www.ellerbebecket.com

Iowa Business Council www.iowabusinesscouncil.com

Iowa Realty Commercial www.iowacommercial.com

JLG Architects www.jlgarchitects.com

Priority One www.priority1.com

U.S. Cellular Center www.uscellularcenter.com

VenuWorks www.venuworks.com



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