

October 31, 2018

Dear Mayor Lyles and Charlotte City Council Members,

Enclosed, you will find the Charlotte Regional Visitors Authority (CRVA) Annual Report for Fiscal Year 2018 (FY18). This year, the City and CRVA collaborated on a number of initiatives to enhance destination perception and drive economic prosperity. From hospitality funding investments such as the Charlotte Convention Center expansion and connector at Bojangles' Coliseum and Ovens Auditorium to major events such as the CIAA Men's & Women's Basketball Tournament and securing the 2020 Republican National Convention, we thank the City for its partnership and support.

The CRVA is committed to furthering the "One CRVA" culture journey it has been on over the past six years. This journey has promoted collaboration across all eight CRVA brands and an "employee-first" environment that works to engage our staff so their enthusiasm helps drive positive customer experiences. This internal work has also helped to make the CRVA a more strategic, evidence-based organization, ultimately furthering the way we carry out our vision of making Charlotte the most sought-after city in the Southeast. Our new Strategic Plan mentioned in this document brings these corporate values to life.

You'll also see in this report that visitor spending and hotel performance indicators for the hospitality industry increased momentum in FY18. Visitor spending generated more than \$7 billion for the entire Charlotte region with visitors infusing \$5.4 billion in domestic spending into the county.

I encourage you to read more about our year in review as detailed in this document. We welcome the opportunity to address any questions or concerns. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Murray", with a stylized flourish at the end.

Tom Murray  
Chief Executive Officer  
Charlotte Regional Visitors Authority (CRVA)

## CRVA Strategic Journey

### STRATEGIC PLAN

Following the completion of a five-year Strategic Plan for FY2014–18, the CRVA vigorously set out to create a strong follow-up for the upcoming five years. Utilizing a robust foundation of data-driven decision-making, the organization's "employee-first" culture, and a commitment to customer experience and enhancing Charlotte's quality of life, the CRVA has set ambitious, forward-looking goals for the next five years with its new Strategic Plan.

One of the first elements of this process was to examine the organization's vision and mission. The updates build on the successes of the previous plan and emphasize the CRVA's role in driving community prosperity via the visitor economy. Using the updated mission and vision below as the plan's compass, the result is an evolved strategic direction that is both aspirational and competitive.

**Mission:** Embracing an inclusive, employee-first culture, the CRVA is the trusted leader of Charlotte's visitor economy, which elevates community prosperity through destination-defining infrastructure, impactful branding and job growth.

**Vision:** Charlotte will be recognized as the most sought-after city in the Southeast, known for its undeniable energy, passionate people and captivating experiences.

The CRVA's introspective culture journey over the past six years was also a key focal point during the previous Strategic Plan iteration. It was important to determine if there were any additions that needed to be made to continue to propel an "employee-first" culture. The CRVA added "Inclusion: Discover and value our differences." to its existing core value roster: Trust: Build meaningful relationships; Collaboration: Accomplish great work together; Innovation: Commit to constant curiosity; Integrity: Do what's right, not what's easy; Engagement: Inspire passion, purpose and pride; and Accountability: Count on me. This is a critical addition given the organization's commitment to being representative of the many faces and perspectives that shape Charlotte's character and strengthen its unity.

The updated plan largely encompasses five significant themes: destination development, customer experience, revenue generation, advocacy and culture. Meanwhile, the Strategy Map serves as an organized visual aid that highlights top-level components of the strategy. Lastly, a Balanced Scorecard (BSC) that's updated annually is the primary measurement tool with clear targets that are regularly assessed. The BSC includes 12 new measures directed at driving competitiveness by measuring the organization and city against its competition.

CRVA team members also spent time identifying some of the known challenges the organization and city will be working through in the coming years, such as the business impacts of the expansion at the Charlotte Convention Center. Accounting for these types of challenges in the plan in addition to driving new initiatives speaks to the thoroughness of analysis and detail the CRVA team went through in the planning process. Overall, this new direction is a vital catalyst for economic development and quality of life for Charlotte residents.

This continued commitment to strategy will require intense collaboration and the hard work of all CRVA team members, city partners and vital stakeholders to achieve the vision of being "recognized as the most sought-after city in the Southeast." The CRVA is energized by the innovation and collaboration it took to create the plan and is ready to embark on the next five years of its strategy-based organizational journey.

# strategy



## vision

Charlotte will be recognized as the most sought after city in the Southeast, known for its undeniable energy, passionate people and captivating experiences.

## mission

Embracing an inclusive, employee first culture, the CRVA is the trusted leader of Charlotte's visitor economy which elevates community prosperity through destination-defining infrastructure, impactful branding and job growth.



## **Operational Performance**

### **BOJANGLES' COLISEUM**

In FY18, Bojangles' Coliseum hosted a total of 107 events compared to a budgeted event volume of 110 events; an increase of 18 events over the previous year. Event highlights for FY18 include notable events such as Nick Cannon Presents: Wild 'N Out, Joyce Meyer, Charlie Wilson, Maluma, Mike Epps, Katt Williams and the return of Disney on Ice.

The venue also hosted a winning season for the Charlotte Checkers and supported strong attendance for the team throughout their season, including a bid to the playoffs for the second year in a row and making it to the division finals of the Calder Cup series. Strong promotions like "Pink in the Rink," "1950s Night," "NASCAR Night" and "Pooch Party" continued to be fan favorites. The venue also welcomed the addition of a new arena football team in the American Arena League, the Carolina Energy. The team finished the season 7-3, competing into the semifinals of the playoffs.

Graduations continue to be a staple at the complex with 13 Charlotte-Mecklenburg Schools (CMS) high school graduations, as well as graduations for Central Piedmont Community College, the University of Phoenix and Gaston College. The venue welcomed more than 341,842 visitors for these events, more than a 50,000-person increase over past year.

As part of City Council's approval of funding related to the Capital Improvement Plan, the CRVA team has been actively working on the connection between Bojangles' Coliseum and Ovens Auditorium. The enhancements will aid in additional restroom capacity, concession offerings, circulation space between the venues, and connectivity for CRVA staff and productions utilizing the venues.

### **OVENS AUDITORIUM**

In FY18, Ovens Auditorium hosted a total of 143 events compared to a budgeted event volume of 118 events. The venue welcomed a variety of performers from singer/songwriters, magicians, artists, comedians, dancers and more. Some of the most popular events were Bring It! Live, Jason Isbell, Paramore, Harry Potter in Concert, Sommore, Robert Plant and Paw Patrol. The CRVA successfully collaborated with Blumenthal Performing Arts Center to host four separate weeks of Broadway events including "On Your Feet! The Musical", "Les Miserables," "School of Rock" and "Beautiful: The Carole King Musical."

Like Bojangles' Coliseum, Ovens Auditorium also has rich history in hosting graduations and recitals. The venue held eight CMS high school graduations. During all of these performances and community events, Ovens welcomed more than 192,450 visitors.

### **SPECTRUM CENTER**

The CRVA continued its effective partnership with the Charlotte Hornets for back-of-house services at Spectrum Center in FY18. The level of accomplishment is determined mutually by the effectiveness and economic expenditures the CRVA supports through engineering, facility operations, maintenance, cleaning and security. Team responsibilities enhance the experience the Charlotte community and visitors have at the arena as a whole. In FY18, the CRVA provided a value of \$7.8 million in support of 92 events. This production assistance by the CRVA delivers

cost beneficial support when compared to that of a third party. Aside from the Hornets' regular season, these events spanned Bon Jovi, the Eagles, James Taylor, Bonnie Raitt and more.

In addition to delivering back-of-house services, the CRVA provided support to the City's Capital Improvement Program at the facility. This past year, projects included the arena's restaurant renovation, a point-of-sale integration system, main distribution frame (MDF) HVAC upgrade and pipe replacement project. There were continued energy efficiency upgrades made to the lighting and HVAC systems as well.

### **CHARLOTTE CONVENTION CENTER**

During FY18, the Charlotte Convention Center hosted 258 events with 227,238 in total registered attendance, including 43 conventions and trade shows, nine assemblies, 18 consumer shows and 188 local events. These events enabled the venue to surpass budget by 4.9 percent and generate approximately \$19.2 million in revenue for the year.

Noteworthy events hosted by the venue in FY18 included International Association of Fire Chiefs, P.E.O. Sisterhood, National League of Cities, American Football Coaches Association, International Sleep Products Association and American College of Medical Genetics and Genomics.

The venue completed several important capital projects in FY18, including the completion of the restroom renovations in the exhibit halls and Richardson Ballroom, change-out of all meeting room fluorescent lighting to LED fixtures, renovations and new furnishings in all VIP suites, and the replacement of the original exhibit hall chair inventory.

FY18 represents record revenues for the venue, highlighting the overall value of the convention and trade show business to the Convention Center as well as to the community. Work has continued on the Convention Center expansion project due to commence in early spring 2019 with the design development phase complete and construction documents well underway for the additional meeting room space and the Stonewall connector bridge.

Since the announcement of this expansion, 21 events have confirmed or are close to confirming their intentions to bring events to Charlotte post-construction along with a supplemental 48 events that are strong prospects. All of these customers benefit from the new meeting room space and most would not have selected Charlotte if not for the upcoming expansion.

### **NASCAR HALL OF FAME**

The NASCAR Hall of Fame continues to build on a balanced business model to support its vision of operating a premier sports hall of fame, being a leader in defining what it means to honor a sport and serve as a defining destination asset for the Charlotte region. Operating revenue for the Hall of Fame in FY18 totaled \$6.85 million, up 2.6 percent from FY17.

The landmark strongly contributed to the local economy through \$39.1 million in direct spending and \$72 million in economic impact in FY18. A large piece of this direct spending is achieved from visitors. Attendees visited the venue from all 50 states and multiple countries. More than 90 percent of the Hall of Fame's guests travel more than 50 miles, and nearly 70 percent travel more than 200 miles or more. More than half of all attendees traveled at least 440 miles with an average distance of 564 miles. Approximately 37 percent indicate that their primary reason for visiting

Charlotte is to explore the Hall of Fame, while 62 percent of visitors stay overnight for an average of 2.98 days. Travel parties averaged 2.66 people and spent more than \$760 on average per party. This demonstrates what a bucket-list experience the Hall of Fame has become and validates the investment the community, in particular the hotel community, made in the one-of-a-kind experience.

The Hall of Fame continues to be a highly sought-after event venue for conventions and local events alike, leveraging the immersive NASCAR experience the Hall of Fame provides and hosting more than 300 events in FY18. This volume of events has remained consistent over the past three years. The demand from various groups has resulted in the Hall of Fame developing a Group Hot Pass Tuesday program on a trial basis, which launched in early FY19. The program, which reserves the Hall of Fame exclusively for large groups like schools and meeting planners, will enable the venue to meet the increasing community, civic, education and corporate group demand the venue has experienced in recent years.

The Hall of Fame also brought operations of the venue's Gear Shop in-house during FY18, which enables the venue to better control the inventory, meet guest needs, promote the venue and Charlotte as a whole, match merchandise offerings with exhibits and events, and ultimately, contribute to the bottom line. In addition, the Hall of Fame continues to be the choice destination for industry announcements, press conferences, paint scheme unveils, media events, and sponsorship announcements that provide unique, insider access and enhance guest experiences.

The Hall of Fame's education program grew to serve more than 17,000 students in FY18, an increase of 21 percent from FY17 and a 325 percent increase since FY15. Programming geared toward avid NASCAR fans and local family audiences like the Racing Insiders Tour, Breakfast with Santa, Not-Too-Spooky Haunted Hall, Easter Egg 400 and Father's Day Brunch continue to be popular. These events further cement the Hall of Fame's appeal to diverse audiences.

In January 2018, the Hall of Fame remained committed to its mission to honor the history and heritage of NASCAR by inducting another class of icons: Red Byron, Ray Evernham, Ron Hornaday Jr., Ken Squier and Robert Yates. To date, the Hall of Fame has inducted 45 icons and selected five more for induction in winter 2019, bringing the total to 50 inductees. The Hall of Fame honored Jim France as the Landmark Award recipient and Norma "Dusty" Brandel as the Squier-Hall Award recipient as well.

Maintaining a tradition of constantly evolving and refreshing exhibits, the Hall of Fame created several concepts in FY18, including a unique partnership with Disney-Pixar's "CARS 3." It featured more than a dozen real-life NASCAR legends and personalities along with one of only two full-sized Lightning McQueen cars located outside Disney properties. In addition, the Hall of Fame unveiled an exhibit highlighting the career of the perennial "NASCAR's Most Popular Driver," Dale Earnhardt Jr. after his retirement. Lastly, the first phase of an extensive review of the exhibit experience and planning to refresh the hands-on interactive elements as well as other exhibit experiences began during FY18.

## **VISIT CHARLOTTE**

In FY18, the Visit Charlotte sales team booked 452 total events for future years. Approximately 30 of those events were Charlotte Convention Center events, and of the 376,743 room nights associated with the 452 events, 128,278 were tied to the Convention Center. Youth and amateur sports accounted for 219,092 room nights, representing 58

percent of the total room nights booked by Visit Charlotte. The Venue Sales Team booked \$1.1 million in event revenue for CRVA venues, predominately at the NASCAR Hall of Fame.

While House Bill 2 (HB2) was replaced with HB142, North Carolina still remains under a travel ban from six states, California and New York having the largest impact. Public employees from those states with conferences and conventions held in Charlotte are impacted by these travel bans, which are still in place due to states indicating that HB142 did not go far enough in protecting individuals against discrimination. The CRVA is still finding that conventions with a high percentage of public employees attending are choosing to not come to Charlotte because of the potential of decreased attendance, which is up to 15 percent in some cases.

Destination Services provided support to 36 citywide events that utilized the Convention Center as well as 56 sporting events and 42 events that took place at the Spectrum Center, Bojangles' Coliseum and area hotels. Citywide convention events that attracted more than 4,000 people to the destination included Fire Rescue International Meeting & Exposition, P.E.O. Sisterhood 73rd Convention of International Chapter, National League of Cities 2017 City Summit, American Football Coaches Association's Annual Convention, American Bus Association's 2018 Marketplace, ACN Inc., Alpha Kappa Alpha Sorority's Mid-Atlantic Regional Conference and PennWell Corporation's EMS Today and HydroVision International.

Sporting events consisted of professional, collegiate and amateur events. Single events with heavy attendance for FY18 were USBA's National Championship, the PGA Championship and NCAA's Division 1 Men's Basketball Tournament. Annual events such as ACC Football Championship, the Belk Bowl, Universal Spirit's National Cheerleading Championship, Palmetto Volleyball and CIAA's Men's & Women's Basketball Championship generated a high demand of visitors to the Queen City.

Visitor Information Center operations, which include the Convention Center, Charlotte Douglas International Airport, and an Uptown location on Tryon Street, serviced 335,071 inquiries via walk-in traffic, phone and internet inquiries, a 39 percent increase from FY17.

## **CHARLOTTE FILM**

The Charlotte region has served as the perfect backdrop for various commercials. In FY18, highlights of filming in the Charlotte region included, but were not limited to, commercials for Atrium Health, Coca-Cola, Spectrum, Kirishima Shochu (Japanese commercial), NC Lottery, John Deere, Henkel-Loctite, NASCAR, IBM, Car Gurus, Fox Sports, Brighthouse Financial, Cheerwine, Bojangles', Altria, NBA, Mobil 1, Bank of America, LendingTree, Goody's Headache Powder and NBC Sports Network.

A sampling of reality shows include Discovery ("Investigation Discovery"), Cooking Channel ("Southern and Hungry" and "Late Nite Eats"), Food Network ("Comfort Food Crawl"), CMT ("Racing Lives"), CNN ("Declassified") and Travel Channel ("Bizarre Foods with Andrew Zimmern"). Charlotte was used as a still photography backdrop for brands such as Hyundai, Syngenta, Seiko, National Geographic, Belk and Lowe's.

Total film-related spending in the Charlotte region was \$9.9 million with 2,794 hotel rooms booked, 1,290 crew positions filled and 198 leads on projects.

## **Operational Summary**

### **CAPITAL SUMMARY FOR VENUES**

In FY18, approximately \$10.1 million was invested in capital improvements for CRVA-managed venues. Noteworthy projects included schematic designs for future expansion and bathroom renovations at the Charlotte Convention Center, audio/visual interactive upgrades and Gear Shop upgrades at the NASCAR Hall of Fame, an event stage at Bojangles' Coliseum, new stage lighting console and new spotlights at Ovens Auditorium, and a point-of-sale integration system at Spectrum Center.

### **FINANCIAL SUMMARY**

For FY18, CRVA venues generated revenues of \$42,577,131 and received external financial support totaling \$35,302,740. Operational and capital expenses for FY18 totaled \$76,139,543. The resulting \$1,740,328 surplus is part of the CRVA Fund Balance.

As of June 30, 2018, after adjusting for non-cash items, the CRVA pre-audited working Fund Balance is \$16,559,676. The final audit is available as of November 2018.

## **FY18 Highlights**

### **VISITOR SPENDING**

Visitor spending in Mecklenburg County and the Charlotte region hit record highs again according to the most recently released data. This is a powerful metric that demonstrates how the tourism industry in the Charlotte region creates jobs, generates tax savings for residents and improves the quality of life for the entire community.

Mecklenburg County led all North Carolina's 100 counties in domestic travelers' expenditures at nearly \$5.4 billion, an increase of 4.2 percent since 2016, and visitors across the Charlotte region spent more than \$7 billion, an increase of 4 percent since 2016. Visitors are spending more money in Mecklenburg County than any other tourism-centric destination in the Carolinas, including Raleigh, Asheville, Charleston and Myrtle Beach.

Visitor spending in Mecklenburg County has seen a steady rise the past several years, growing by 44 percent since 2010. In 2017, the Charlotte region hosted approximately 28.3 million visitors, an increase of 500,000 from 2016, according to research firm Longwoods International.

The Charlotte region also continues to boast the largest number of direct tourism employees and the largest payroll in the state. Approximately 52,250 jobs in the tourism sector in Mecklenburg County are supported by visitor spending, which represents the largest number of direct tourism employees in the state and the largest payroll of \$1.9 billion, making it an important economic sector with a measurable impact on our community. The growth in visitor spending led to 1,480 new jobs in Mecklenburg County. State and local tax revenues from travel to Mecklenburg County totaled \$387.6 million, representing a \$360 tax savings for every county resident.

### **2020 RNC SITE SELECTION**

The Republican National Committee officially selected Charlotte as host of the 2020 Republican National Convention (RNC). To support this effort, the CRVA led the bid process for the city utilizing the talents and expertise of many organizations including hotels across our region, economic development partners and organizations such as the Charlotte Hornets and the Charlotte-Mecklenburg Police Department. A driving factor in the site selection was the involvement and commitment of leadership throughout the region, including but not limited to, Mayor Vi Lyles.

Charlotte will now join the ranks of only 10 cities who have had the opportunity to host both the Republican National Convention and the Democratic National Convention. In 2012, the DNC drew approximately 35,000 delegates, media and visitors. The outcome resulted in a historic high for the most net positive economic impact of \$163.6 million ever produced by a single Charlotte event.

Major events such as the RNC generate more than sizable economic impact. They elevate the awareness of Charlotte on national and international levels. The reach of these kinds of strategic events generate more impressions than the CRVA or City could ever be capable of generating via traditional marketing and economic development avenues.

Equally important, conventions such as the RNC keep Charlotte's hospitality workers working. During the DNC alone, the volume of visitor spending supported the equivalent of more than 1,400 full-time jobs. \$58.5 million in additional labor income was generated by the DNC. These are jobs and wages that wouldn't have been created otherwise.

In FY19, the CRVA will continue to support the Charlotte in 2020 Host Committee as they prepare for the event. There are upwards of 30,000 hotel rooms in the region, and the RNC will be contracting up to 17,000 rooms on peak. Site visits are expected to begin in early 2019 to assign room blocks to delegations and RNC attendees.

### **LAUNCH OF PLACE BRANDING**

In FY18, the CRVA partnered with the City and other key stakeholders including economic development partners to develop a collaborative place branding effort that would allow Charlotte's top civic influencers to share the city's story with one voice. While destination branding has typically been solely centered on the attraction of visitors, the evolution to place branding is aimed at achieving a higher level of connectivity, recognition and elevated perception among many audiences.

Standing on the shoulders of its previous destination brand, 'Charlotte's got a lot,' the CRVA launched the new place brand in February 2018, which sought to connect with these many audiences, not just visitors alone. The brand emphasizes memorable experiences over assets, game-changing people over places, and the soul of the city over its picturesque skyline. It's about how the people of Charlotte make you feel and celebrates a culturally diverse place where everyone has the opportunity to make Charlotte their own.

The CRVA and the City created a license agreement to guide the usage of the City of Charlotte 'crown' trademark, specifically the crown, and licensed property that utilizes the brand mark. A paid media campaign, a new website, collateral development and a complementary earned and shared media strategy launched this year. Retail and branded merchandise have also been a critical extension of the branding effort to help further the local adoption of the mark and develop brand ambassadors in the community.

In addition, the CRVA spent FY18 working to educate economic development and community partners about the brand. One of the first collaborative marketing/communications efforts involving the place brand has been the launch of an economic development public relations initiative with the New York City agency Development Counsellors International co-led by the City, Charlotte Chamber, Charlotte Center City Partners and the CRVA. The effort focuses on top-tier media relations targets, a digital advocate social media program and research that creates a benchmark to analyze the perceptions of site selectors and prospective talent.

The Charlotte Regional Partnership (CRP)/Charlotte Chamber merger may also be an opportunity to further leverage place branding as they focus on their approach to economic development marketing/communications. The CRVA has continued to present the Chamber and CRP with opportunities surrounding collaborative place branding efforts as part of the additional funding (reference page 13).

### **INTERNATIONAL SOCCER**

The CRVA continues to pursue events that are an ideal event mix for Bank of America Stadium and the five free rent dates negotiated as part of the \$87 million in hospitality taxes that renovated the venue in recent years. International soccer has proven to be an excellent fit that generates sizable economic impact and aligns with the Carolina Panthers schedule and venue requirements. The CRVA worked to book two international soccer events in FY18.

First, the CRVA partnered with Relevent, a multi-national media, sports and entertainment group, to host the 2018 International Champions Cup presented by Heineken at Bank of America Stadium. Liverpool F.C. took on Borussia Dortmund on July 22, 2018, drawing 55,447 attendees. This year featured the largest number of teams, matches and

venues in the tournament's history. The match also marked the third time that the International Champions Cup has come to Bank of America Stadium including matches in 2014, 2015 and 2016.

The CRVA also worked to secure the Confederation of North, Central America and Caribbean Association Football (CONCACAF) Gold Cup at Bank of America Stadium for summer 2019. Charlotte will be one of 15 venues across 13 U.S. metropolitan cities that will welcome the tournament, which is to be played for the first time in an expanded format with 16 participating nations. Taking place every two years and featuring some of the hemisphere's top players, the tournament crowns the champion from North and Central America and the Caribbean. CONCACAF Gold Cup games have been held in Charlotte in 2011 and 2015, featuring Costa Rica, El Salvador, Mexico, Cuba, Guatemala, and Trinidad and Tobago and garnering more than 50,000 attendees at each game.

### **WELLS FARGO PLAZA VISITOR INFO CENTER**

The Visitor Info Center (VIC) now operates three facilities with the addition of the newly opened VIC at Wells Fargo Plaza on Tryon Street. This VIC, which serves as the main VIC location, complements the existing ones at the Charlotte Convention Center and Charlotte Douglas International Airport. Located at the heart of Center City, the center provides both visitors and residents with wide-ranging resources on how to best experience the city through its fully-trained Visitor Info Specialists and helpful collateral. With more than 335,000 inquiries that include walk-ins, telephone calls and email inquiries, all three visitor information venues saw a 39 percent increase in servicing visitors year-over-year.

Aside from destination information, the Center City serves as a go-to spot for locally and regionally crafted retail offerings and gifts sourced and curated by the VIC team. The center also has two spaces with the ability to offer hospitality partners the chance to showcase their businesses. It also serves as a point of purchase for branded merchandise that bears the 'Charlotte' place brand mark. A pop-up concept is in the pipeline where local vendors and small enterprises are given the opportunity to be seen at a highly visible location on a rotating basis year-round.

### **APPROVAL OF TOURISM-FUNDED PROJECTS**

The CRVA strongly supports areas of hospitality tax investment that enhance Charlotte's quality of life and make the city a more competitive, attractive destination. A sampling of areas presented to City Council in FY18 are outlined below.

#### *Charlotte Convention Center Expansion*

The CRVA continues to plan for the \$110 million expansion plan for the Charlotte Convention Center. The allocation from the Convention Tax Fund debt capacity approved by Charlotte City Council in October 2017 will fund enhancements including increased breakout space on the Stonewall Street side of the venue, expanded accessibility to Center City amenities via a pedestrian bridge and flexible breakout space in the Richardson Ballroom. Construction will start following the NBA All-Star Game in February 2019 and is scheduled for completion in December 2020. The CRVA will look for City Council's continued support this fall to guarantee maximum price of the project and project financing.

Additional updates to the configuration of 22-year-old Charlotte Convention Center will allow for an increase in meeting rooms and soft spaces where attendees can network between sessions. The supplementary meeting room space will allow the venue to house 54 individual breakout sessions at one time with capacities ranging from 50-600 people theater-style per breakout. In total, the expansion will increase the capacity of the existing meeting level by

50,000 square feet including 26,000 square feet of breakout space comprising 15 meeting rooms ranging from 940 to 2,600 square feet, 24,000 square feet of pre-function space, and the ability to configure the Richardson Ballroom into four meeting rooms (7,700 square feet each)

#### *UNCC Project*

In summer 2018, City Council voted unanimously to invest \$8 million in hospitality taxes into a conference center at UNC Charlotte, part of an \$87 million new hotel and meeting space project in the University City area. With conference space of 24,000 square feet, the complex will support symposia and events of up to 500 attendees. Within the first seven years, projected estimates show the hotel and conference center could generate nearly \$9 million in city, county and state taxes. In addition, UNC Charlotte has agreed to offer the CRVA five rent-free dates per year for its various on-campus sports venues, such as the 9,000-seat basketball arena and the 15,000-seat football stadium.

#### *Bojangles' Coliseum and Ovens Auditorium Connector*

Charlotte City Council approved a highly functional connection between Bojangles' Coliseum and Ovens Auditorium that solves for kitchen and production space, usable special event and promoter space within Bojangles' Coliseum, additional restroom capacity and concessions outlets, increased circulation space for both facilities, and storage and overall connectivity for both venues. Additionally, a 6,000-square-foot multipurpose hospitality space will be added for pre-function space and potential event rentals.

The addition of the connector between the two venues follows renovations made to Bojangles' Coliseum in FY15 and FY16. The partnership between the Charlotte Checkers and the CRVA has been a strong one since the team's arrival in fall 2015. The \$16 million renovation provided necessary enhancements such as new seating, revamped concessions, a new sound system and a new scoreboard. This connection project is slated to be finished by spring 2019, making the historic complex more competitive for promoters and enhancing the overall customer experience for its patrons.

## **CRVA Requests for City Support**

### **CONTINUED SUPPORT OF PLACE BRANDING**

The CRVA worked closely with the City to develop benchmarks and measurements for the additional \$3 million that was allocated for reputation recovery and citywide place branding efforts that began in FY18. After the first full year of place branding activation, the CRVA will provide data related to perception changes, advertising return on investment, meeting bookings benefitting from increased business development funds, earned media impressions surrounding Charlotte as a site for economic development and quality of life and more.

This \$3 million allocation is critical in looking at Charlotte's share of voice in relation to competitive set cities. Charlotte's overall budget for consumer-facing paid media, \$5.2 million (\$3 million is a one-time investment), is less than half of Nashville's \$11.6 million. Atlanta spent \$8.1 million, Charleston spent \$8 million and Asheville spent \$7.8 million. The results of marketing the region continue to be one of the city's most sound investments. For every dollar spent in consumer-facing paid media, the city sees \$115 infused into local businesses in return. The CRVA looks forward to sharing results of these collaborative efforts and keeping up the momentum that this unified place branding effort yields.

### **DEVELOPMENT OF VISITOR ASSETS AND INFRASTRUCTURE**

The City and CRVA should continue to work collaboratively on the future of Charlotte as a destination of choice for tourism, conventions and special events. Through this partnership, plans should continue to be created to invest in assets that spur this development. Spending that supports the visitor economy continues to be a vital catalyst in ensuring Charlotte is an attractive place to live, work, play and visit. Tourism and hospitality generates approximately \$5.4 billion annually in Mecklenburg County. In turn, this visitor spending has supported major events that also generate economic impact as well as the creation of some of Charlotte's most notable assets. These assets include, but are not limited to: BB&T Ballpark, Levine Center for the Arts, Bank of America Stadium and Spectrum Center. The CRVA strives to be a careful steward of the dollars entrusted to it and encourages the City to support the tourism industry and the long-lasting dividends it continues to help procure for the Charlotte region.