Orange County

Tourist Development Tax / Convention Center Budget Worksession

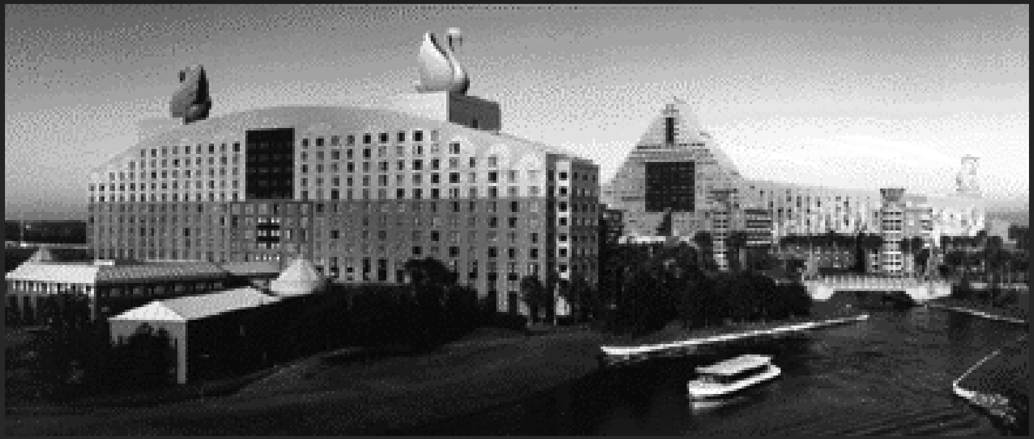
July 16, 2012

Presentation Outline

- TDT Update
- Convention Center Update

Background

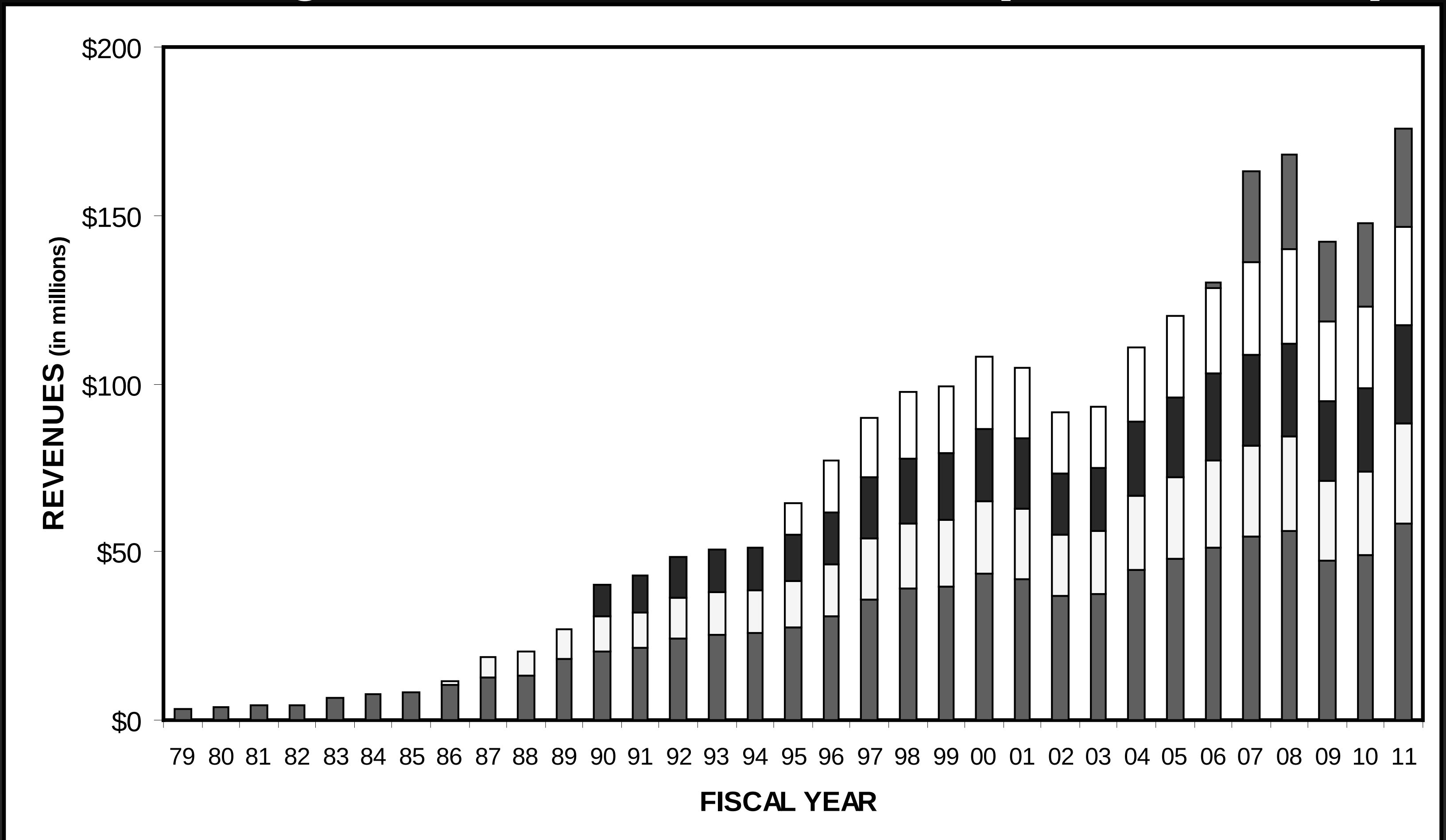
- Orange County levied TDT at 2% in 1979
- Currently TDT is at 6%
- State Law governs uses
- Not allowed for: roads, schools, public safety, etc.



Background

Historical Revenue Growth:

9.5% Avg Annual TDT Growth (1979-2010)



Background

Collection Trends (in millions)

FY	Month	1st-6th Cent TDT Collections	MTM Growth	1st-6th Cent TDT Annual Amount	Annual Growth
2008	Sep-08			$168.2	3.1%
2009	Sep-09			$142.2	-15.4%
2010	Sep-10			$147.8	3.9%
2011*	Sep-11			$175.9	19.0%
2012	Oct-11	13.7	3.8%		
	Nov-11	14.0	6.0%		
	Dec-11	14.3	-0.4%		
	Jan-12	13.5	5.6%		
	Feb-12	15.8	7.3%		
	Mar-12	19.6	5.7%		
	Apr-12	16.9	5.3%		
	May-12	13.6	3.9%	$121.3	4.7% YTD

** 2011 Includes Expedia Settlement Amount*

Revenue Outlook

- FY12 TDT collection budget is $166.9 million
  - $139m First Five Cents
- FY13 TDT collection budget is $178.8 million
  - $149m First Five Cents

TDT Expenditures (1^{st}-5^{th})

Projected Expenses (in millions):

	2012	2013
Debt Service	$ 72.0	$ 72.7
Convention Center Operations	15.0	15.0
Business Incentives		2.0
Visit Orlando Funding	22.0	22.8
Convention Center Capital	15.8	29.9
Arts	3.3	3.4
History Center & Other	3.6	3.6
Contract TDT Payment for Venues	3.3*	4.8
One Time Citrus Bowl Reserve		12.5
Total	**$135.0**	**$166.7**

** Estimate based on Oct-May Actual collections*

Presentation Outline

- TDT Update
- Convention Center Update

CONVENTION CENTER OUTLINE

- Proposed FY 2012-13 Budget
- Accomplishments
- Challenges
- Capital Improvement Program – Five Years
- Summary

CONVENTION CENTER OUTLINE

- **Proposed FY 2012-13 Budget**
- Accomplishments
- Challenges
- Capital Improvement Program – 5 Years
- Summary

THE COUNTY'S INVESTMENT

OCCC complex $1.5 billion

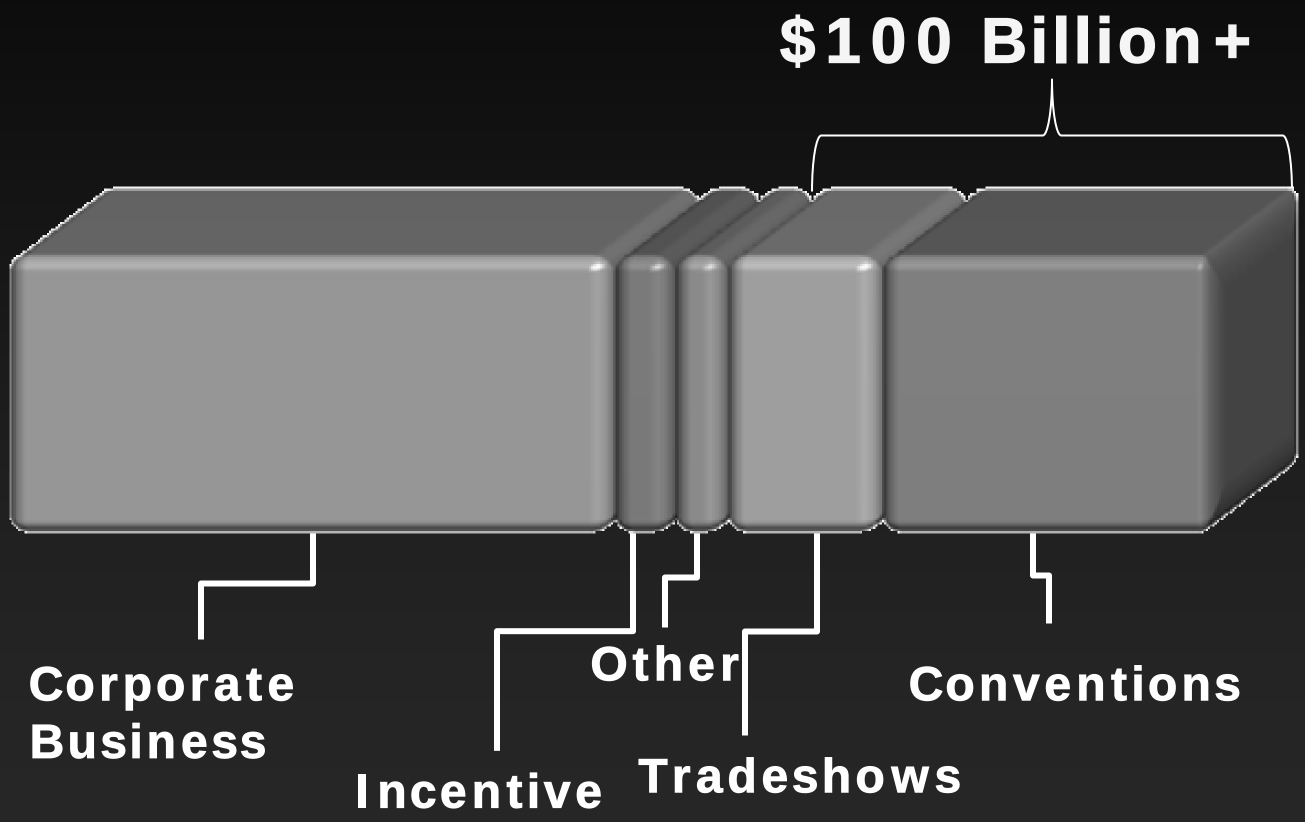
MEETINGS ARE BIG BUSINESS

1.8 Million Meetings | **205 Million Attendees**

Source: The Economic Significance of
Meetings to the U.S. Economy, PwC, Feb 2011

$263 BILLION SPENT ANNUALLY

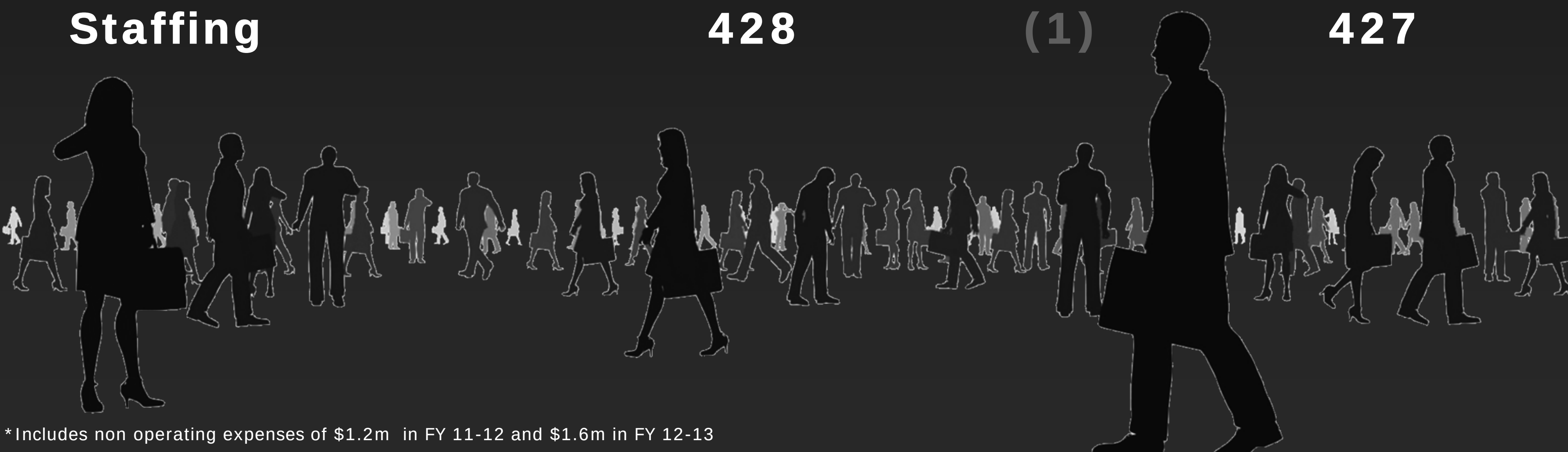
40% of spending is a result of conventions & tradeshows



Source: The Economic Significance of Meetings to the U.S. Economy, PwC, Feb 2011

PROPOSED FY 2012-13 BUDGET

	Current FY 2012	$ Change	Proposed FY 2013
Personal Services	$26.7M	($0.1M)	$26.6M
Operating Budget*	$38.9M	($1.1M)	$37.8M
Total for Operation	$65.6M	($1.2M)	$64.4M
Budget Change			(1.9%)
Staffing	428	(1)	427



*Includes non operating expenses of $1.2m in FY 11-12 and $1.6m in FY 12-13

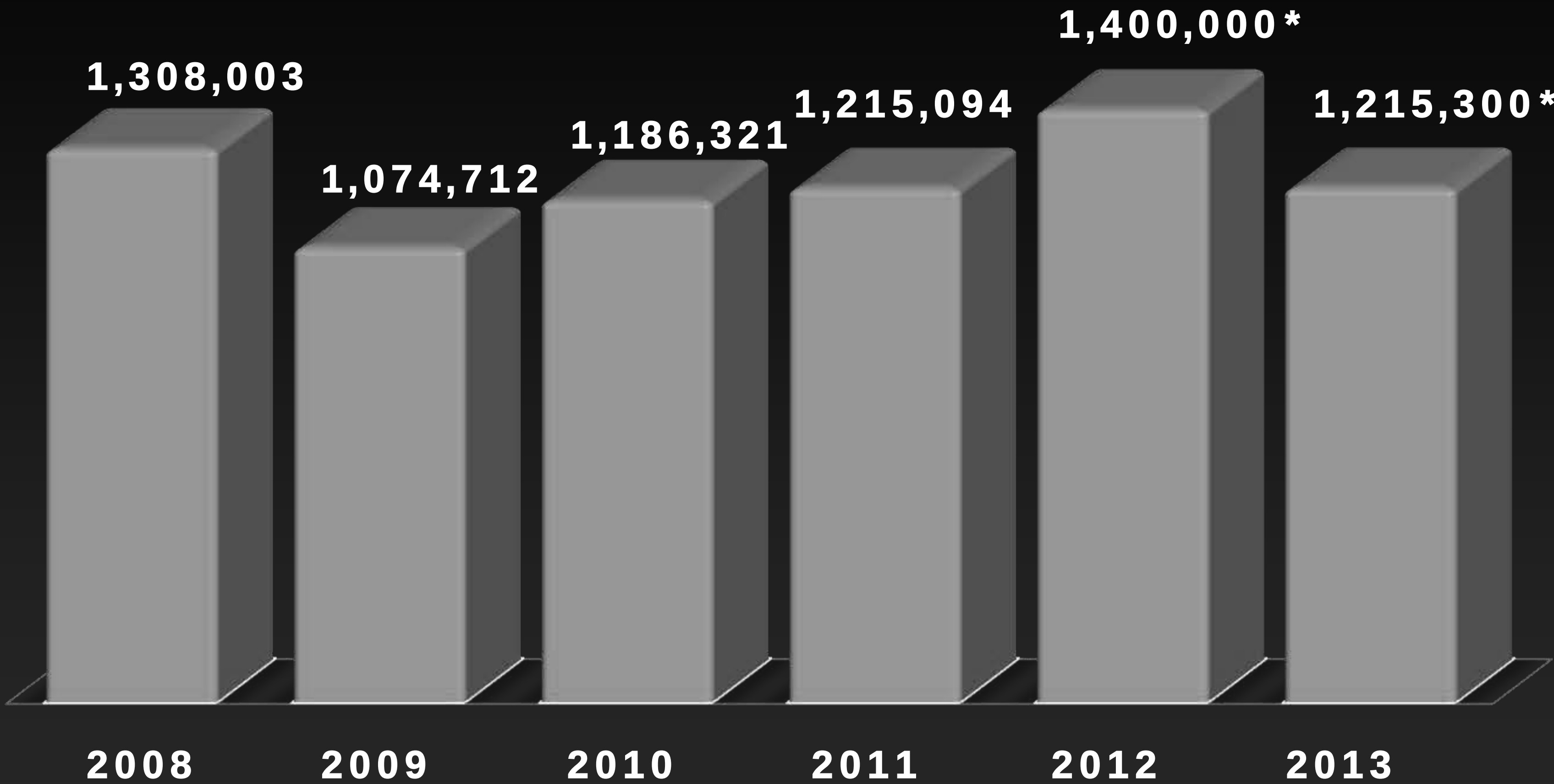
PROPOSED FY 2012-13 BUDGET

	Current FY 2012	$ Change	Proposed FY 2013
Capital Improvement Projects	$15.8M	$14.1M	$29.9M

CONVENTION CENTER OUTLINE

- Proposed FY 2012-13 Budget
- Accomplishments
- Challenges
- Capital Improvement Program – Five Years
- Summary

OCCC ATTENDANCE



* Projections; Calendar Year Attendance; Attendance estimates provided by clients; # of events & attendance subject to change

Source: OCCC Market Research, 06/18/12

EVENT NEWS

Largest U.S. Tradeshows

- OCCC is the #1 venue
- Orlando is the #2 destination

OCCC Annual Events

- 33 events return every year bringing 272,000 attendees

OCCC Rotational Events

- 59 events return on a regular basis, bringing 976,000 attendees

Source: 2011 TSNN Top 250 Trade Shows

FY 2011-12 PROJECTIONS

200 Total Events
98 Convention/Tradeshows

1.33 Million Total Attendees
1.09 Million Citywide Attendees
$2.08 Billion Economic Impact

FY 2012-13 PROJECTIONS

212 Projected Total Events
112 Convention / Tradeshows

1.21 Million Total Attendees
1.10 Million Citywide Attendees
$1.76 Billion Economic Impact

FY 2012-13 PROJECTIONS

212 Projected Total Events
112 Convention/Tradeshows

1.21 Million Total Attendees
1.10 Million Citywide Attendees
$1.76 Billion Economic Impact

FUTURE BUSINESS ACTIVITY

702 Conventions & Tradeshows | **10.1 Million Delegates** | **$19.2 Billion Economic Impact**

SUSTAINABILITY

- ISO 14001
- LEED Registered
- Recycling

- Community Donations
- Renewable Energy

- Electric Vehicle Charging Stations
- Pilot Programs

MEETING INDUSTRY BUYER EVENTS

Healthcare Convention & Exhibitors Association (HCEA) Annual Meeting

June 24-25, 2012............500 Attendees

International Association of Exhibitions & Events Expo Expo!

December 5-7, 2012......2,500 Attendees

Professional Convention Management Association (PCMA) Convening Leaders Annual Meeting

January 13-16, 2013......4,000 Attendees

The Americas Meetings & Events Exhibition

June 2014, 2016, 2018....4,000 Attendees

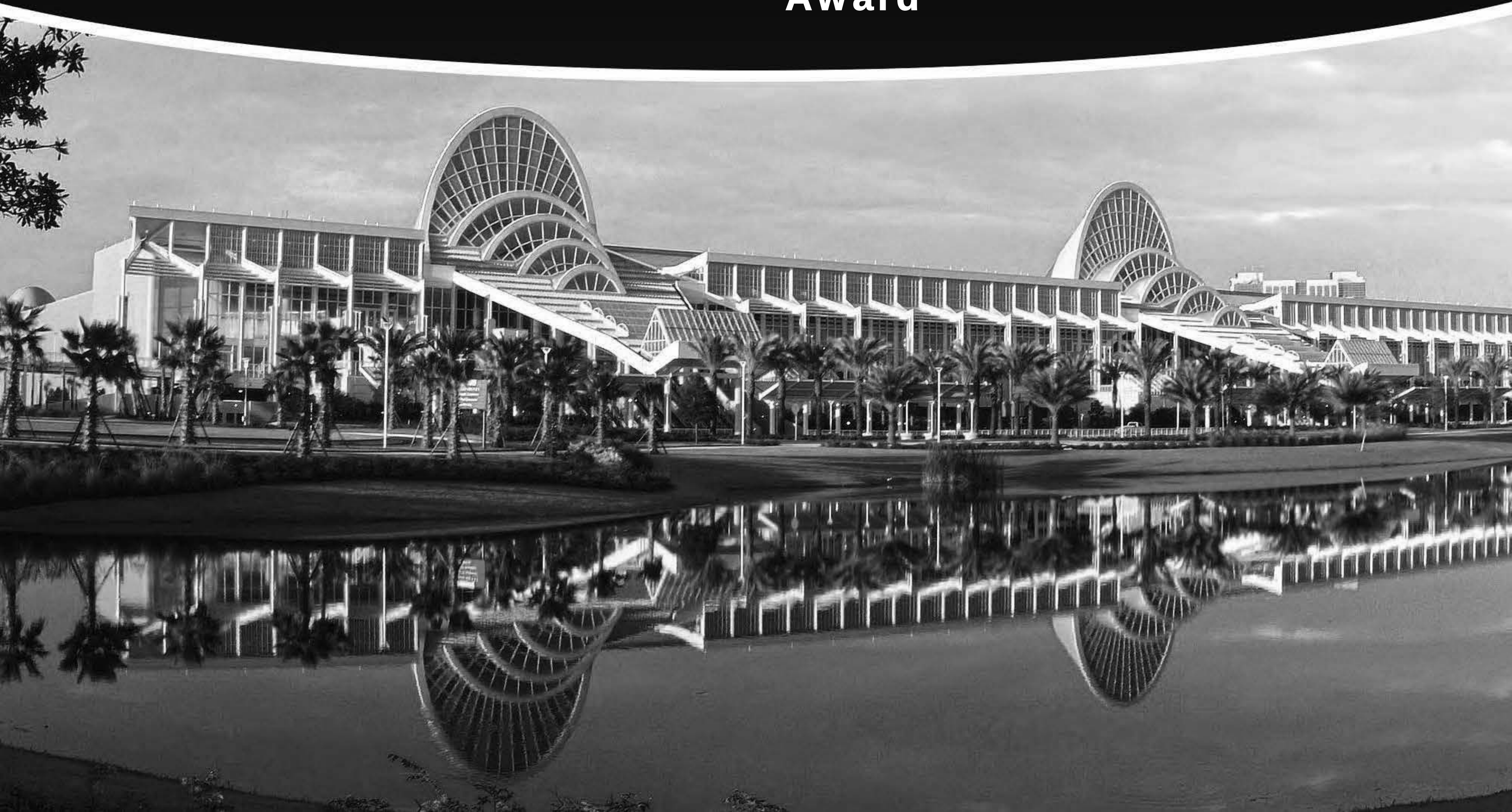
AWARDS

Exhibitors Choice Award-TSEA

MeetingsNet Inner Circle Award

Facilities & Destinations Prime Site Award

Ranked #1 by Business Review USA



CONVENTION CENTER OUTLINE

- Proposed FY 2012-13 Budget
- Accomplishments
- **Challenges**
- Capital Improvement Program
  – Five Years
- Summary

COMPETITION

San Antonio
$325 Million

- Transform center into one of the ten largest convention centers in the country
- Complete by mid-2016

OUR CLIENTS

Howard Britt, President, Premiere Shows, Inc.

With OCCC as his partner, Howard knows his event will always be a beautiful experience.

"The whatever-it-takes attitude of the OCCC team has helped the Premiere Beauty Show experience consistently beautiful growth. With 4,000 attendees and 165 exhibit booths in 1994 to 50,300 attendees and over 2,700 booths in 2011, the OCCC provides an environment that has enabled Premiere to be recognized for the past two years as one of the Gold 100 Shows in North America."

KAREN MALONE, VICE PRESIDENT MEETING SERVICES, HIMSS

Orlando offers everything that Karen needs for a healthy convention.

"Our recent meeting in Orlando was record breaking with 29,000 people. We used 17,000 rooms on peak night and over 70,000 room nights total. Orlando has recently added a 600-acre Medical City. As a global leader for healthcare information, it's just that kind of significant, cutting edge technology that can add improvements in quality, reductions in cost and strong efficiencies that we certainly want to tie into our program. From an organization and attendee standpoint–Orlando delivers."

To discover what the Orange County Convention Center can do for you, call the OCCC Sales, Marketing, Event Management and Exhibitor Services team at 1-800-345-9845 or email info@occc.net.

Mike Grant, Vice President of Operations, Reed Exhibitions

Mike's partnership with the OCCC is a "hole in one."

"For over two decades, the PGA Merchandise Show has been a cornerstone of the OCCC's convention calendar. Our event has evolved through the years, developing into a premiere meeting of some 1,000 top golf companies and brands and more than 40,000 industry professionals from around the world. The key to our continued success is effective collaboration with the OCCC. The OCCC's exceptional facility, skilled logistical team and incomparable customer service exceed our expectations and encourage exhibitors and attendees to return year after year."

OUR COMMISSIONERS

OUR COMMISSIONERS

CLIENT ADVISORY BOARD (CAB)

Next CAB Meeting: September 18-20, 2012

NATIONAL TRADE PRODUCTIONS
NTP
WWW.NTPSHOW.COM

premiereorlando
International Beauty Event

Rutherford®

FNGLA
FLORIDA NURSERY, GROWERS AND LANDSCAPE ASSOCIATION
Leading Florida's Green Industry

PennWell®

ORGILL
Worldwide Distribution & Retail Services

APPA™
American Pet Products Association

pma
let's grow

C·B·A

infoComm
INTERNATIONAL®

ARVO®
The Association for Research in Vision and Ophthalmology

ntsa
National Training and Simulation Association

NAFEM
North American Association of Food Equipment Manufacturers

HIMSS®

NRECA®
A Touchstone Energy® Cooperative

CLIENT ADVISORY BOARD (CAB)

Next CAB Meeting: September 18-20, 2012

COLLABORATE 11
Technology and Applications Forum for the Oracle Community

Meeting Alliance

ASI SHOW

PITTCON
CONFERENCE & EXPO

True Value
START RIGHT. START HERE.

IAAPA

experient

NAHB
National Association of Home Builders

McDonald's

Reed Exhibitions

AFS
AMERICAN FOUNDRY SOCIETY

nielsen expositions

KELLER WILLIAMS REALTY

Quest
International Users Group

CLIENT ADVISORY BOARD (CAB)

Next CAB Meeting: September 18-20, 2012

AACR American Association for Cancer Research

Association of Professors of Gynecology and Obstetrics · APGO · Fifty Years · Advancing Women's Health Through Education

AOTA The American Occupational Therapy Association, Inc.

AACR Centennial 1907 - 2007 American Association for Cancer Research

American Osteopathic Association

American Academy of Family Physicians · Strong Medicine for America

The American Academy of Periodontology · AAP · Cooperate · Advance

The American Academy of Pediatrics

American Hospital Association

ACP American College of Physicians · Internal Medicine | Doctors for Adults

American Urological Association, Inc. · Founded in Nineteen Hundred Two · A.U.A.

ONS Oncology Nursing Society

SGIM Society of General Internal Medicine

CAB INFRASTRUCTURE RECOMMENDATIONS

Technology (Wi-Fi and Cellular)

Digital signage / advertising opportunities

Expanded dining, retail, entertainment

Ensure adequate maintenance investment

Continued aesthetic upgrades

CAB TRANSPORTATION RECOMMENDATIONS

Direct rail from Airport to International Drive

Convention District circulator

Convention Campus circulator

Continue pedestrian initiatives

CONVENTION CENTER OUTLINE

- Proposed FY 2012-13 Budget
- Accomplishments
- Challenges
- Capital Improvement Program
  - Five Years
- Summary

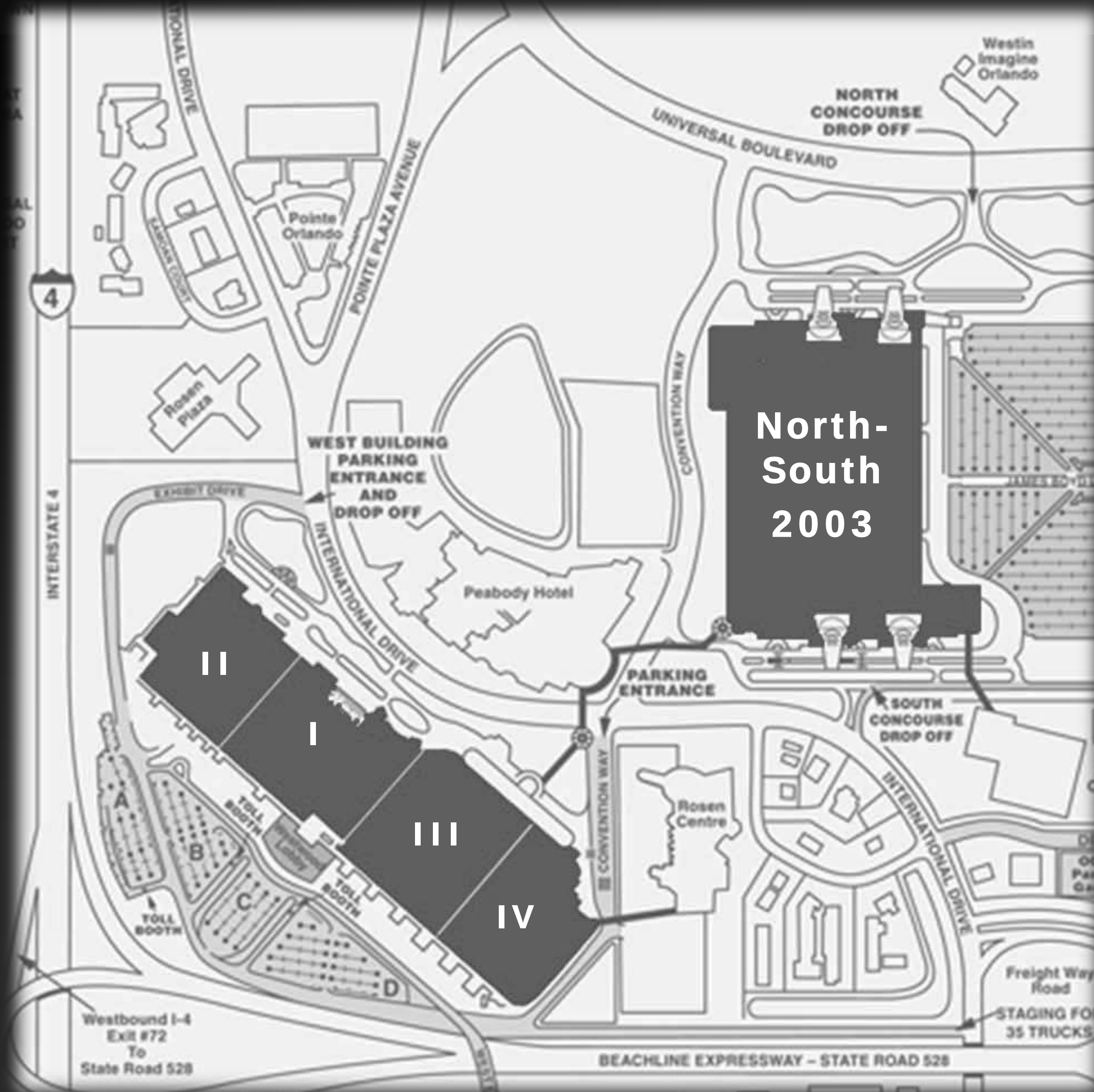
OCCC CAMPUS

Phase I
1983

Phase II
1989

Phase III
1996

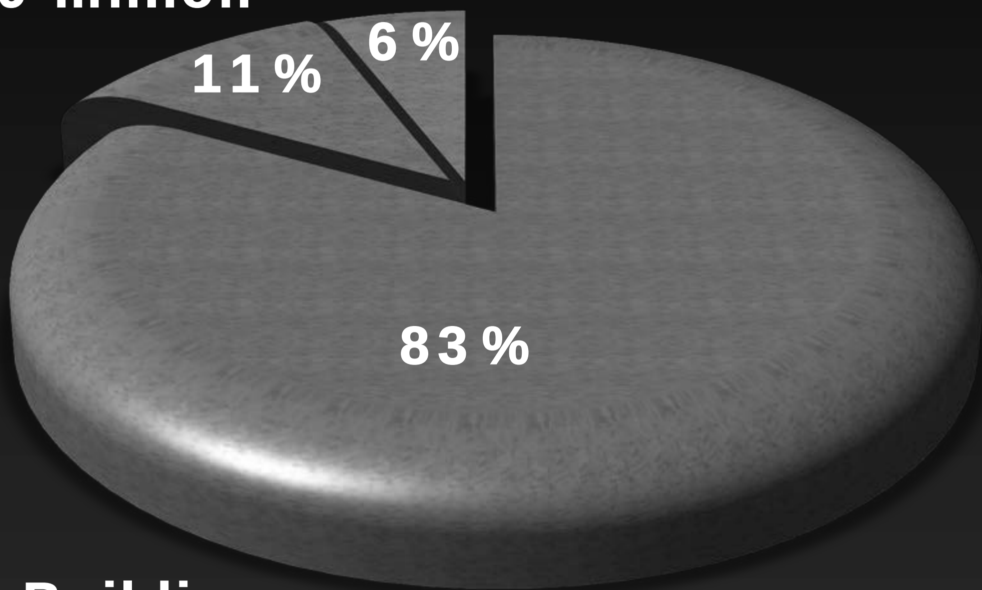
Phase IV
1996



5 YEAR CIP BY BUILDING

Other
$10.7 million

N/S Building
$20.9 million

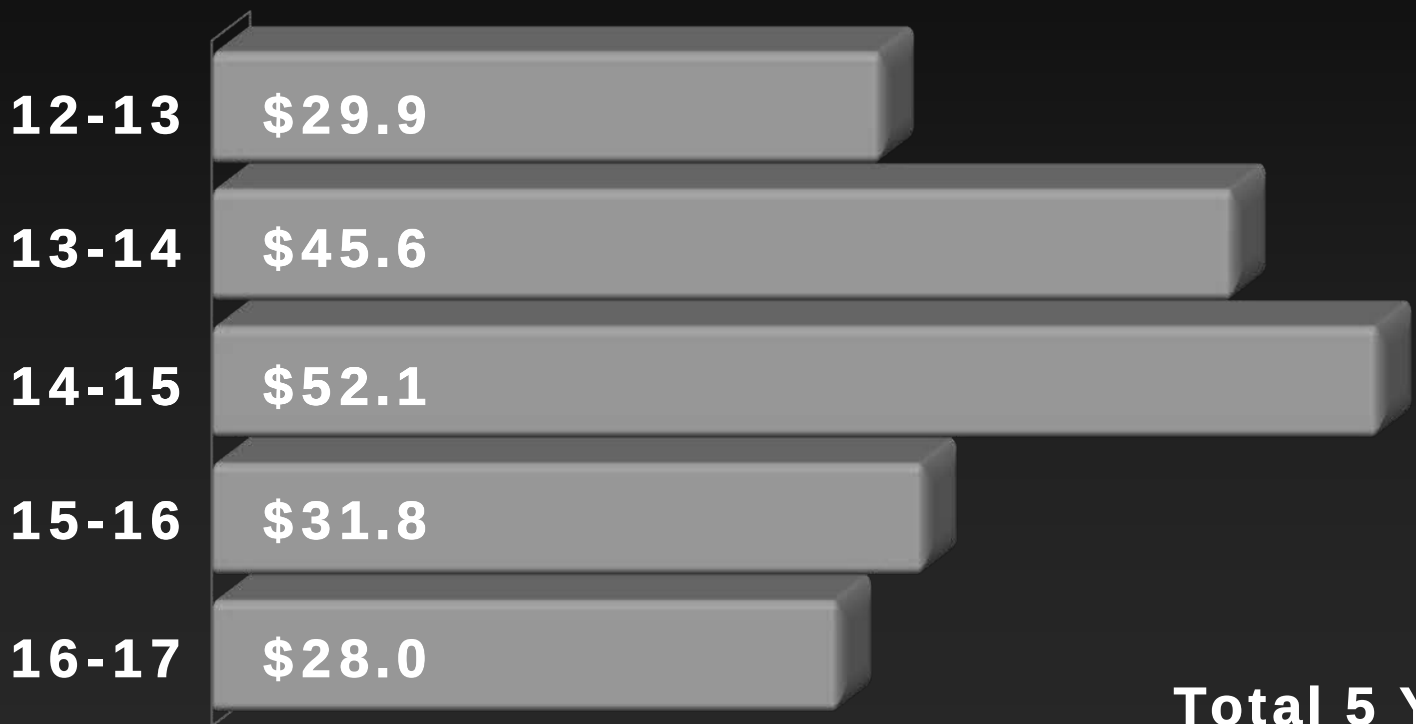


West Building
$155.8 million

Total Budget:
$187.4 million

5 YEAR CIP SUMMARY BY FISCAL YEAR

FY **BUDGET (IN MILLIONS)**



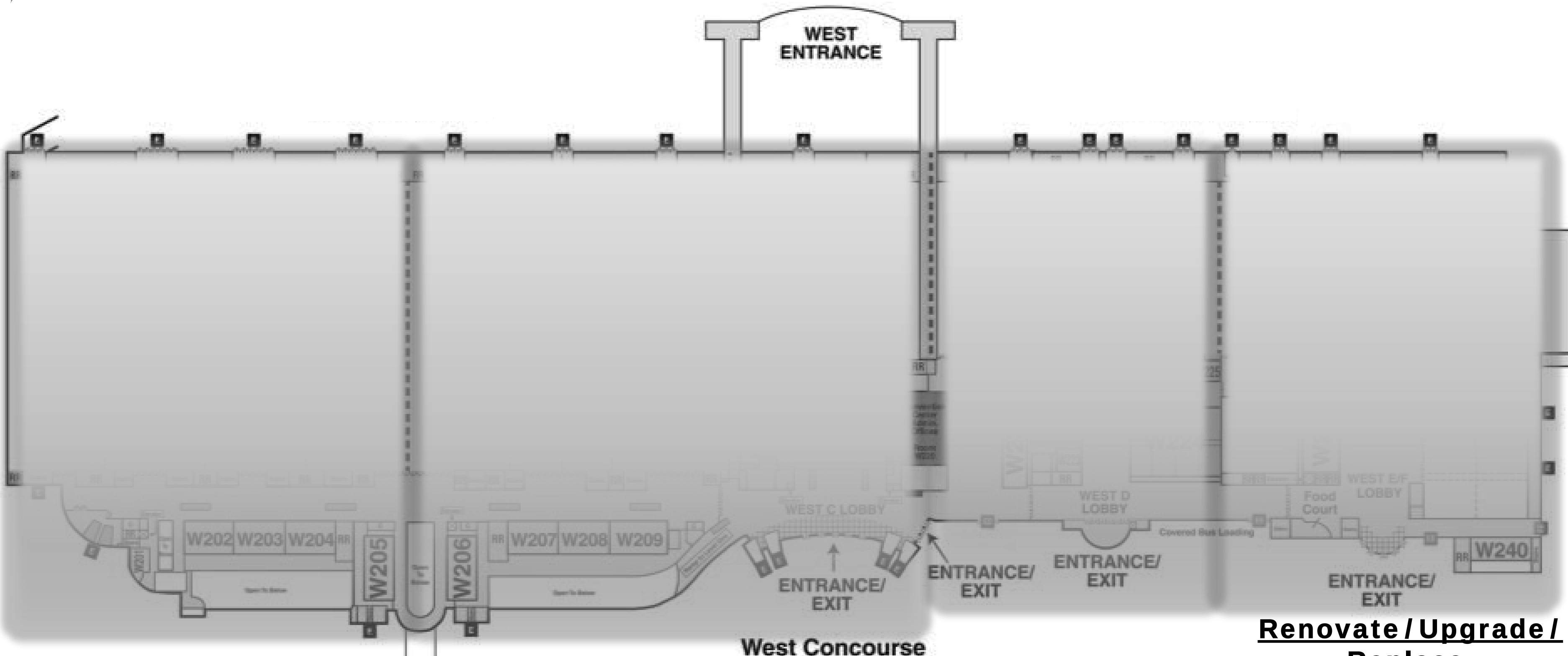
Total 5 Year Budget: $187.4 million

PROPOSED FY 2012-13 CIP

2012-13 CIP Projects	Amount*
Phase II Renovations	$4.7M
Information Systems	3.4
Signage	3.3
Exterior Building	2.8
Furniture, Fixtures & Equip	2.7
Roofing	2.5
Building Security	1.6
Other	8.9
Total	$29.9M

*Estimated Cost

WEST BUILDING CIP



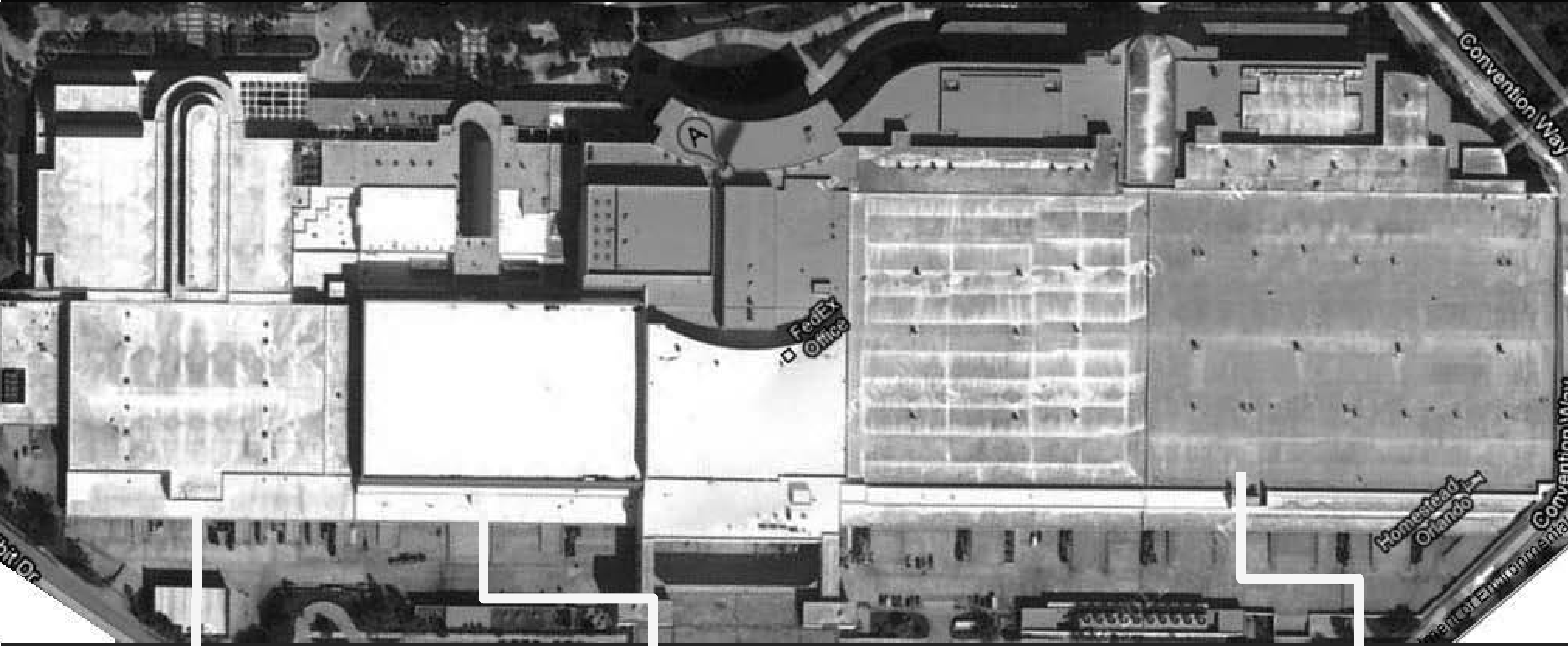
Upgrade / Replace:
- Roof
- HVAC Air Handler Units
- Fire Alarm System
- Exterior Doors
- Operable Walls
- Restrooms
- Carpet

Add / Upgrade / Replace:
- Valencia Room
- Central Lobby Canopy
- HVAC Air Handler Units
- Restrooms

Upgrade / Replace:
- Curtain Wall
- Roof
- HVAC Air Handler Units
- Fire Alarm System
- Exterior Doors
- Operable Walls
- Restrooms
- Carpet

Renovate / Upgrade / Replace:
- Hall F becomes Ballroom
- Roof
- HVAC Air Handler Units
- Fire Alarm System
- Exterior Doors
- Operable Walls
- Restrooms
- Carpet
- Electrical Systems

WEST BUILDING ROOF

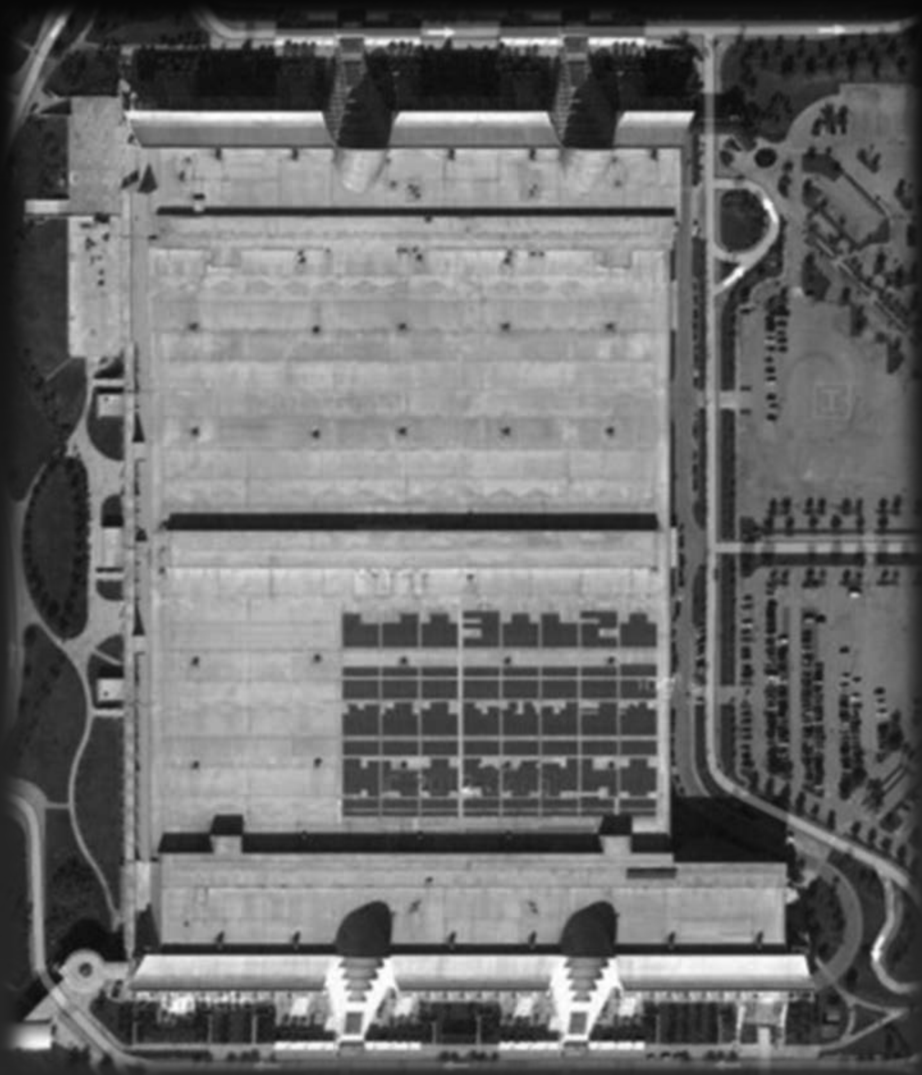


PHASE II ROOF
Installed in 1989
420,000 SF
Replace 2014

PHASE I ROOF
Installed in 1997
300,000 SF
Replace 2013

PHASE IV ROOF Installed in 1996
575,000 SF
Replace 2016

NORTH / SOUTH BUILDING ROOF



NORTH / SOUTH BUILDING ROOF Installed in 2002

2,100,000 SF

Design 2017

WEST BUILDING ROADWAYS

CONVENTION CENTER DISTRICT

STRATEGIC AND MASTER PLANNING

Campus Strategic Plan

- Master Plan Overview
- Facility Utilization Assessment
- Transportation Study and Evaluation
- Parking Study and Evaluation

District Strategic Planning

- Coordination with District Property Owners

CONVENTION CENTER OUTLINE

- Proposed FY 2012-13 Budget
- Accomplishments
- Challenges
- Capital Improvement Program
  – Five Years
- Summary

SUMMARY

Revenue Challenges
Economy

Competition / Destination
Maintaining Facility
Transportation

OCCC'S ANNUAL $1.9 BILLION ECONOMIC IMPACT

25,500+ local employees

1,000 + local businesses

$175.85 million in TDT revenue

Sources: Fishkind & Associates, The Fiscal and Economic Impact of the OCCC 2007; Orange County Convention Center Audited Financial Statements, Orange County Comptroller's Office FY 11

Convention Center

FY 2012-13
Budget Worksession
Presentation

July 16, 2012