

Convention Centre Task Force

Update to City Council

September, 2009



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Task Force

Presentation Overview

- *Task Force Background*
- *Execution of Pre-Feasibility Study*
- *Results of Pre-Feasibility Study*
- *Next Steps*



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Task Force Background

- ***Formed in Spring, 2007***
- ***Co-Chairs: Laura Thurnheer and Paul Mitchell***
- ***Kelowna Chamber with local business community***
- ***Goal: Explore the need***



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Phase 1: Execution of Pre-Feasibility Study

- ***Conduct preliminary research***
- ***Determine estimated cost of study***
- ***Stakeholder meetings***
- ***Terms of reference***
- ***RFP***
- ***Selection of consultant***
- ***Completion of Pre-Feasibility Study***



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Results of Pre-Feasibility Study

- ***Review of meetings market***
- ***Key attributes of Convention Destinations***
- ***SWOT***
- ***Market conditions & potential opportunities***
- ***Economic impact potential for Kelowna***
- ***Funding and management alternatives***
- ***Recommended next steps***



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Review of Meetings Market

- Over 670,000 meetings occur in Canada each year
- Meetings Market:
 - Conventions & conferences (126,000)
 - Tradeshows & exhibitions (11,000)
 - Organization meetings (403,000)
 - Consumer shows and exhibitions (7,000)
 - Other (124,000)
- 1.5%-3% growth rate in demand for convention and exhibition space
- Delegate days in 2005=1.5 million;
Delegate days in 2007 in=1.1 million days in 2007



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Key attributes of Convention Destinations

- Well located airport facilities
- Supporting transportation infrastructure
- Regional access to other cities and towns
- Solid base of local business
- Broad selection of centrally located accommodations
- Destination attractiveness
- Broad assortment of service businesses
- Solid municipal and local business support
- Government support



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Public Discussion

- Castanet Poll: Do you think Kelowna needs a convention centre?

Yes: 807

No: 426

September 5, 2009 - 1233 votes

- CHBC News clip:


<http://www.chbcnews.ca/index.php?name=News&file=article&sid=18257>



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SWOT Analysis


Strengths	Weaknesses
<ul style="list-style-type: none"> ●Air/ground Access ●Strong supporting infrastructure ●Four season destination ●Competitive pricing 	<ul style="list-style-type: none"> ●Lack of hotel concentration downtown ●Size and scope of city (relatively small)
Opportunities	Threats
<ul style="list-style-type: none"> ●Will allow Kelowna to host larger events ●Additional business for hoteliers ●Business and government markets in Toronto and Ottawa 	<ul style="list-style-type: none"> ●Competition from other regional convention centres (e.g., Penticton, Kamloops) ●Some facilities have not kept pace with growth (e.g., road congestion on Hwy. 97)



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Market conditions & potential opportunities

<u>Market</u>	<u>Geographic market</u>	<u>Sectors</u>
Primary	<ul style="list-style-type: none"> ●BC ●Alberta 	<ul style="list-style-type: none"> ●Corporate ●Associations
Secondary	<ul style="list-style-type: none"> ●Toronto ●Ottawa 	<ul style="list-style-type: none"> ●Corporate ●Government ●Associations
Tertiary	<ul style="list-style-type: none"> ●US Pacific Northwest 	<ul style="list-style-type: none"> ●Corporate



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Economic impact potential for Kelowna

\$9 million-\$300 million in direct economic impact



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Funding and management alternatives

● Sources of funding:

Public-Private Partnerships
Infrastructure Canada
Western Economic Diversification Canada

● Management

City manages facility
Outsourced to management companies
Tourism marketing organization plays strong role



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Recommended Next Steps

Phase 2: Feasibility Study

Step 2 meeting scheduled for Sept. 30, 2009

Key Stakeholders invited include:

Kelowna Chamber of Commerce

City of Kelowna (Ron Mattiussi)

Kelowna International Airport

DKA

EDC

Tourism Kelowna

Hotel/Motel Association



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Conclusion

- The City is already the host to a number of smaller to mid size meetings with groups of 100 to 300 people and occasionally in the 400 to 500 range
- A multi purpose meetings and convention facility would allow the city the opportunity to host larger events in the range of 500 to 1000 people and up, generating a greater economic impact for the city.