

Conventions, Trade Shows, Meetings, & Events: *Stimulating Chicago's Recovery*



McCORMICK
SQUARE • PLACE • MPEA

July 20, 2021

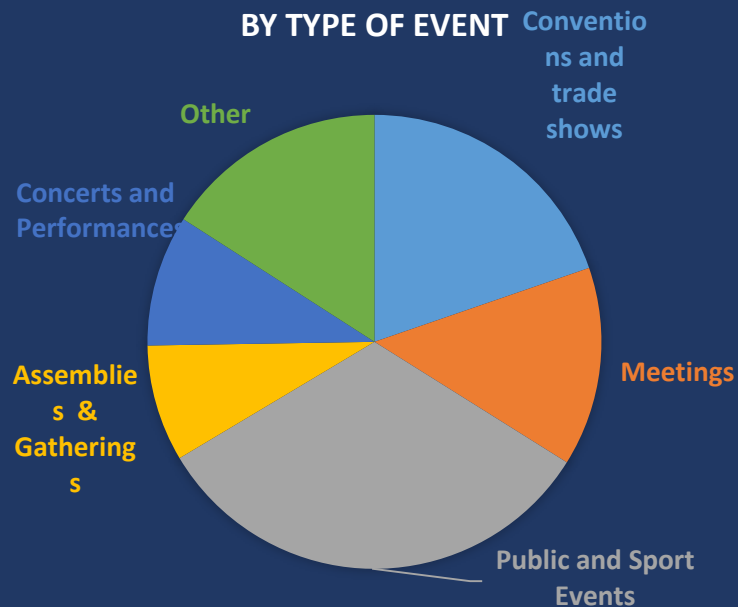
McCormick Place: More than A Convention Center

2019

289 events

2.9M attendees

BY TYPE OF EVENT



MPEA Finances

Typical Operating Budget - \$300 million

FY19 MPEA's Overall Annual Net Operating Income \$700,000

- McCormick Place/MPEA Corporate Center: -\$63.4M
- Marriott Marquis Chicago Hotel: \$29.6 million
- Hyatt Regency McCormick Place: \$28.0 million
- Wintrust Arena: -\$0.5 million
- Energy Center: \$7.0 million

Pre-COVID State/City Operating Support - \$0

Current Outstanding Bonds \$4.3B

100% backed by State of Illinois Sales Tax Revenue

Fully Funded Pension

47% of spending was with MBEs (33.6%) and WBEs (13.8%)

Typical Annual Authority Tax Revenue

Hotel	\$ 69 million
Restaurant	\$ 57 million
Auto Rental	\$ 34 million
Airport Departure	\$ 7 million
Total Authority Taxes	\$167 million

February 2020

Forecasted Revenue:
\$345M, \$30M *above*
budget

Employees: 3,000

**Planned Capital
Reserve Contribution:**
\$10M



March and April 2020



CHICAGOTRIBUNE.COM

Chicago housewares trade show, expected to draw 60,000 to McCormick Place, canceled over coronavirus concerns



Planning for Re-Opening



Maintained financial stability and liquidity through closure

- Implemented a campus-wide contingency plan resulting in a \$79 million reduction in operating expenses
- Increased bonding authority allowing MPEA to refinance deb
- Issued Series 2020D Expansion Project Bonds, which provided \$44.4 million of liquidity to the Authority.
- Sold Expansion Project Bonds to refund all principal and associated interest coming due in FY21. This allowed unreimbursed draw on State sales taxes to be reduced dramatically from \$130 million to \$15 million.



Identified critical projects which, in addition to upgrading the campus, also provided continued employment opportunities for current, represented staff

- Maintained as many employees as possible with reduced schedules
- Offered opportunities for employees to retain health benefits
- Established new community partnerships in critical areas including food insecurity and public safety



Positioned the campus for successful reopening

- Received GBAC STAR accreditation for the entire campus
 - Only 60 conventions centers out of more than 250 domestically have received accreditation
- Maintained solid customer relationships, and rescheduled nearly 70% of cancelled events for future years
- Upgraded campus offerings for hybrid and virtual meetings



Cancellations and Upcoming Events

March 2020 – Today

234 events cancelled, representing approximately:

3.4 million attendees

2.18 million hotel room nights

\$3.09 billion in lost economic impact for the state and city

\$236.3 million in lost state and local taxes

66% have rescheduled, representing approximately:

- 2.86 million attendees
- 1.62 million hotel room nights

July 2021 –December 2022

+1,000 employees have returned already, estimate that by next July we will be close to 100% back

122 events scheduled with an estimated attendance of 1,941,239 people

Of these, 47 events are considered to be “major” events with an estimated economic impact of \$2.35B

Starting Off Strong



**Return Of Trade Shows To McCormick Place
Is Good News For Hotels, Workers,
And The Chicago Economy**



Conventions Return



CHICAGO.CBSLOCAL.COM

**ASI Show Chicago Is First Trade Show At McCormick Place Since
Start Of Pandemic, With Better-Than-Expected Attendance**



CHICAGO.SUNTIMES.COM

**An outdoorsy Chicago Auto Show sets up to energize McCormick
Place**



ABC7CHICAGO.COM

**Chicago's McCormick Place employees back to work as venue
prepares to reopen for events**

BUSINESS

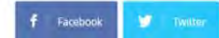
Major snack convention moves to Indianapolis in 2021 because of Illinois coronavirus rules

Binghui Huang Indianapolis Star

Published 9:29 a.m. ET Oct. 29, 2020 | Updated 5:37 p.m. ET Oct. 29, 2020

Nevada relaxes restrictions in move toward convention industry reboot

By **Hugh Jackson** - September 29, 2020



Nevada Gov. Steve Sisolak made a direct pitch Tuesday to businesses planning conventions and trade shows: Come back.

The message was part of relaxed restrictions on gatherings announced by the governor. As of Oct. 1, the limit on weddings, church services and other gatherings will rise from 50 people to



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le photo)

WORLD'S LARGEST RV SHOW IN GERMANY DRAWS MORE THAN 100K ATTENDEES

September 17, 2020
Lisa Plummer Savas

Held Aug. 29-Sept. 6 at the Düsseldorf Exhibition Centre in Germany, CARAVAN SALON, the world's largest RV trade fair and consumer show, drew 107,000 mobile travel and leisure enthusiasts to the event's 59th edition. Spanning 762,000 square feet, the show was the first major trade fair to take place in the western German city since the COVID-19 lockdown.

Produced by Messe Düsseldorf in partnership with the



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VISIT LAUDERDALE OPEN FOR MEETINGS

Powered By \$10 MILLION IN FREE SPACE

Be among the first to reserve your meeting space in our newly expanded Greater Fort Lauderdale | Broward County Convention Center, and it could be free. The Convention & Visitors Bureau is giving away \$10 million in meeting space for events booked at the Convention Center during eligible 2021-2022 dates. See if your date qualifies at [here](#).



Competitor Markets

- Open for business
- Investment in technology
- Incentives for events
- Continued expansion



MCCORMICK
SQUARES • PLACE • PEOPLE

Win Strategy



MAINTAIN
COMPETITIVENESS



RETAIN CUSTOMERS
AND COMMUNITY
SUPPORT



ADAPT EXISTING
BUSINESS APPROACH



INNOVATE FOR
CHANGE