



Hello Mr. Carey,

Attached you will find information regarding the estimated economic impact of the Riverside Convention Center for the fiscal years since 2014, when Raincross took over the management and operation of the Riverside Convention Center. This information includes three months of 2014 and a forecast for the current FY, which ends on June 30, 2023. The EEI includes convention center revenue, the city's share of parking profit from Lot 33, hotel revenue, transient occupancy tax revenue, sales tax revenue that ultimately flows to the city, convention center spending on local vendors, and convention center spending on Riverside resident employee wages. The EEI does not include the unknown and unknowable amount of revenue that flows to the city from convention center guest spending on food and beverage outside of the convention center (e.g., breakfast, lunch and dinner at hotels and restaurants) or other retail sales (e.g., retail shops, gas stations, travel, etc.). You will see that this conservative EEI totals \$88.7 million since 2014.

As you know, during the pandemic, Raincross laid off nearly all its employees, retaining only senior managers vital to maintaining the building's operation including providing 24 hour building security, building and lawn maintenance, installing COVID safety protocols for reopening, moving business to future years, managing deposits, selling, and marketing and communicating with existing and prospective clients for future business, obtaining GBAC Star accreditation, planning for re-opening, and hiring and training team members. In many respects, Raincross was and is rebuilding its convention team and business from scratch. Raincross is proud of its efforts and believes its efforts are bearing fruit as the convention business rebounds post-pandemic.

As a result of its financial management, RHC (the Riverside Convention & Visitors Bureau) was able to return a total of \$520,000 to the city of Riverside in 2020 and 2021.

In addition, in 2021, Raincross applied for and received federal CARES Covid relief (through the County of Riverside), receiving \$553,272 for Riverside Convention Center, Riverside CVB, and for local and regional hospitality financial relief. Over \$125,000 of the CARES funds were used to purchase convention center supplies and paid for convention center expenses that would have otherwise had to have been borne by the City of Riverside, and \$65,000 was used by the Riverside CVB to market the Riverside Convention Center during the pandemic. The Riverside CVB's Covid response campaign design, important in instilling confidence in meeting planners as they considered returning to meetings and conventions, won an award from major national marketing organization. In addition, Raincross managed the dispersion of other funds to our local and regional hospitality partners.



In 2022, Raincross applied for and received \$1.6 million in federal ARPA funds (again, through the County of Riverside). \$500,000 of the \$1.6 million is supporting a special Riverside Convention Center sales & marketing initiative to help boost convention business; \$300,000 is being used by the Riverside Sports Commission to help boost the sports commission's sales and marketing of Riverside as a youth sports center to groups that moved their events to other cities with a more sports friendly approach during COVID; \$196,000 is being used for interior and exterior enhancements of the Riverside Convention Center, again, expenses that do not now need to be borne by the City of Riverside; \$110,000 will be used to conduct sports feasibility studies to help determine if an opportunity exists to attract greater sports business impact in the future; and \$575,000 will be used to fund the creation of a Western Riverside County Tourism campaign. Riverside would benefit by such a program since it is the largest city in the region and a growing number of tourism opportunities, in addition to its own convention /meetings/sports sales and marketing efforts.

RCC is working to strike a balance between significant industry wide price increases, a challenging labor market shortage, and providing value pricing in a very competitive marketplace. We continue to seek equilibrium in this regard. RCC is cautiously optimistic looking into 2023/2024. Comparing tentative and confirmed events on the books during the same time last year, RCC has seen a 39% increase in projected revenue and 11.5% increase in projected events. RCC is projecting a return to previous event demand and venue stabilization in late 2024 or early-2025, meaning reaching near pre-pandemic events, attendees, employee numbers, and returning to gradual event price increases. We are projecting increased revenue and economic impact this fiscal year and next absent an economic intervention (e.g., recession) beyond Raincross' or the industry's control.

Thank you for the opportunity to share how Raincross managed through the pandemic and set the city up for future, sustained convention success post-pandemic.