

Minneapolis Convention Center 2012 Budget Hearing

Department found on pages 304-309 in budget book

Presentation to Ways and Means/Budget Committee
October 6, 2011

Minneapolis Convention Center Programs by Goal

- JOBS & ECONOMIC VITALITY GOAL
 - Events Program
 - Facilities Program
 - Tallmadge Program
 - Reserves Program
 - Target Center Program

Jobs & Economic Vitality

- **MCC Events Program** – provides sales, event coordination and delivery of services to MCC clients and their attendees
 - *Economic Driver* - visitors to our City spend money to eat, sleep and participate in recreational activities (arts/culture), transportation, and retail businesses.
 - *Living Wage Jobs*
 - *Grows Business* – goods and services catering to visitors of the City
 - *Contributes* to a vibrant downtown
 - *Eco-Focused*
 - 141 FTEs
 - \$21,437,218 in costs supported by revenues generated from services and tax collections

Jobs & Economic Vitality

- **MCC Facilities Program** provides the physical building and grounds of the convention center as well as the maintenance and cleaning staff to maintain the asset.
 - Eco-Focused
 - Provides living wage jobs
 - 53 FTEs
 - \$19,808,002 in costs supported by tax collections

Jobs & Economic Vitality

■ **MCC Tallmadge Program**

- Currently operated as an office building
- Future - repurpose to Visitor Center
- FTEs -0-
- \$225,000 funded from rents collected

■ **Target Center**

- Operating subsidy & capital funds
- FTEs -0-
- \$7,448,200 funded from CPED TIF, Entertainment Tax, parking transfers and property tax/general fund (\$92,000)

■ **Reserves Program**

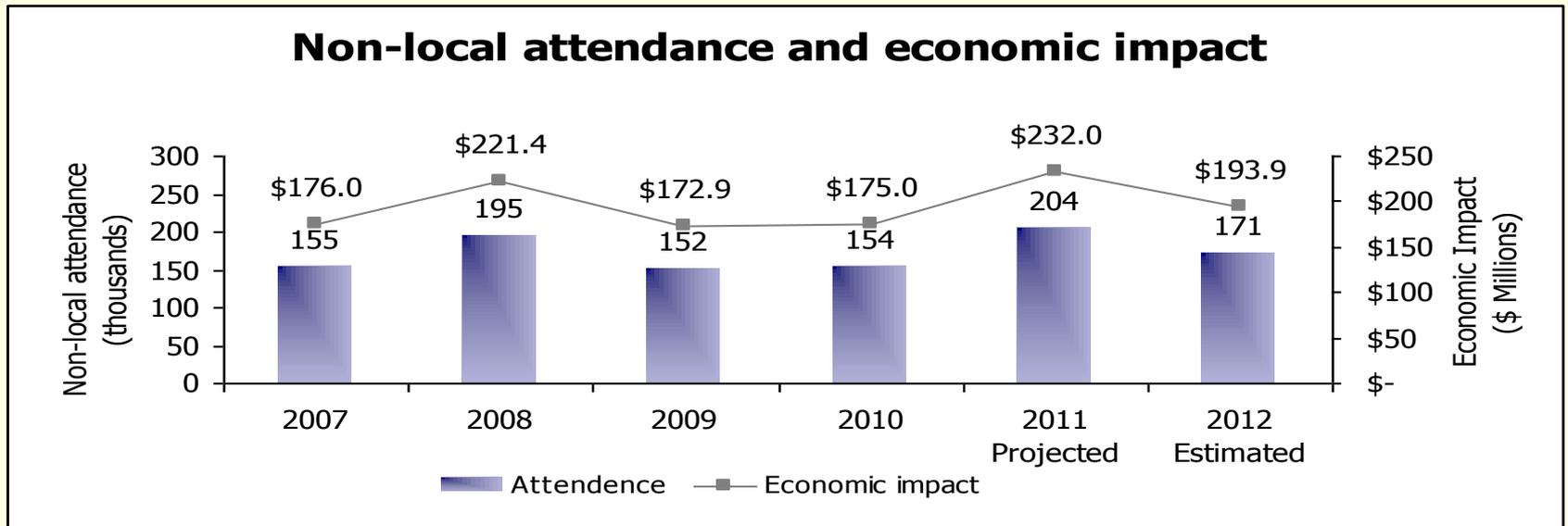
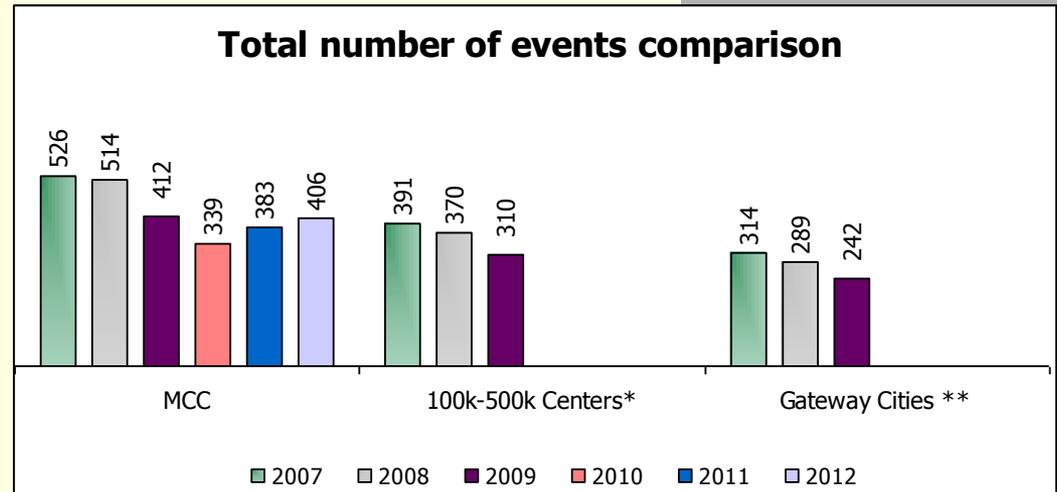
- Significant non-routine maintenance projects
- \$350,000 funded from sales and other taxes consisting of transfers in and out

Impact of Recommended Budget on Key Results

- Mayor made no changes to budget proposal
- Key measures remain as previously set

Impact of Recommended Budget on Key Results

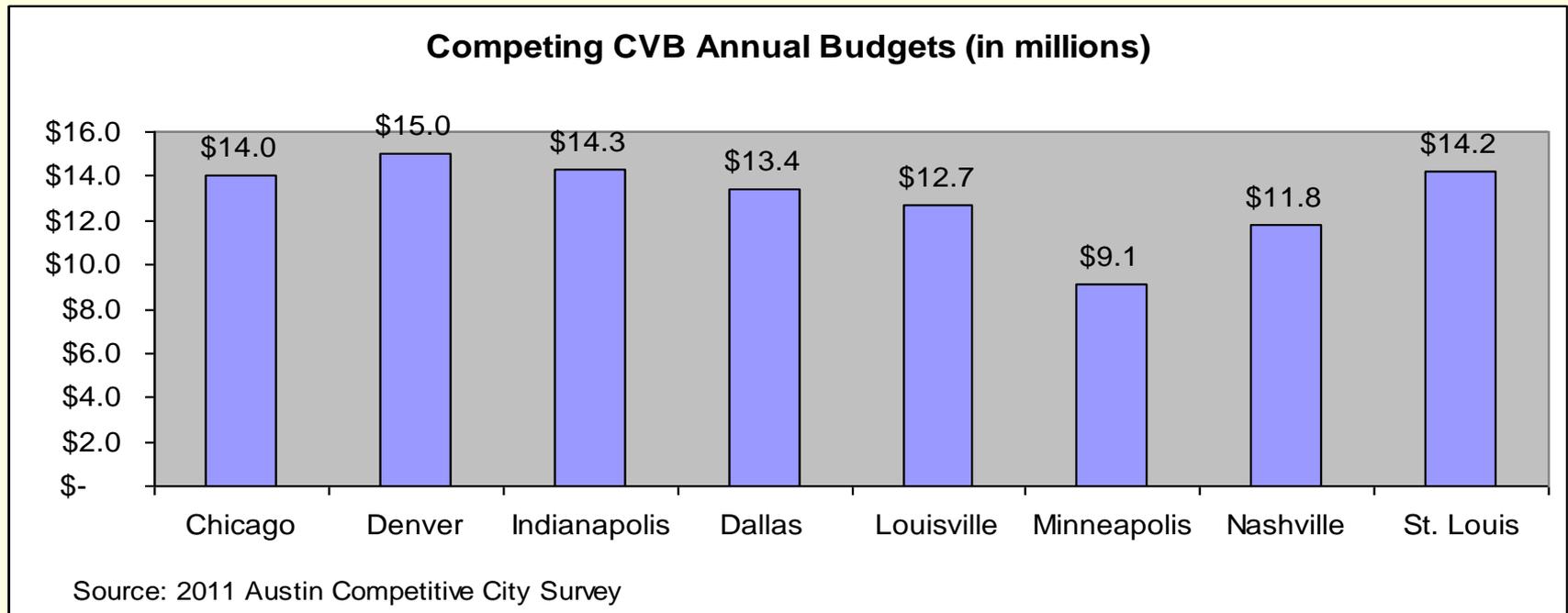
■ Events Program



Contracts

- Meet Minneapolis

- Provides sales & marketing for the Convention Center and City as a whole
- \$8,228,219 included in Events Program



Contracts

- Meet Minneapolis 2012 Areas of Focus
 - **Develop and implement** programs that will propel Minneapolis to become the destination of choice by 2015
 - **Execute** upon Minneapolis Destination Brand Strategy
 - **Facilitate** implementation of Destination Needs Analysis Task Force recommendations

Contracts

- Kelber Catering
- Security contracts
- Convention Center Capital \$12.1 million
- Target Center Capital \$5 million
- Operating Contracts Coming Due:
 - Stationery
 - Emergency & First Response
 - Cleaning Supplies
 - Table Linens & Laundering
 - Generator Parts & Services
 - Target Center Sound System

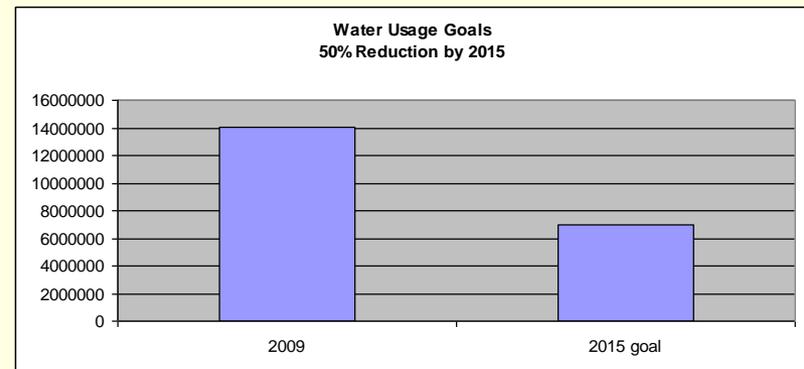
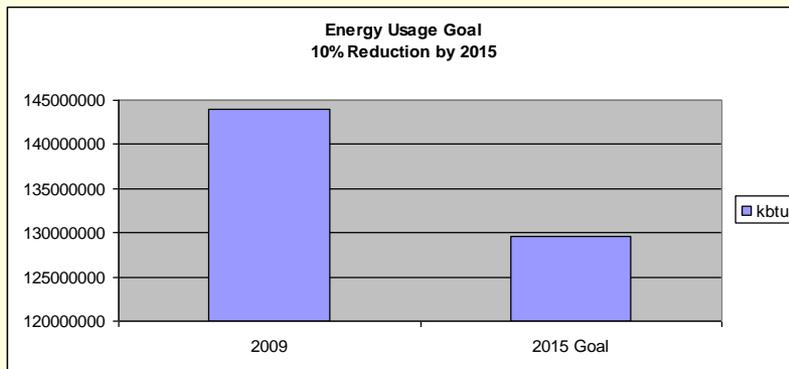
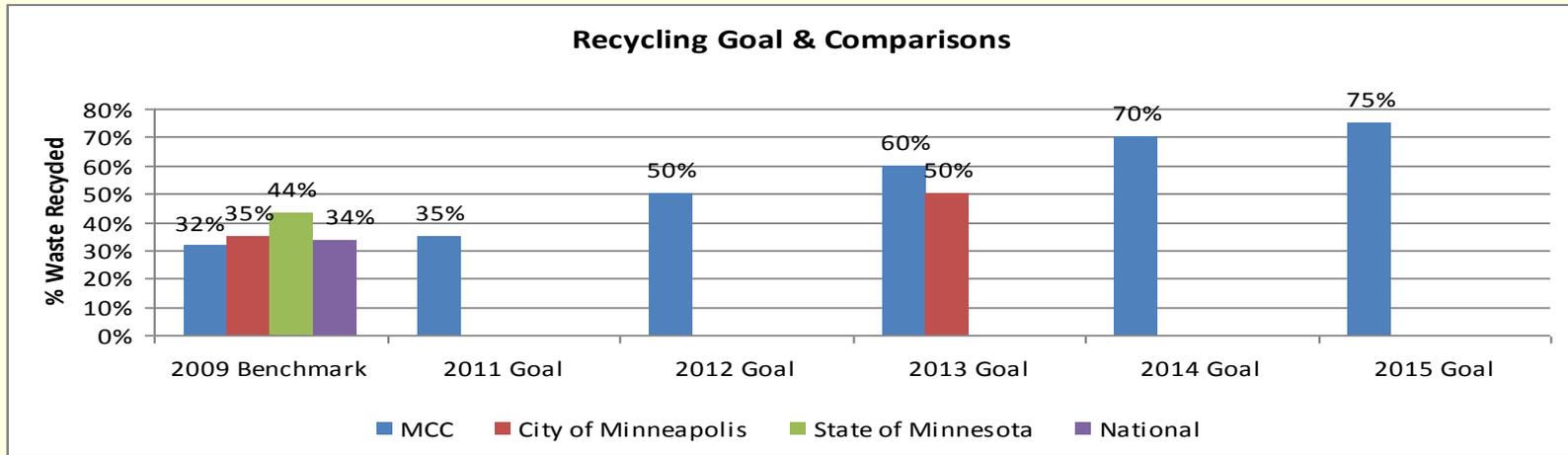
- Women or Minority Business Enterprise Opportunities

New Initiatives & Efficiencies

ECO-FOCUSED

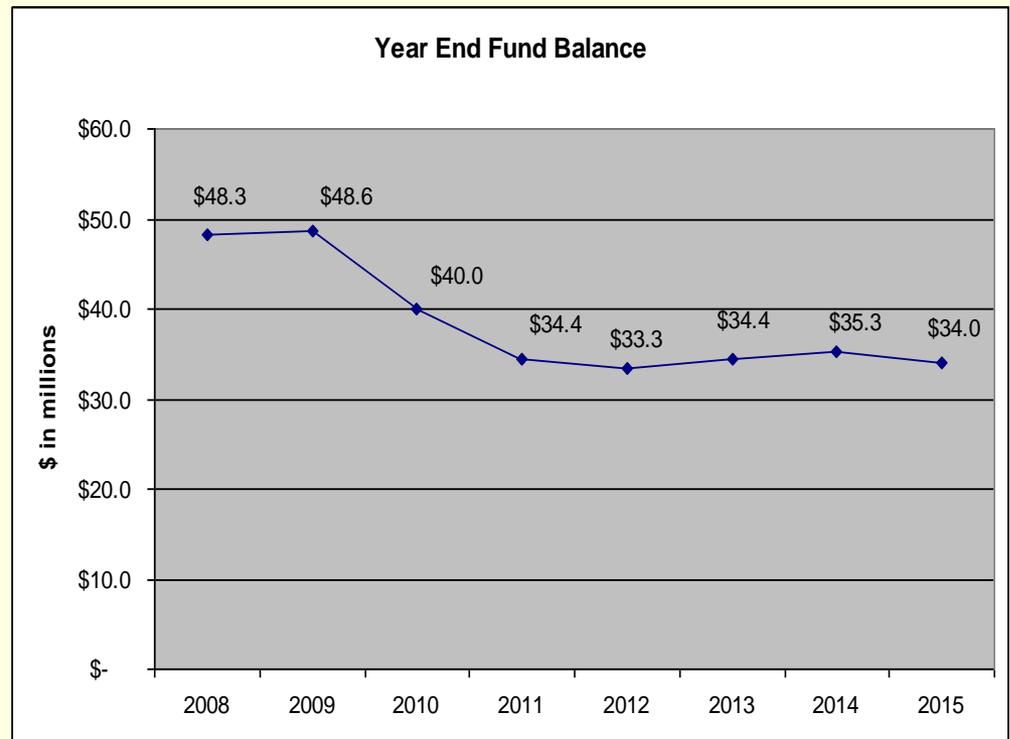
- Recycling Program
 - 75% recycling goal by 2015
- Energy Efficiency
 - 10% reduction in energy use goal by 2015
- Water Usage
 - 50% reduction by 2015
- LEED–EB Designation
- Building-wide retro-commissioning to maximize energy efficiency

New Initiatives & Efficiencies



New Initiatives & Efficiencies

- Subsidy Reduction
 - No Waste Culture
 - Eco-Focused
 - Workforce Plan
 - Stewards of the Convention Fund



New Initiatives & Efficiencies

- Reinvesting in our Future
 - 10-year coordinated plan with the community
 - Competitive Capital
 - Exploring Tallmadge building repurpose
 - Window to Minneapolis
 - Sustainability Wall
 - Lobby Enhancements
 - Essential Investments
 - Dome Replacement

New Initiatives & Efficiencies

- Technology
 - Automating business processes through technology
 - Time & Labor software
 - Scheduling software
 - Exploring use of wireless technology for EBMS work orders / work completion
 - Expanded use of EBMS software
 - Implementing contracting and maintenance module
 - Exploring ways to enhance the visitor wireless experience in Minneapolis through collaboration between convention center wireless system and USIW system

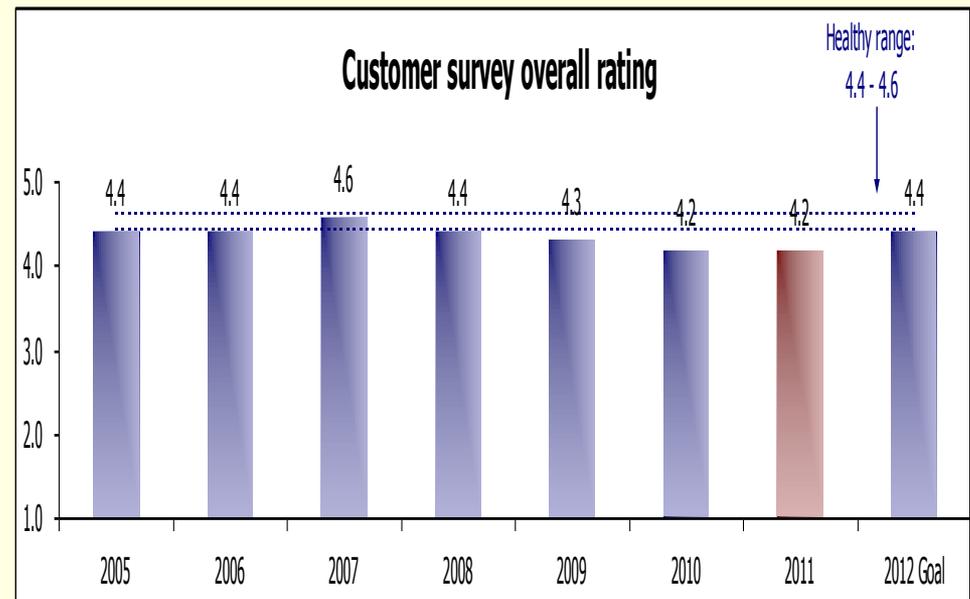
New Initiatives & Efficiencies

- Employee Engagement

- Client-centered culture
- Flexible
- Collaborative
- Empowered

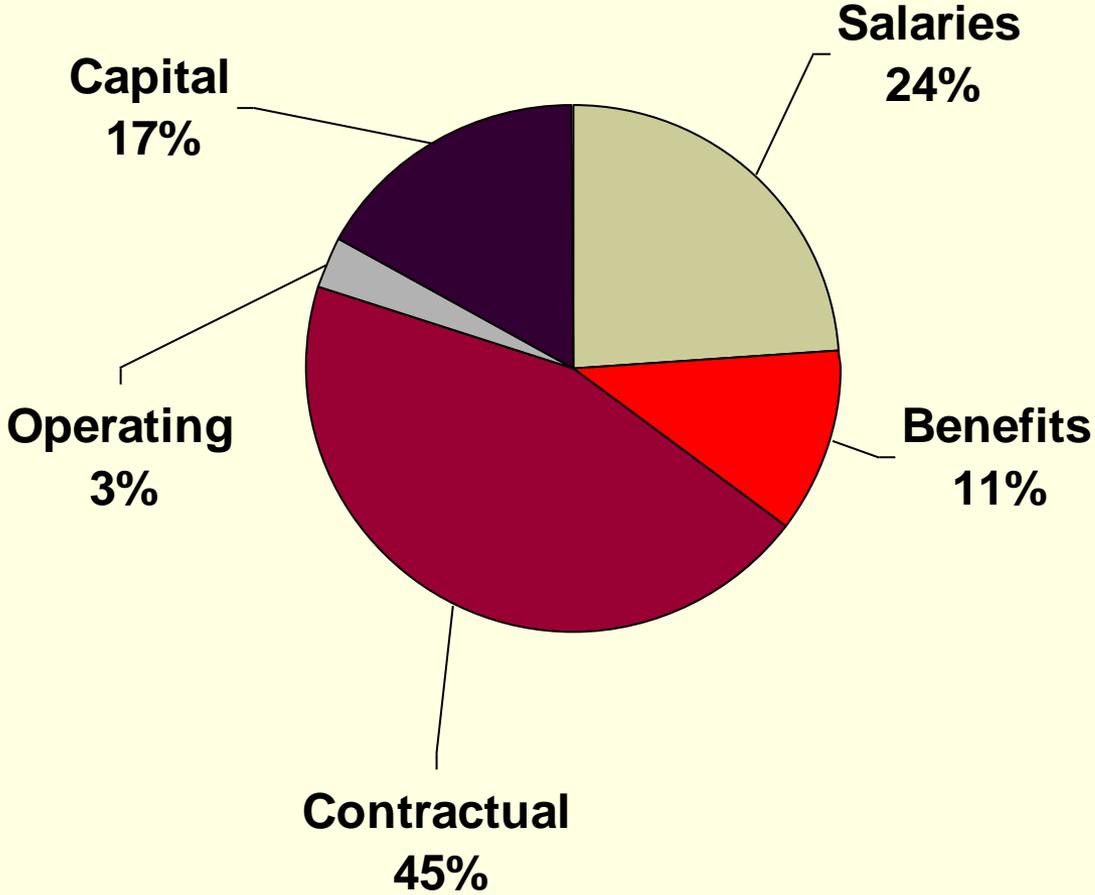
- Meet Minneapolis

- One-team
- Joint strategic planning



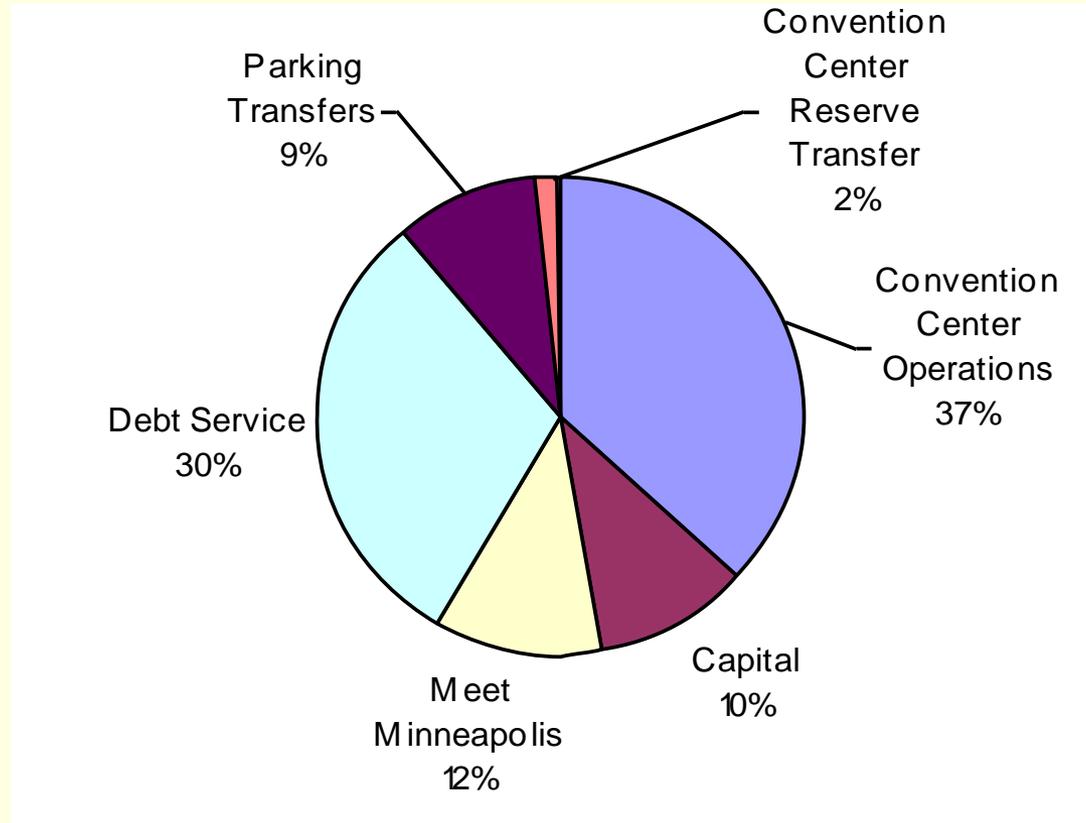
Minneapolis Convention Center

Expenditures by Type (\$41.3 million)

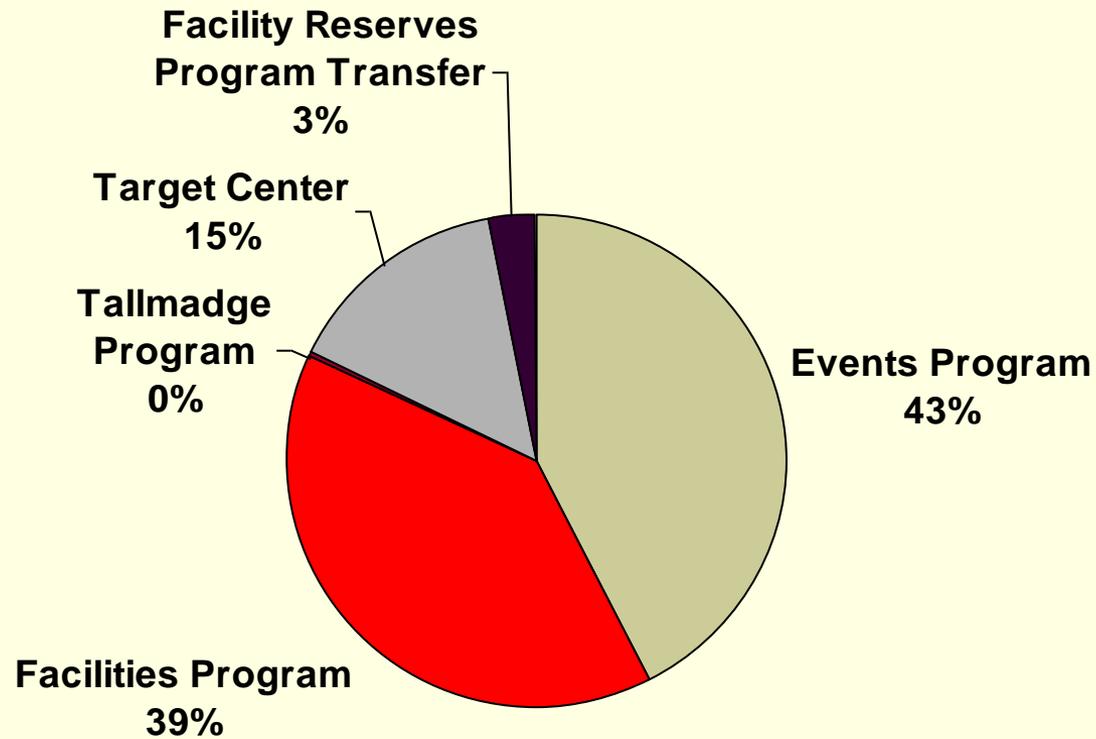


Minneapolis Convention Center

Expenditures by Fund (\$71.1 million)

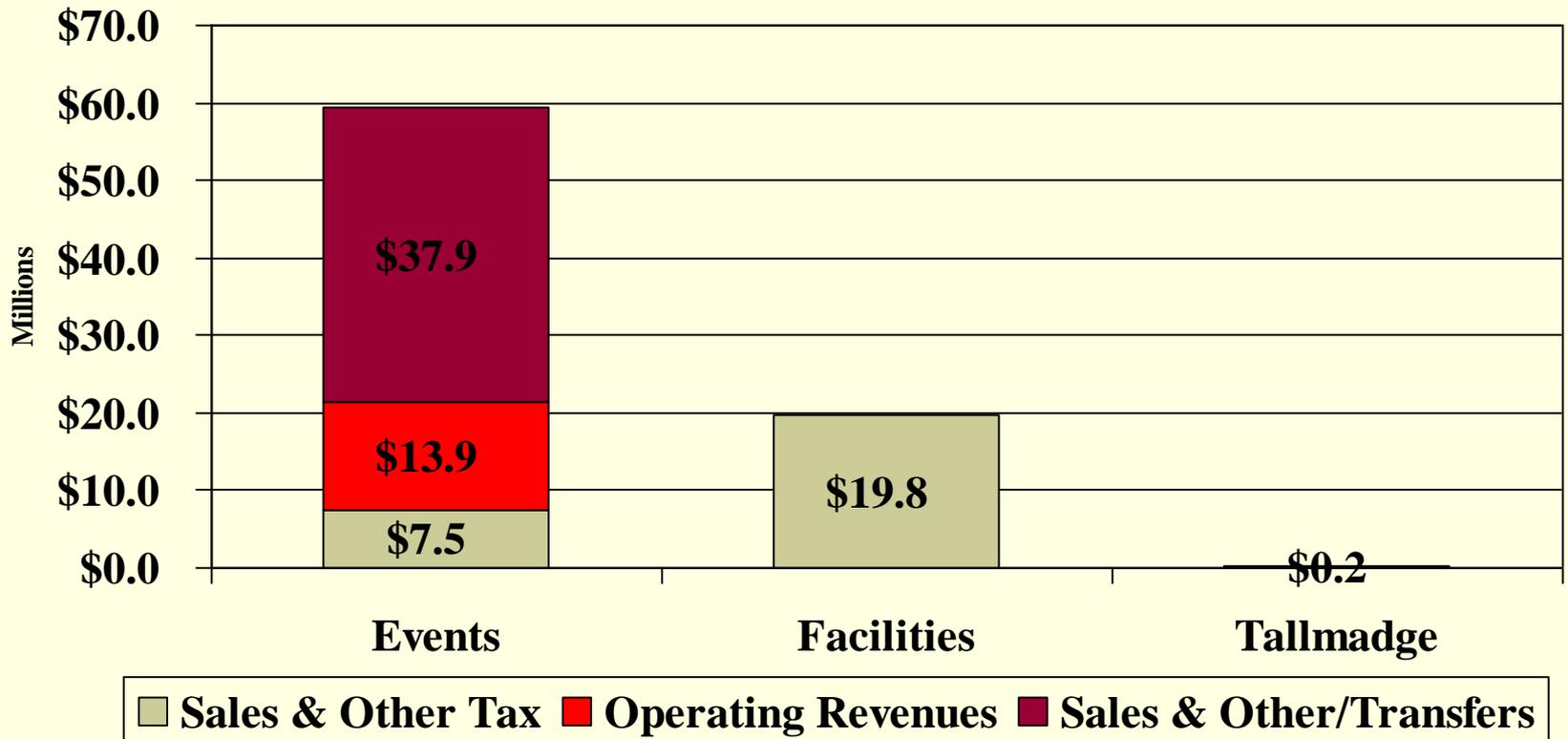


Expenditures by Program (\$49.9 million)



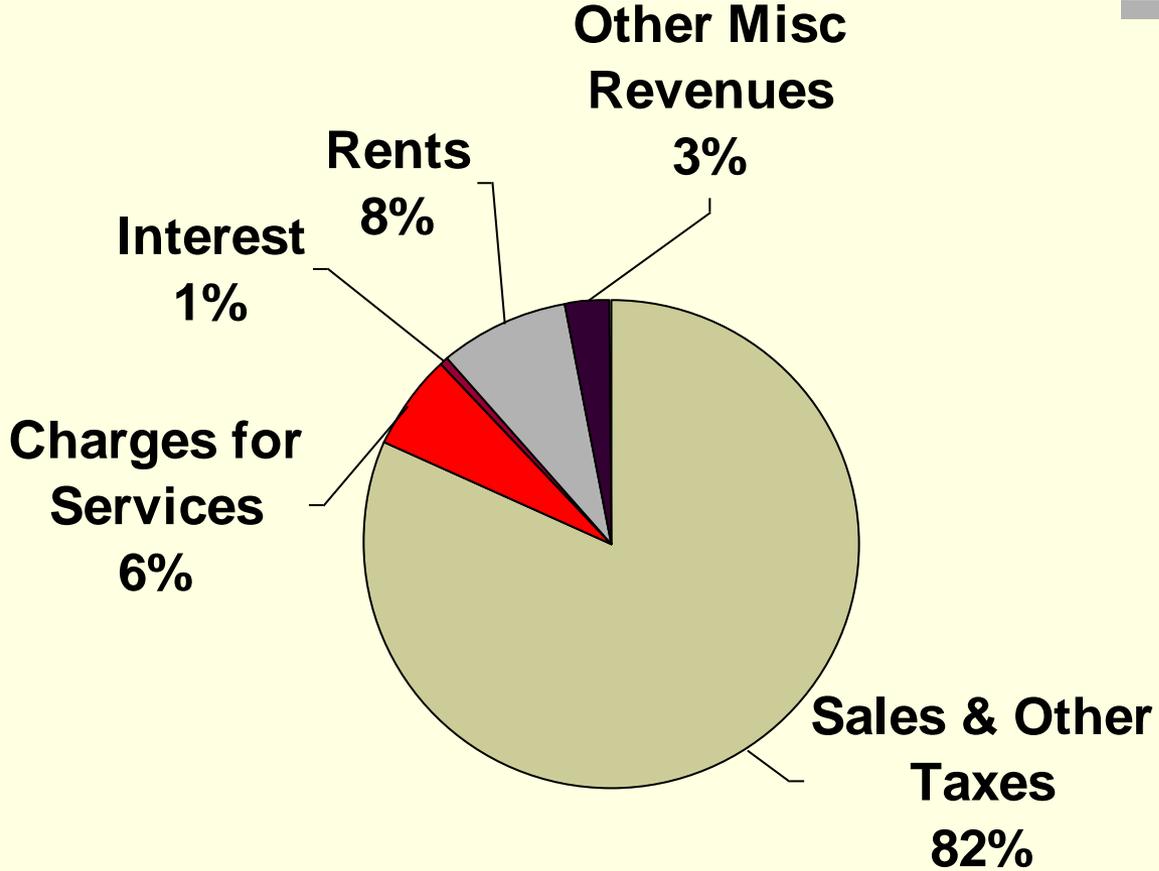
Minneapolis Convention Center

Direct Revenue by program (\$79.5 million)



- The budget by program process makes it appear that we have significant excess funds; however, these funds are used to pay for transfers to debt service, the parking fund, and the general fund.

Direct Revenue by Type (\$79.5 million)



Minneapolis Convention Center

Positions by Program (194.1)

