

Convention, Sports & Entertainment

Description:

The Convention, Sports & Entertainment Department manages the operation of the Anaheim Convention Center, administers the management contracts for Angel Stadium of Anaheim, the Arrowhead Pond of Anaheim and The Grove of Anaheim, and serves as property manager for the Sportstown Owners' Association responsible for maintaining the common areas of the Sportstown development on the Stadium parking lot.

Department Mission Statement:

To serve as an organization dedicated to excellence in its operation and service delivery and to serve as a positive force for community identity and City image.

Goals:

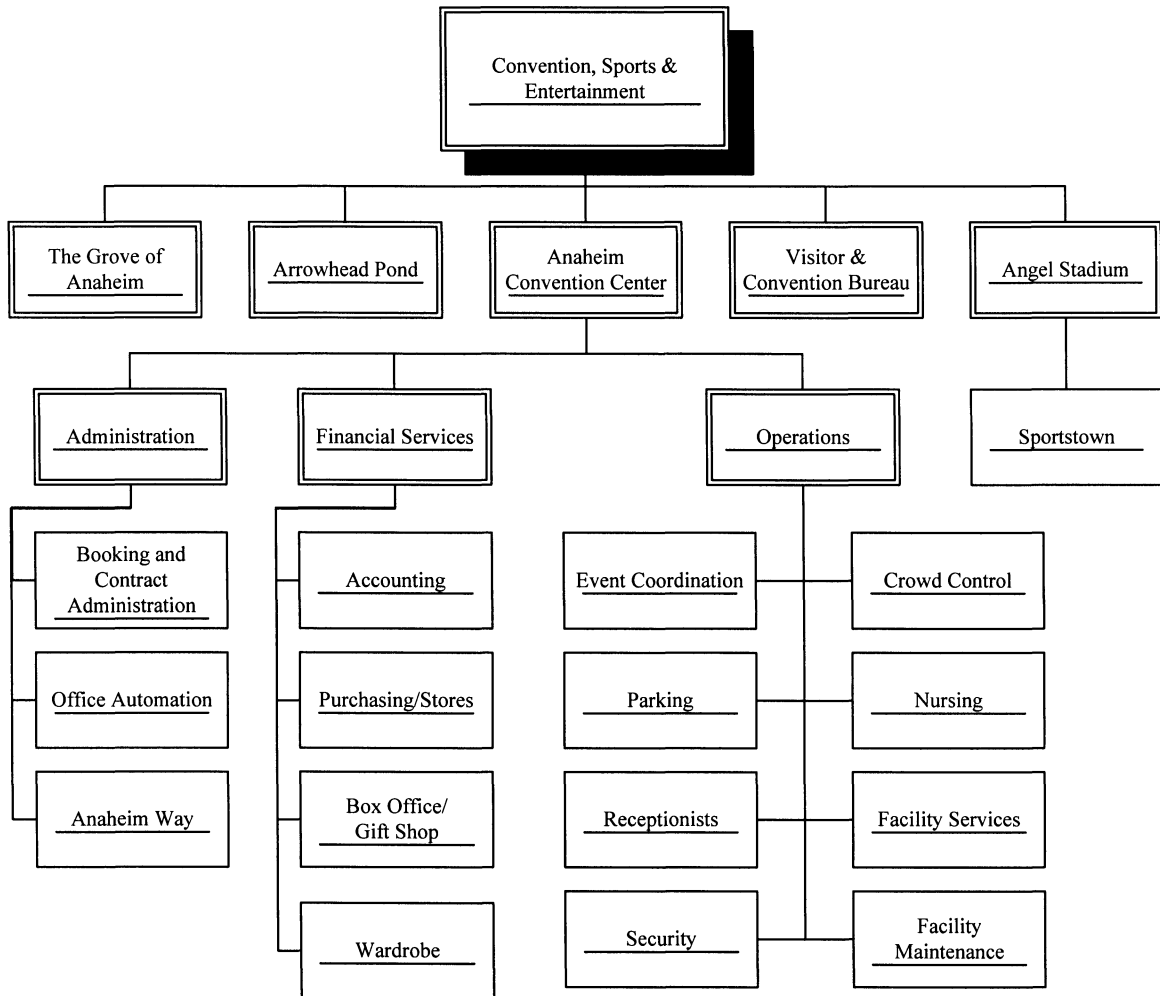
- Plan for future use, development, and improvements to the City of Anaheim's sports, convention, and entertainment facilities.
- Pursue all opportunities to bring new sports franchises and events to Anaheim and new public facilities for sporting, entertainment and convention events.
- Operate and maintain the City of Anaheim's entertainment facilities in an efficient and cost effective manner.
- Maximize the City of Anaheim's assets by maintaining its entertainment facilities in good working condition.

Significant Changes:

- None to report.

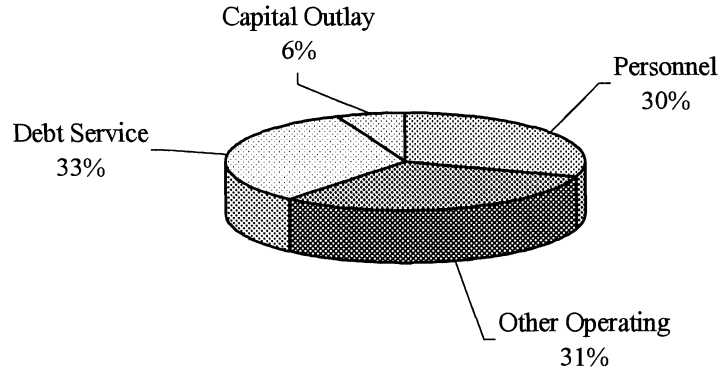
Budget Summary:	FY 2003/04	FY 2004/05	FY 2005/06
	Actual	Adopted	Adopted
Convention Center	\$ 35,458,169	\$ 38,582,093	\$ 39,982,309
Visitor and Convention Bureau	4,436,959	4,649,592	5,026,638
Angel Stadium of Anaheim	3,963,217	4,165,876	5,029,157
Arrowhead Pond of Anaheim	2,620,414	1,919,599	1,904,110
The Grove of Anaheim	29,715	24,000	33,200
Operating Expenditure Total	<u>46,508,474</u>	<u>49,341,160</u>	<u>51,975,414</u>
Capital Improvements	1,785,830	-	4,100,000
Department Expenditure Total	<u><u>\$ 48,294,304</u></u>	<u><u>\$ 49,341,160</u></u>	<u><u>\$ 56,075,414</u></u>

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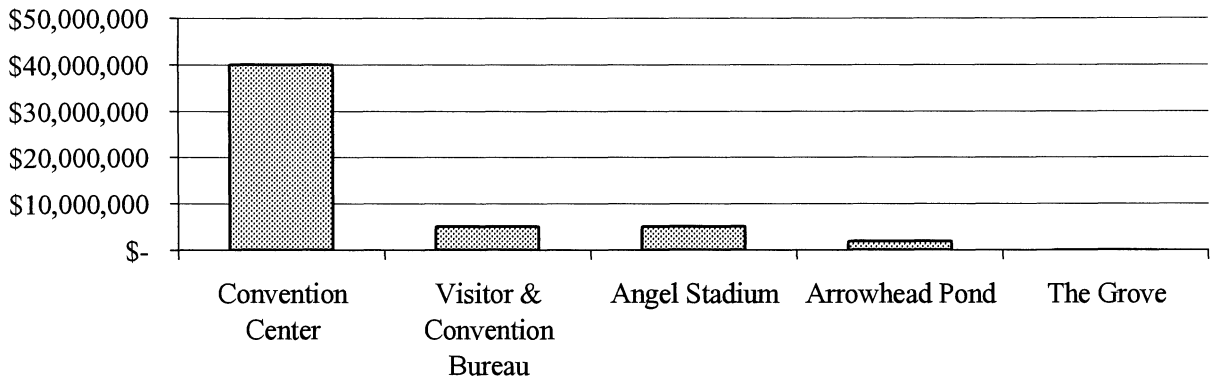


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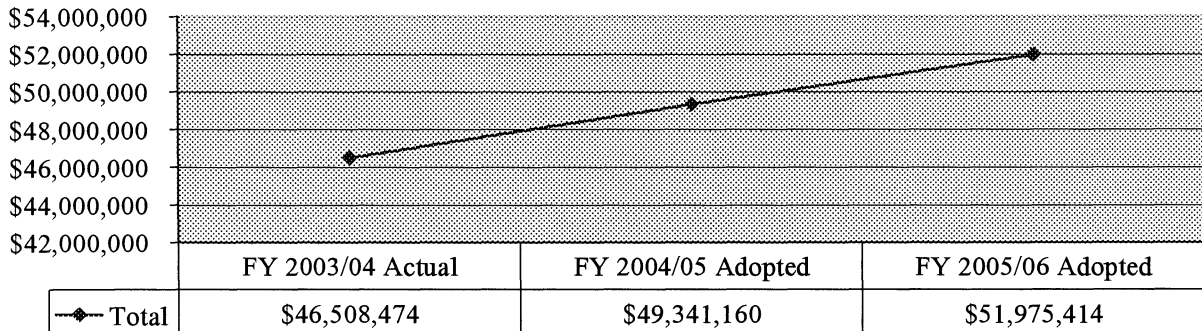
Convention, Sports & Entertainment FY 2005/06 Operating Budget of \$51,975,414



Convention, Sports & Entertainment FY 2005/06 Operating Budget by Division



Convention, Sports & Entertainment FY 2003/04-2005/06 Operating Expenditure History



Convention, Sports & Entertainment

Convention Center

Mission Statement/Description:

To provide a versatile, first class venue, reflecting the Pride of Anaheim that offers people from throughout the world an opportunity to learn, interact and exchange ideas.

Fund Support:

The Convention Center is funded from space rental, parking fees, food and beverage revenues, utility revenues, and miscellaneous sources, and funds its operations without a General Fund subsidy for operating expenses.

FY 2005/06 Objectives:

- Maximize the utilization of the Convention Center through effective booking practices.
- Operate the Convention Center with all expenses (other than debt service and district fees) paid for from operating revenues.
- Maintain the Convention Center in excellent working condition.
- Complete West Street betterment project.
- Facilitate the resort upgrade of Convention Way.
- Enhance the facility recycling program.
- Upgrade the Arena landscaping and exterior lighting.
- Re-carpet and upgrade the Convention Center main lobby.
- Increase Arena bookings.

Performance Measures:	FY 2003/04	FY 2004/05	FY 2005/06
	Actual	Adopted	Adopted
Outcome/Effectiveness:			
Annual percent of occupancy. ¹	84.5%	75.0%	75.0%
Contribution/(Draw) from fund balance.	\$4,788,000	(\$2,127,479)	(\$6,391,558)
Percentage of scheduled preventative maintenance completed annually.	100%	100%	100%
Efficiency:			
Operating revenue per guest. ²	\$25.36	\$18.98	\$22.51
Operating cost per guest. ³	\$20.45	\$19.86	\$23.65
Workload:			
Number of events serviced per year.	262	300	275
Number of guests per year.	991,939	1,100,000	950,000

¹ Based on 310 days per year (annual maximum days adjusted from 365 to 310 for normal facility downtime – regular maintenance and holidays). Occupancy based only on Exhibit Halls A-D.

² Excludes net income from The Grove.

³ Excludes debt, capital outlay, resort maintenance and City indirect overhead.

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Convention Center (continued)

Budget Summary:	FY 2003/04	FY 2004/05	FY 2005/06
	Actual	Adopted	Adopted
Personnel	\$ 13,592,750	\$ 14,550,875	\$ 15,302,933
Other Operating	8,305,981	9,907,495	9,772,409
Debt Service	12,601,723	12,390,213	12,386,667
Capital Outlay	957,715	1,733,510	2,520,300
Total Expenditures	<u>\$ 35,458,169</u>	<u>\$ 38,582,093</u>	<u>\$ 39,982,309</u>

Convention, Sports & Entertainment

Visitor and Convention Bureau

Mission Statement/Description:

To position Anaheim and Orange County as a premier visitor and convention destination.

Fund Support:

The Anaheim/Orange County Visitor and Convention Bureau receives funding from the City of Anaheim, which contributes 12% of 12/15ths of the net Transient Occupancy Taxes collected (after adjustment for Anaheim Resort Bonds) and supplements this with dues from Bureau members.

FY 2005/06 Objectives:

- To aggressively sell, promote and market the Anaheim Resort and Orange County as the premier convention and leisure destination while being the authoritative source of travel industry information for consumers, clients, media and members.
- To provide benefit to the City of Anaheim (Transient Occupancy Tax) as well as our members and marketing partners.

Performance Measures:	FY 2003/04 Actual	FY 2004/05 Adopted	FY 2005/06 Adopted
Outcome/Effectiveness:			
Number of events during the year.	655	550	675
Number of room nights per year.	700,650	650,000	710,000
Economic impact per delegate.	\$1,400	\$1,400	\$1,400
Economic impact per visitor.	\$156	\$156	\$156
Efficiency:⁴			
Booking cost per delegate.	\$3.61	\$4.23	\$4.02
Booking cost per visitor.	\$0.10	\$0.11	\$0.11
Workload:			
Number delegates/attendees per year.	1,214,000	1,100,000	1,250,000
Number visitors per year.	43,690,000	43,785,000	44,000,000

Budget Summary:	FY 2003/04 Actual	FY 2004/05 Adopted	FY 2005/06 Adopted
Other Operating	\$ 4,436,959	\$ 4,649,592	\$ 5,026,638
Total Expenditures	<u>\$ 4,436,959</u>	<u>\$ 4,649,592</u>	<u>\$ 5,026,638</u>

⁴ The efficiency measures shown do not include the VCB's entire budget and therefore should not be used in comparison with other VCBs' measures where the entire budget is included.

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Angel Stadium of Anaheim

Mission Statement/Description:

Administer the lease with the Angels Baseball, LP for operation of Angel Stadium of Anaheim, and oversee the Sportstown development and operation.

Fund Support:

The Stadium is funded from Sportstown land leases and parking license fees, baseball threshold revenues, City parking event rental, and Anaheim Redevelopment Agency tax increment revenues.

FY 2005/06 Objectives:

- Maximize the number of revenue generating events in the Stadium parking lot.
- Serve as property manager for the Sportstown complex in accordance with the Sportstown Declaration of Covenants, Conditions, and Restrictions.
- Adhere to the terms and provisions of the Stadium and Sportstown tenant agreements.

Performance Measures:	FY 2003/04 Actual	FY 2004/05 Adopted	FY 2005/06 Adopted
Outcome/Effectiveness:			
Percentage of Stadium/Sportstown expense recovery.	123.8%	124.0%	122.7%
City parking lot revenues.	\$166,960	\$160,380	\$ 258,500
Percentage of Stadium ongoing administrative overhead costs (excluding insurance, Amtrak & legal fees) recovered through City parking lot revenues.	104%	110%	135%
Efficiency:			
Total City parking lot event days/total event days including move-in and move-out.	20/41	13/28 ⁵	21/54
Sportstown tenant requests addressed within two business days.	Yes	Yes	Yes
Workload:			
Total Stadium events held per year.	98	106	104

⁵ Decrease result of plan to “rebuild” the Used Car Sales event with new promoter. Includes three used car sales plus five RV sales.

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Angel Stadium of Anaheim (continued)

Budget Summary:	FY 2003/04	FY 2004/05	FY 2005/06
	Actual	Adopted	Adopted
Personnel	\$ 179,940	\$ 187,743	\$ 216,051
Other Operating	441,706	604,124	1,280,464
Debt Service	2,783,850	2,812,997	2,827,611
Capital Outlay	557,721	561,012	705,031
Total Expenditures	<u>\$ 3,963,217</u>	<u>\$ 4,165,876</u>	<u>\$ 5,029,157</u>

Convention, Sports & Entertainment

Arrowhead Pond of Anaheim

Mission Statement/Description:

To provide a first class arena for professional sports franchises and entertainment events.

Fund Support:

The Arena is funded through proceeds received from several bond refinancings and 1% Transient Occupancy Tax transfer from the General Fund.

FY 2005/06 Objectives:

- Inspect Arena maintenance on a regular basis to provide any areas of concern to Arena management.
- All debt service and contract administration costs are to be covered by 1% Transient Occupancy Tax transfer from the General Fund.
- Conduct necessary audits of Arena operation to ensure City's rights under the management agreement.

Performance Measures:	FY 2003/04 Actual	FY 2004/05 Adopted	FY 2005/06 Adopted
Outcome/Effectiveness:			
Annual percentage of occupancy.	46%	45%	45%
Total cost to City for debt service and contract administration costs covered by 1% TOT.	Yes	Yes	Yes
Audit conducted on an annual basis.	Yes	Yes	Yes
Efficiency:			
City of Anaheim cost/guest.	\$1.83	\$1.28	\$1.29
City of Anaheim cost/event.	\$15,510	\$12,395	\$12,779
Workload:			
Number of events held per year.	168	155	149
Number of guests per year.	1,422,276	1,600,000	1,471,810

Budget Summary:	FY 2003/04 Actual	FY 2004/05 Adopted	FY 2005/06 Adopted
Personnel	\$ 67,307	\$ 66,829	\$ 76,610
Other Operating	853,342	152,375	124,600
Debt Service	1,699,765	1,700,395	1,702,900
Total Expenditures	<u>\$ 2,620,414</u>	<u>\$ 1,919,599</u>	<u>\$ 1,904,110</u>

Convention, Sports & Entertainment

The Grove of Anaheim

Mission Statement/Description:

To administer the agreement with Nederlander-Grove for the management of The Grove of Anaheim.

Fund Support:

The purchase of The Grove of Anaheim was accomplished with a one-time transfer from the Convention Center Fund. The Grove of Anaheim's operations are funded from space rental, food and beverage revenues, parking revenues and miscellaneous sources. The facility funds its operations without a General Fund subsidy. The City of Anaheim and Nederlander-Grove share 50/50 in the net operating revenues as well as the operating losses; however, the City of Anaheim's potential share of an operating loss is capped at \$200,000 per year. The Grove of Anaheim pays an annual parking license fee to the City in the amount of \$285,306 (adjusted annually for CPI) for Sportstown common area maintenance.

FY 2005/06 Objectives:

- Ensure operation of The Grove of Anaheim sustains positive fiscal results.
- Inspect The Grove of Anaheim maintenance on a regular basis to provide any areas of concern to Grove management.
- Conduct necessary audits of The Grove of Anaheim operations to ensure City's rights under the management agreement.

Performance Measures:

	FY 2003/04 Actual	FY 2004/05 Adopted	FY 2005/06 Adopted
Outcome/Effectiveness:			
Annual percentage of occupancy.	68%	68%	68 %
Audit conducted (mgmt audit conducted every year & food/beverage audit every other year)	Yes	No	Yes
Efficiency:			
Amount of net profit realized annually at The Grove of Anaheim	\$256,091	\$200,000	\$ 39,000
Workload:			
Number of events held per year.	247	250	250

Budget Summary:

	FY 2003/04 Actual	FY 2004/05 Adopted	FY 2005/06 Adopted
Other Operating	\$ 29,715	\$ -	\$ 33,200
Capital Outlay	-	24,000	-
Total Expenditures	\$ 29,715	\$ 24,000	\$ 33,200