

Visit Salt Lake & ASM Global

(Salt Palace & Mountain America Expo Center)

2025 Proposed Budget Presentation
Salt Lake County

Presented November 19, 2024

A large, abstract geometric graphic composed of white lines forming a complex, multi-faceted shape, resembling a stylized mountain or a crystalline structure, positioned on the left side of the slide.

2025 Budget

ASM Global

Salt Palace & Mountain America Expo Center

Salt Palace Convention 2024 Center Awards

The Salt Palace Convention Center recently earned two prestigious awards: the **Northstar Stella Award for "Best Convention Center Southwest" (Gold Winner – Highest Ranking)** and the **Utah Business Green Business Award for Waste & Recycling**. By delivering top-tier experiences and prioritizing eco-friendly initiatives, we continue to attract high-profile events and drive economic impact.



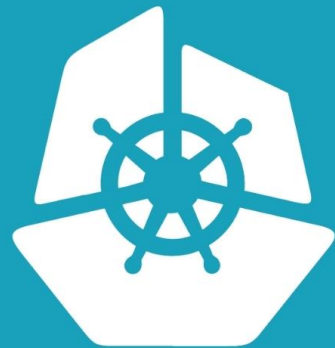
"I could not be prouder of the Salt Palace Convention Center team. Their commitment to hosting top-notch international, national, and local events shines through with this award. The Salt Palace Convention Center is an integral part of economic development, tourism, and culture within the downtown area. With the downtown development on the horizon, we look forward to supercharging our award-winning convention services. Congratulations to everyone who made this possible."

- Salt Lake County Mayor Jenny Wilson



© 2024 NORTHSTAR MEETINGS GROUP USED UNDER LICENSE.

The Impact of a Single Event



KubeCon

Nov 13 – 15

2024



624,760 Rented Building Sq Ft



\$11 Million Economic Impact



40,000 Hotel Room Nights



9,600 Attendees



\$4 Million Licensee F&B Spend

Salt Palace Convention Center Highlights



13% of all contracts YTD at Salt Palace require at least 500,000 square feet of building space, appx 100 days a year



54% of all 2024 events sales leads came through Visit Salt Lake



131 Estimated events in 2024

Mountain America Expo Center Highlights



10% of all contracts YTD at Salt Palace require at least 200,000 square feet of building space



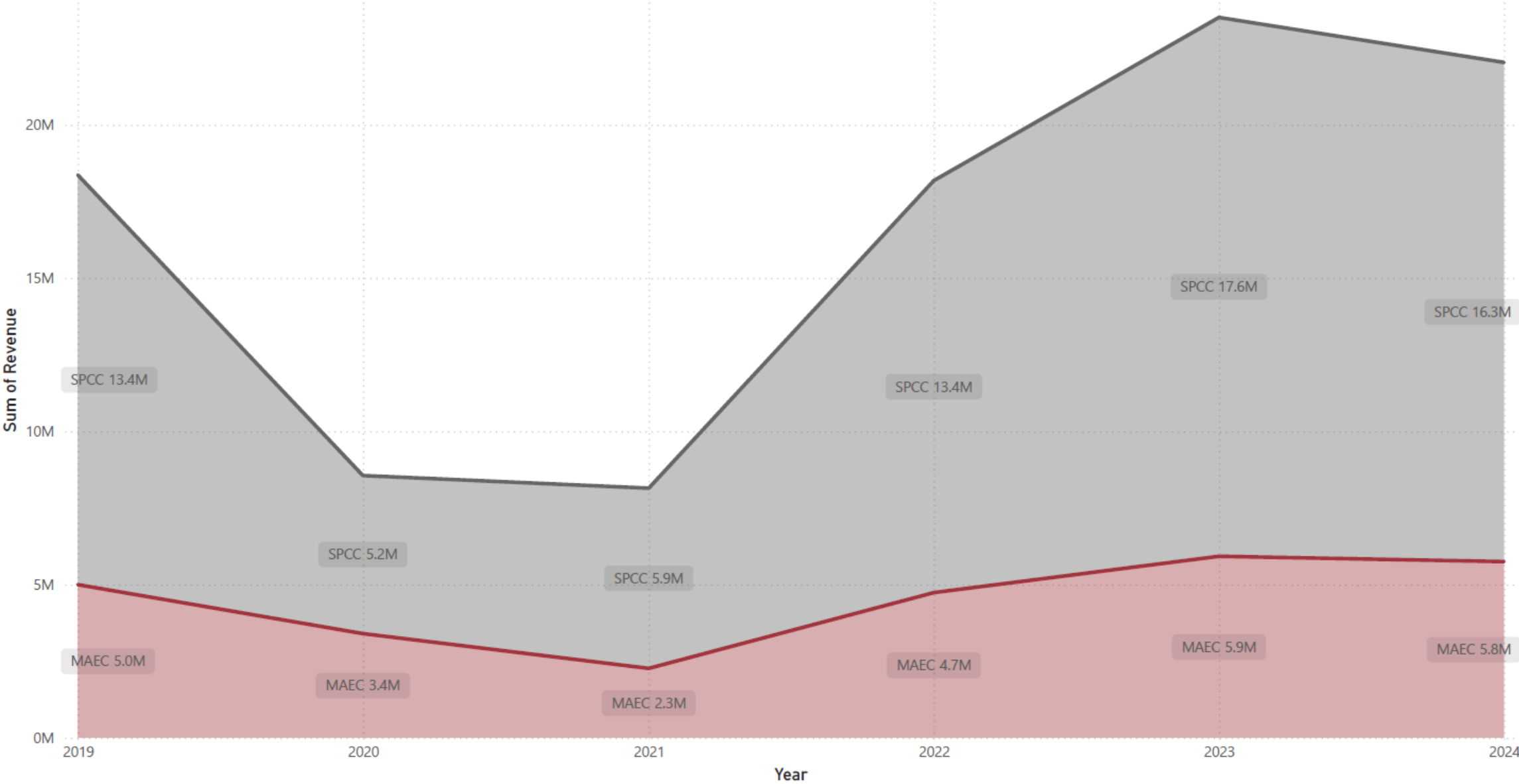
162 Estimated events in 2024



Sports event opportunities continues to grow, expanding Visit Salt Lake's sales presence

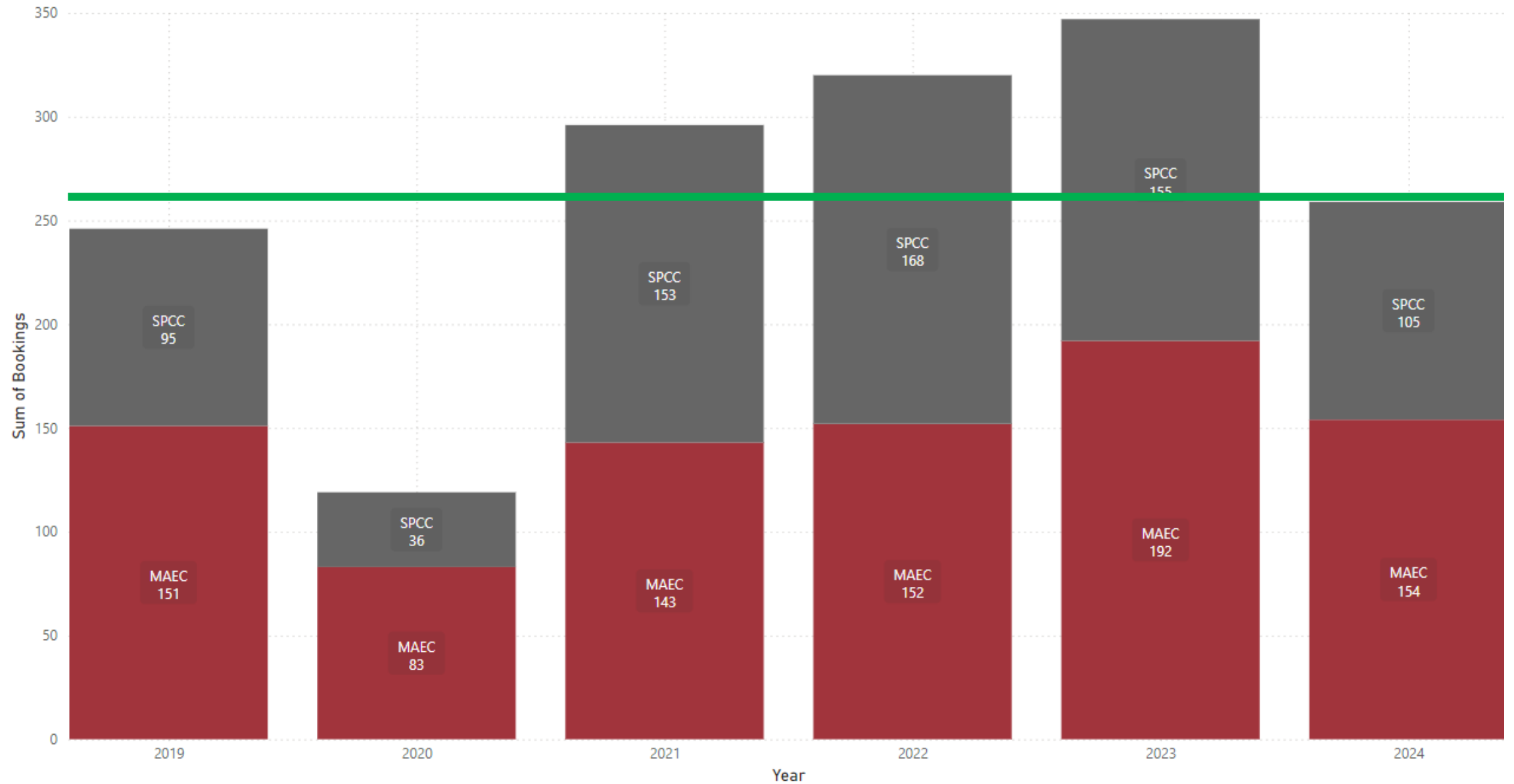
SPCC & MAEC Revenue 2019-2024

Location ● MAEC ● SPCC



SPCC & MAEC Bookings 2019-2024

Location ● MAEC ● SPCC





ASM Global

Salt Palace
& Mountain
America
Expo Center

The Changing Demographics of the Industry

Current Economic State (National AVGs)



2.4%

Inflation growth is decreasing from previous COVID-related levels. The Fed has cut interest rates for the first time in a while starting in 2024.

Recession Avoided?



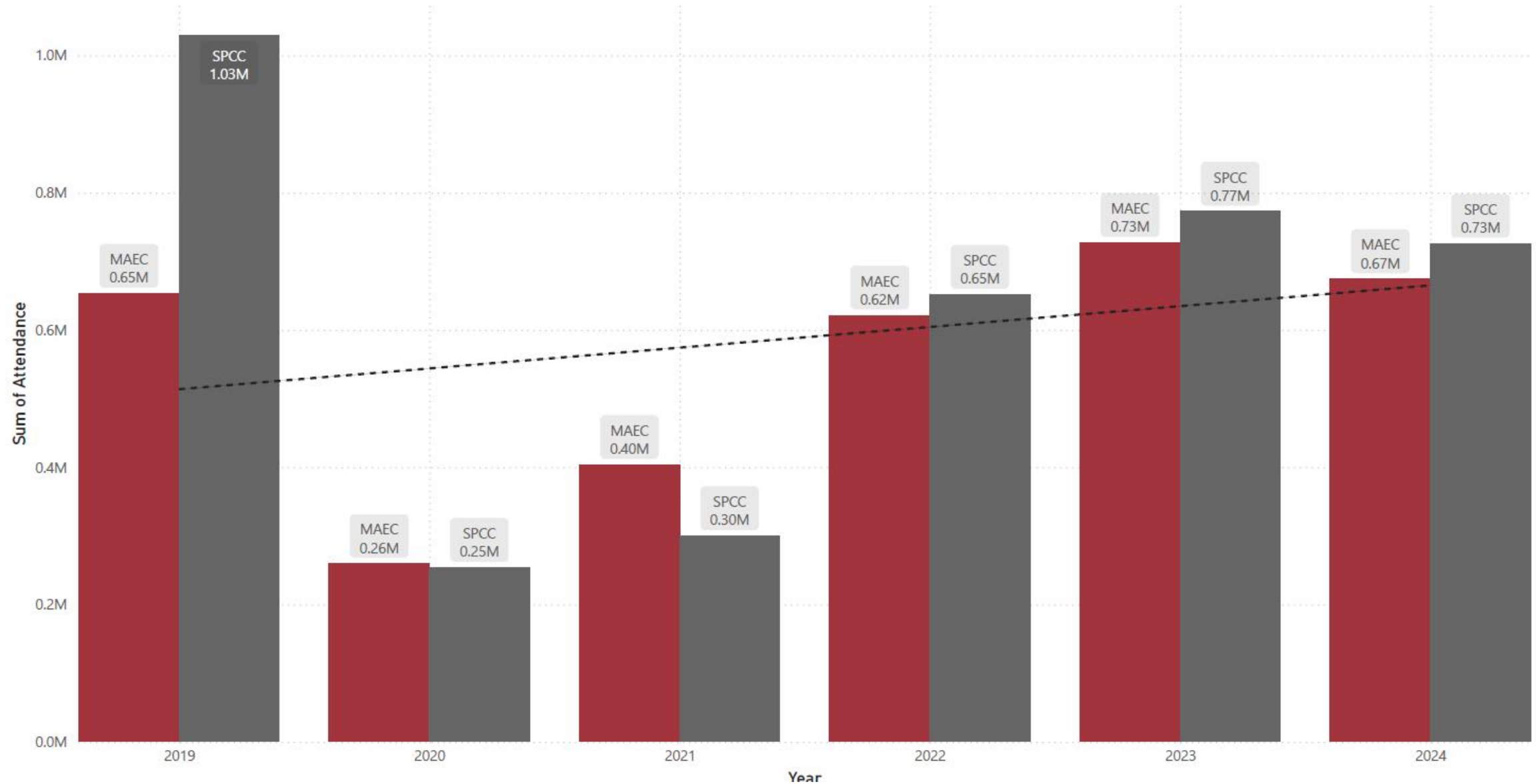
4.1%

Unemployment slightly increased YoY but remains near a historic low as of Oct 2024

Near Historic Lows

SPCC & MAEC Attendance 2019-2024

Location ● MAEC ● SPCC





Attendees

Location	Local	State	Out of State
Salt Palace Convention	11%	22%	67%
Mountain America Expo	52%	40%	8%

Est. 2024 Complete Year Attendance Breakdown

Location	Local	State	Out of State
Salt Palace Convention	79,869	159,738	486,476
Mountain America Expo	350,582	269,678	53,936

Gen Z has overtaken Boomers in the workforce

U.S. full-time workforce, by generation

Source: Glassdoor analysis of Census Bureau data



Do you know your Next Gen audience?

51 ▼ 45

Average age of attendees has dropped from pre-pandemic to all-time lows in the last 18 months

- Demographics
- Priorities

20-44 years old

Authenticity, personal connections

Social Impact

Professional growth

More female

More educated



ASM Global

Salt Palace
& Mountain
America
Expo Center

Conclusion

- ✓ Tourism and local attendees remain strong to events across both venues
- ✓ Sales outlook is positive with strong booking calendar going to 2027
- ✓ Understanding how attendee demographics are changes allows us to provide better recommendations to a shows guest experience.
- ✓ ASM will continue to hold both venues to high standards in anticipation of more world-class event venue awards.



ASM Global

Salt Palace
& Mountain
America
Expo Center

2025 Venue Quick Details

Capital Recommendations and Operating Budget(s)

New Capital Projects 2025 (Recommended)

Fund: 180 - Rampton Salt Palace Conv Ctr

Department ID: 3550990000 - Salt Palace Capital Projects

	New
Project: P025024 - SPCC New Firewalls	300,000
Project: P191131 - Escalator Upgrade	3,300,000
Project: P586225 - Facility Capital Maintenance	1,000,000
Project: P790271 - South Tower Elevator Rebuild	800,000
Project: P961441 - Key Card Access System	400,000

Fund: 182 - Mountain America Expo Center

Department ID: 3552990000 - South Towne Capital Projects

	New
Project: P106218 - STEC FF&E Replacement	135,000
Project: P508948 - STEC HVAC / Mechanical	245,000
Project: P536956 - STEC Elevator Modernization - Freight	51,000
Project: P659547 - STEC Surveillance Cameras	250,000

ASM Global

Salt Palace
& Mountain
America
Expo Center

Calvin L. Rampton Salt Palace Convention Center

Core Mission:

The Salt Palace Convention Center serves as an economic magnet for visitor and convention spending in Utah.

2025 Budget Overview

SPCC	2025 Proposed County Funding
	\$3.93 M

Budget Summary:

- ❖ *Increasing Expenses: \$1.25M*
- ❖ *Increasing Revenues: (\$1.49M)*
- ❖ *Expense Change Request: (\$233K)*

Convention
Center
Industry
Outlook

Mountain America Exposition Center

Core Mission:

The Mountain America Expo Center provides cultural and economic benefits to the community through the hosting of local and national events and meetings.

2025 Budget Overview

MAEC	2025 Proposed County Funding
	\$811 K

Budget Summary:

- ❖ *Increasing Expenses: \$532K*
- ❖ *Increasing Revenues: (\$592K)*
- ❖ *Expense Change Request: (\$60K)*

Convention
Center
Industry
Outlook



Visit
Salt Lake

Visit Salt Lake 2025 Budget Presentation



Visit
Salt Lake –

The Value of
Tourism

ECONOMIC IMPACT

TOURISM IS THE FRONTDOOR TO ECONOMIC DEVELOPMENT.

\$5.84B

Total SL County Visitor spend based on preliminary estimates.

45.9%

Of the state’s tourism is Salt Lake County’s share.

61,000

Jobs Supported by Tourism.

Beginning in 2023, air travel and public transportation jobs have been included in this figure per Kem C. Gardner Policy Institute

\$1,713

*Per Household Tax Relief

We are seeing healthy increases in restaurant spending, car rentals, gasoline/gas stations, and accommodations in Salt Lake County in 2023. Air transportation spending (up 7.5% YOY), foodservices (7.5% YOY), car rental (7.2% YOY), and accommodations (6.9%). **these % have not been adjusted for inflation, which was 4.2% YOY.

**Taxpayers pay \$1,713 less in taxes due to tourism tax revenue. This figure is calculated by dividing the total 2023 tax revenue of \$727.9M by the projected 2023 households of 424,915 for Salt Lake County. Source: Kem C. Gardner Policy Institute.*



Visit
Salt Lake &
Salt Palace

2024 – 80% of Salt Palace revenue
is from Visit Salt Lake Bookings

➤ This accounts for a projected **\$13
million** of Salt Palace Revenue



Visit
Salt Lake

Visit Salt Lake

Funding:

- Salt Lake County has a 4.25% hotel/accommodation stay tax called the Transient Room Tax (TRT).
- The State of Utah requires the TRT be used “to support the Visitor Economy through two categories: promotion & projects.”
- Salt Lake County has designated that 2.25% of the TRT go to projects and promotions and 2% of TRT go to strictly promotion.
- Visit Salt Lake holds a contract with Salt Lake County to promote the Salt Lake County area as a convention and travel destination.
- Visit Salt Lake’s budget/funding is based on the 2% TRT on hotel/accommodation stay revenues.
- **New for 2024: Convention & Tourism Assessment Area (CTAA)**
- CTAA is 2% Assessment on Hotel Revenue within the Assessment Area

Visit Salt Lake Sales

Where we have been & where are we going!

2023	2024	2025
❖ 943,467 rooms booked in 2023	❖ 1,088,430 rooms booked in 2024 (Projected)	❖ 1,160,000 rooms booked in 2025 (Goal)
❖ \$442,365,123 Direct Delegate Spend *	\$528,000,000 Direct Delegate Spend (Projected)	\$580,000,000 Direct Delegate Spend (Goal)

* Direct Delegate Spend Based on Visit Salt Lake's bookings of Conference Attendees and their Average Spend per Kem C. Gardner Institute

Visit
Salt Lake

Marketing/Communications

Highlights:

- “Whole New Direction” ad campaign:
 - Reached 9.2 million households with a projected 145K ad-influenced trips to Salt Lake
- 2.9 Million Website Visits Currently for 2024
- YTD 264 News Stories written about Salt Lake
 - 98 National Stories – 166 Local Stories
 - Earned Media Value of \$16.8 Million
- Salt Lake just selected by Good Housekeeping as the “2025 Family Travel Award Winner”



Visit
Salt Lake

THEN

2023

Countywide Hotel Occupancy Rate

72.0%

Countywide RevPAR

\$104.27

Countywide Average Daily Rate

\$145.04

NOW

2024

Countywide Hotel Occupancy Rate

72.6%

Countywide RevPAR

\$106.27

Countywide Average Daily Rate

\$146.44



Visit
Salt Lake

Visit Salt Lake 2025 Transient Room Tax (TRT) Budget



Visit
Salt Lake

Visitor Promotion Contract - VSL

Core Mission:

- ❖ *Visit Salt Lake expands economic vitality through visitor spending in Salt Lake County.*
- ❖ *Visit Salt Lake generates positive messaging about Salt Lake County as a premier travel, tourism and meeting destination.*
- ❖ *Visit Salt Lake impacts Salt Lake County’s economy by bringing new money into Salt Lake County that improves businesses and both supports and creates jobs in the hospitality industry.*

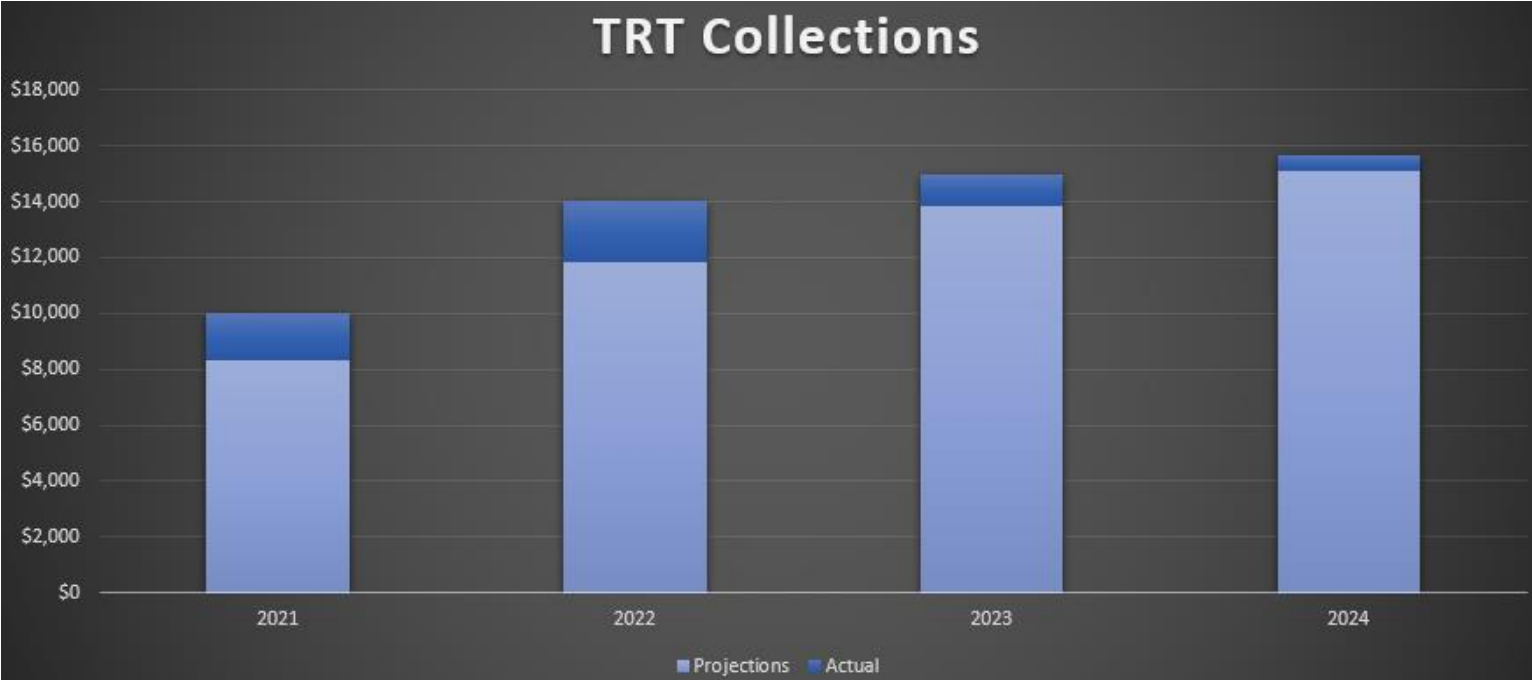
2025 Budget Overview

VSL	2025 Proposed County Funding	2025 FTE Total
	\$16,318,100	0



Visit Salt Lake

- **4%** Increase in Hotel Revenue for 2024 vs 2023
 - Projecting **\$15.6 Million** in TRT for 2024
 - Originally projected **-2%** for 2024 (\$14.7 Million)
- STR Projections **6.7%** Increase in Revenue for 2025 vs 2024
 - After consulting Hoteliers, Salt Lake County Finance and Industry Reports VSL reduced projection to **4%** increase for 2025.
 - Projecting approximately **\$16.3 Million** in TRT for 2025



Visit Salt Lake

TRT Fund Projections - Visit Salt Lake

000's	2023 <i>Actual</i>	2024 <i>Pro-forma</i>	2025 <i>Pro-forma</i>
1. Opening Balance	\$2,627	\$2,741	\$1,176
2. Transient Room Tax	\$14,991	\$15,655	\$16,281
% TRT growth/decline	7.0%	4.4%	4.0%
Total available	\$17,617	\$18,396	\$17,457
Salaries & Benefits	(7,317)	(8,236)	(9,026)
% change vs prior year	23.9%	12.6%	9.6%
Program Budgets	(7,429)	(6,786)	(7,292)
% change vs prior year	10.3%	-8.6%	7.5%
Operating Expenses	(14,745)	(15,022)	(16,318)
% change vs prior year	17%	2%	9%
Prelim. Balance @ Year End	\$2,872	\$3,374	\$1,139
County Overhead	(\$233)	(\$233)	(\$233)
5% County Reserve Adjustment	(\$14)	(\$65)	(\$65)
Interest Credit for County Fund	\$116	\$100	\$100
Impact/Special Fund	\$0	(\$2,000)	\$0
Available Balance @ Y.E.	\$2,741	\$1,176	\$941
SLCo VPF (3600) Fund Balance @ Y.E.	\$3,492	\$1,992	\$1,822

Visit
Salt Lake

Visit Salt Lake

PROGRAM BUDGETS

	2023 ACTUAL	2024 BUDGET ESTIMATE	PROPOSED 2025 BUDGET
Sales & Marketing Programs	\$7,607,895	\$6,786,300	\$7,292,000
Salaries & Benefits supported by TRT	\$7,137,305	\$8,236,100	\$9,026,100
Ski City Ticketing & Marketing supported by TRCC	\$450,000	\$450,000	\$450,000
TOTAL PUBLIC SECTOR BUDGET	\$15,195,200	\$15,472,400	\$16,768,100
<i>Percentage change over prior years</i>	16%	2%	8%
Additional Sales & Marketing Programs			
UOT: CO-OP	\$250,000	\$227,500	\$212,500
Use/(Deposit) of County Reserves	(\$14,000)	(\$65,000)	(\$65,000)
Salt Lake County Overhead	(\$233,000)	(\$214,000)	(\$214,000)
CTAA Program	\$0	\$7,800,000	\$8,300,000
VSL Private Sector Funds and Programs	\$473,129	\$300,000	\$0
TOTAL SALES & MARKETING BUDGET	\$15,671,329	\$23,520,900	\$25,001,600
<i>Percentage change over prior years</i>	12%	50%	6%

Visit
Salt Lake

Visit Salt Lake 2025 Convention & Tourism Assessment Area (CTAA) Budget



Visit
Salt Lake

2025 CTAA Proposed Budget for Visit Salt Lake: \$8,300,000

Community & Sales Development: Regional Incentives (\$2,490,000)

30% of the budget is dedicated to the individual districts for regional incentives and sales programming to stimulate the demand for leisure, sports, and business traveler segments.

CTAA Districtwide Development & Programming (\$4,150,000)

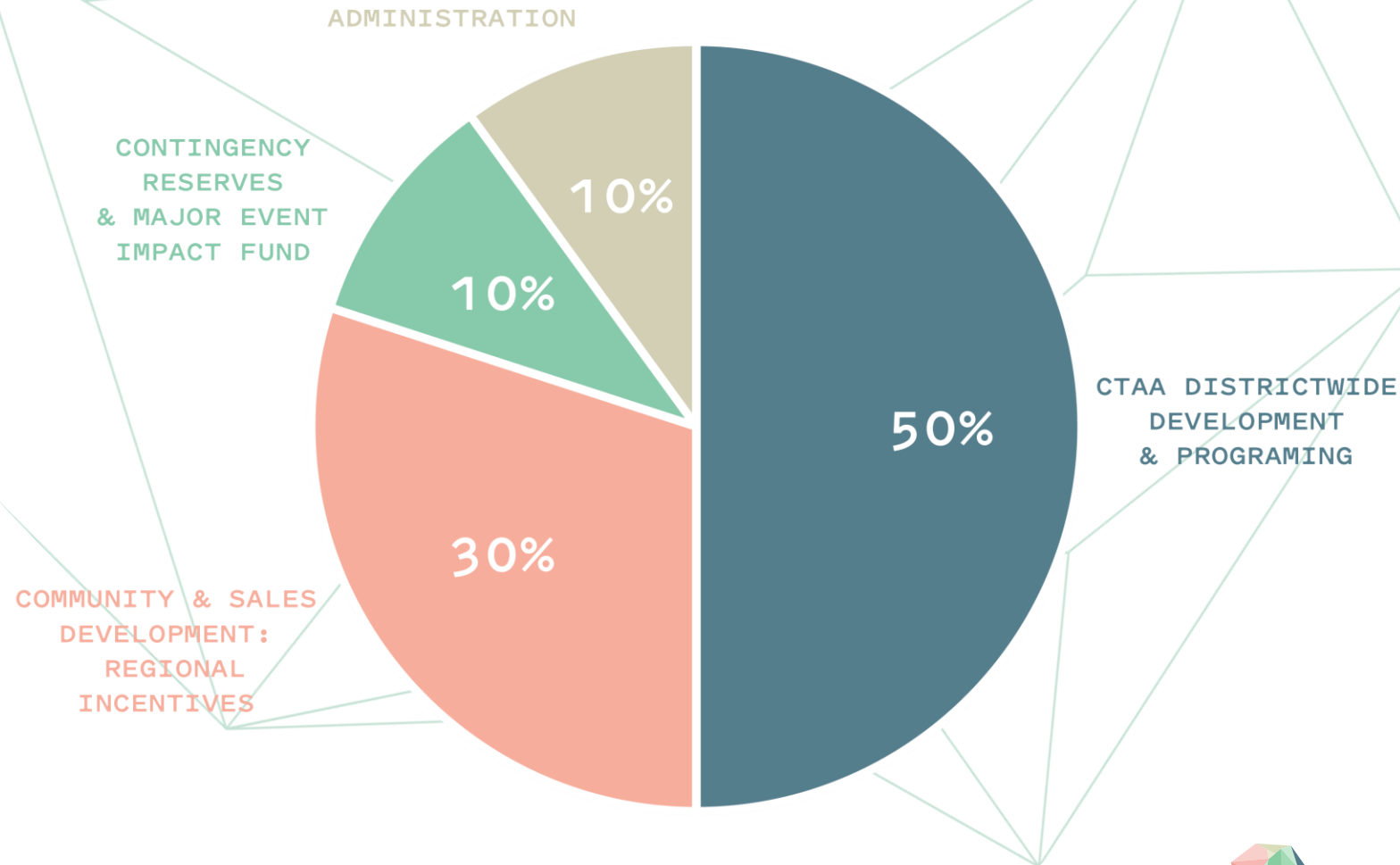
50% of the budget is allocated for CTAA districtwide development and programming that will promote the SLCo CTAA lodging properties as tourist, meeting, and event destinations.

Contingency, Reserves & Major Event Impact Fund (\$830,000)

10% of the budget has been reserved for a contingency and major event impact fund. Major events have the capacity to attract large scale visitation, are of national or international significance, and deliver national and/or international profile to Salt Lake County.

Administration & Operations (\$830,000)

10% will be utilized for administrative staffing costs, office costs, and other general administrative costs such as insurance, legal, and accounting fees. Salt Lake County will receive 2% of the total assessment amount collected to cover their costs of collection and administration.



The CTAA Executive Committee has the ability to adjust budget allocations between the programming categories by no more than fifteen percent (15%) of the total budget per year.



2024 Budget Presentation &
Approval

Visit Salt Lake Budget Proposal - CTAA

CTAA Fund Projections - Visit Salt Lake

000's	2024 <i>Pro-forma</i>	2025 <i>Pro-forma</i>
1. Opening Balance	\$1,477	\$963
2. CTAA Revenue	\$7,888	\$8,204
% CTAA growth/decline	NA	4.0%
Total available	\$9,365	\$9,167
Development & Programing	(3,900)	(4,150)
% change vs prior year	NA	6.4%
Administration	(780)	(830)
% change vs prior year	NA	6.4%
Admin. After County Collections	(624)	(666)
Major Impact Fund	(780)	(830)
% change vs prior year	NA	6.4%
Sales Development	(2,340)	(2,490)
% change vs prior year	NA	6.4%
Convention District	(1,849)	(1,967)
West District	(234)	(249)
South District	(257)	(274)
Operating Expenses	(7,800)	(8,300)
% change vs prior year	Na	6%
Prelim. Balance @ Year End	\$1,565	\$867
County Overhead 2%	(\$187)	(\$164)
5% County Reserve Adjustment	(\$415)	(\$17)
Interest Credit for County Fund	\$0	\$0
County Overhead Adjustment	\$0	\$0
Available Balance @ Y.E.	\$963	\$686
SLCo Fund Balance @ Y.E.	\$1,378	\$1,118



SALT LAKE

visitsaltlake.com



CTAA Effect – Year One

CTAA (Year One):

- **Sales room night growth:** Room nights sold increased by 19% year over year vs an historical average of 6%
- **Events & Festivals:**
 - Winter Round-up
 - Winter Wonderland
 - New York City Activation
- **Growth of Global Travel Trade Development:**
 - Hosted 18 Travel Media Groups for Familiarization Tours
 - Over 5,000 international tours included Salt Lake on itineraries (9% Increase)

Tourism, Recreation, Culture, & Convention (TRCC) - Visitor Promotion Fund Contributions

**Tourism,
Recreation,
Culture, &
Convention
(TRCC)**

- Sundance - \$150,000
- Sports Commission - \$100,000
- Utah Restaurant Associations (UT & SL Area) - \$25,000
- Salt Lake Restaurant Associations (SL Area) - \$25,000



THANK YOU!