

2019 ANNUAL REPORT

Pueblo Convention Center



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PUEBLO CONVENTION CENTER STATEMENT OF PURPOSE

Under the direction of Pueblo Urban Renewal Authority (PURA), Spectra strives to generate meaningful economic impact for the City of Pueblo by creating exceptional event experiences for out-of-town visitors and local organizations alike. Spectra accomplishes this goal by pursuing events with guests that will stay in hotels, eat in local restaurants and spend time enjoying downtown Pueblo.

The Pueblo Convention Center understands that the best way to accomplish this goal is to actively engage with our local community and establish ourselves among state and regional groups. We take pride in our team’s participation on local nonprofit boards, local Chambers of Commerce and Visit Pueblo. In addition to participation in state and regional groups, our activity in the local community is key to our overall success.

Spectra Venue Management is grateful for the opportunity to continue our important work at the Pueblo Convention Center, and we look forward to continue doing our part to support the City of Pueblo and its residents.



A MESSAGE FROM THE GENERAL MANAGER

It is my pleasure to present the 2019 results of the Pueblo Convention Center. 2019 was a memorable year — a year that brought a great vision to reality. This year, we as community introduced the 17,500 sq. ft. exhibit hall, made several upgrades to the 20-year-old building, and added a 449-space parking garage. These upgrades significantly enhanced the ambiance and customer experience of the building.

Many years of planning by Pueblo Urban Renewal Board Members, city officials and local business leaders finally came to fruition, and kicked off in May with a Grand Opening event. With a theme of “All the Possibilities,” the kick off event showcased different types of events that will take place in the Exhibit Hall. Additionally, the event highlighted our new neighbors, the Professional Bull Riders Sports Performance Center and the Greater Pueblo Chamber of Commerce Welcome Center.

In our first year managing operations with the expansion and parking garage, we produced promising financial results. We hosted 279 events and generated gross revenues of \$1,691,555 which was \$421,000 better than the previous year and included the building’s construction closure for the month of January. Our total operating net income was (\$606,306) versus a budget of (\$712,298), beating budget by \$105,992. The Convention Center lost approximately \$60,000 less than 2018 while taking on additional indirect expenses from the expansion. We hosted 17 room night generating events, beating our goal of 14. We also received 50% of client surveys for events with gross revenue greater than \$1,500, fulfilling our contract obligation.

2019 was also a year of great opportunity for employees within our organization. A new Sales and Marketing Director joined our team, we promoted our Director of Events to Assistant General Manager, promoted our Events Manager to Director of Events and promoted a part-time operations employee to a full-time Events Manager. We strive to build our team and promote from within. These were all well-deserved promotions and additions to a team that is dedicated and passionate about the Convention Center business.

On top of an accomplished year, Spectra and Pueblo Urban Renewal Authority extended our partnership for another 9 years. We are honored to continue building upon our solid partnership of trust and a mutual respect between our organizations.

In closing, I would like to share a quote that best captures our year in review: “Growth is never by mere chance; it is the result of forces working together.” The catalyzing ingredient for our success was the resolve to grow. We look forward to another year of continued growth, finding opportunities and tendering possibilities.

Sincerely,



Kevin Ortiz
General Manager

A MESSAGE FROM THE CONTRACT ADMINISTRATOR



Pueblo Urban Renewal Authority
115 East Riverwalk, Suite 410
Pueblo, Colorado 81003

May 14, 2020

Pueblo Convention Center
320 Central Main
Pueblo, Colorado 81003

On behalf of the Pueblo Urban Renewal Board of Commissioners, I would like to congratulate Kevin Ortiz and his remarkable staff for charging through another year full of successes and of course, hardships. It has been a pleasure working with Kevin in continuing the advancement of developing a first-rate venue.

Spectra has done an exceptional job in creating an unforgettable experience for over 50,000 guests in 2019. This is most evident through the loyalty of our return customers. New customers have also experienced the great service and most assuredly will become returning customers as well.

With an overall customer survey satisfaction rate of 4.75 out of 5, Pueblo Convention Center staff continues to impress new visitors along with the loyal patrons who have always chosen our facility first. Good management requires maintenance and upkeep. In 2019, the Pueblo Convention Center invested over \$100,000 in capital improvements that include Audio Visual enhancements and improvements in kitchen productivity.

The primary goal of PURA through the convention center is to bring new and returning visitors to Pueblo. Generating 1,756 room nights at the Pueblo Marriott is one example of how Spectra cooperates with local business. The expanded convention center continues to serve as the focal point of the convention campus that PURA and the City of Pueblo are pursuing.

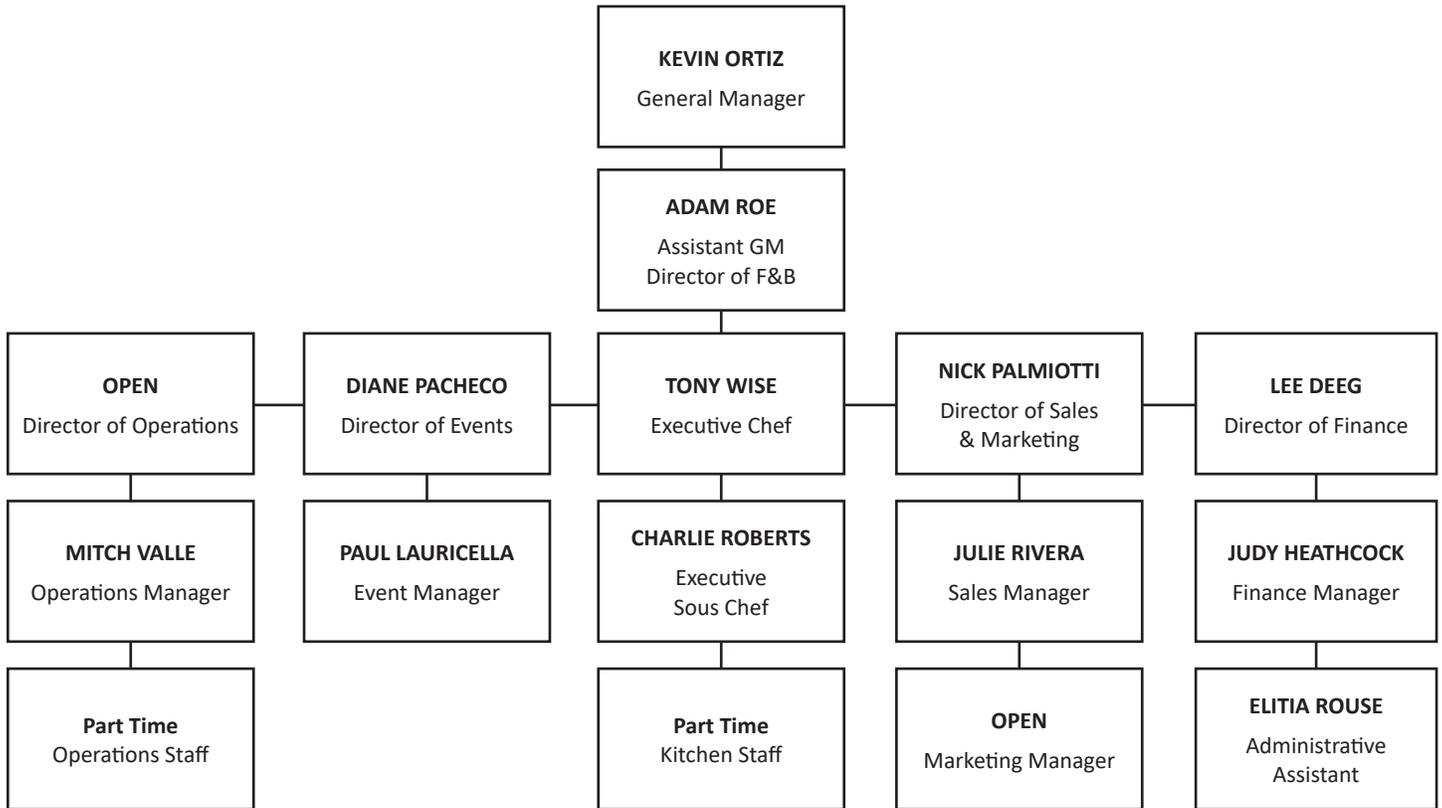
I have absolute confidence that the Spectra team will remain the leader in exceptional service for the anticipated tourism generated by the expansion and PBR's Sport Performance Center. Congratulations to the loyal and hardworking team of Spectra on a job well done in 2019 and looking forward to the exciting years ahead.

Sincerely,

A handwritten signature in blue ink that reads "Donald J. Banner". The signature is fluid and cursive, written in a professional style.

Donald J. Banner
2019 Chairman
Pueblo Urban Renewal Authority

ORGANIZATION STRUCTURE



VENUE AT A GLANCE

The Pueblo Convention Center features 47,000 square feet of event space consisting of upgraded ballrooms, inviting meeting rooms, versatile pre-function space, upgraded facilities throughout, and a 17,500 sq. ft. Exhibit Hall introduced to the public in May 2019.

BUILDING SPECIFICATIONS

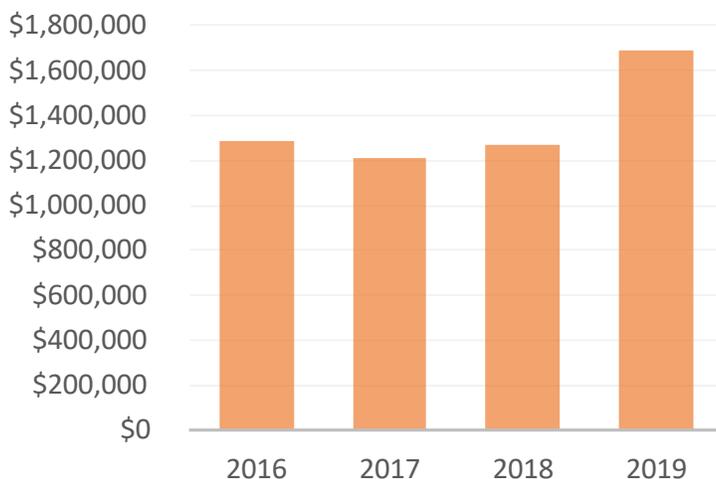
- Ballroom - 16,200 square feet
- Exhibit Hall - 17,500 square feet
- Meeting/Breakout Space - 3,000 square feet
- Reception Space - 5,000 square feet
- Pre-function Space - 5,000 square feet





	ACTUAL	BUDGET	Fav/(Unfav) VARIANCE
No. of Events	279	317	(38)
Attendance	\$52,079	\$50,154	\$1,925
Direct Event Income	\$148,629	\$238,753	(\$90,124)
Ancillary Income	\$942,202	\$868,494	\$73,708
Total Event Income	\$1,090,831	\$1,107,247	(\$16,416)
Miscellaneous Income	\$13,164	\$30,940	(\$17,776)
Surcharge Revenue	\$0	\$0	-
Total Other Income	\$13,164	\$30,940	(\$17,776)
Total Net Operating Income	\$1,103,995	\$1,138,187	(\$34,192)
Indirect Expenses	\$1,710,368	\$1,850,485	\$140,184
OPERATING NET INCOME (LOSS)	(\$606,306)	(\$712,298)	\$105,992

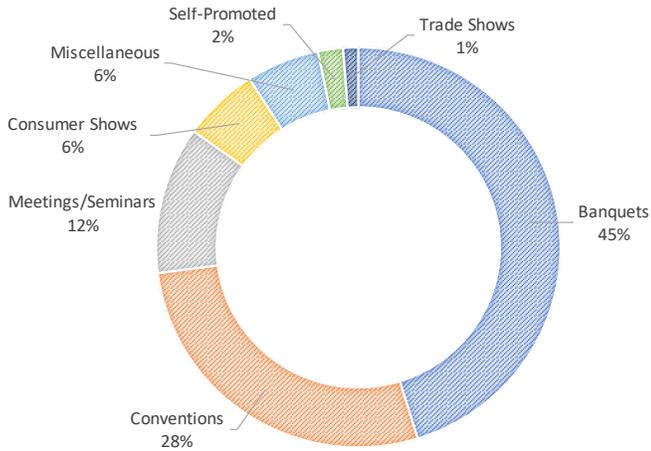
Gross Revenue by Year



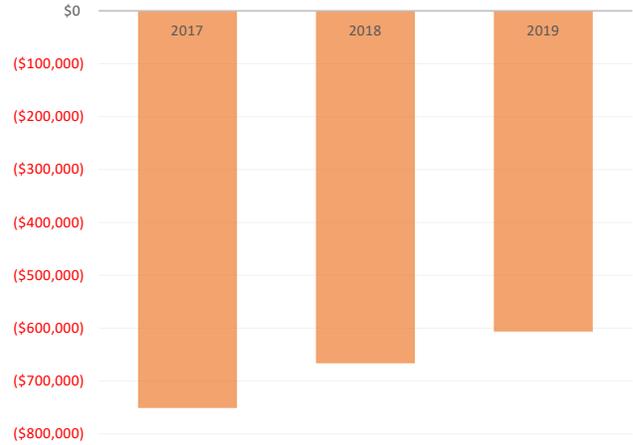
Gross revenues increased over the previous three years by \$421,000, \$477,000, and \$403,000, respectively. This is significant improvement as it should be noted the facility was closed for the month of January.

FINANCIAL RESULTS

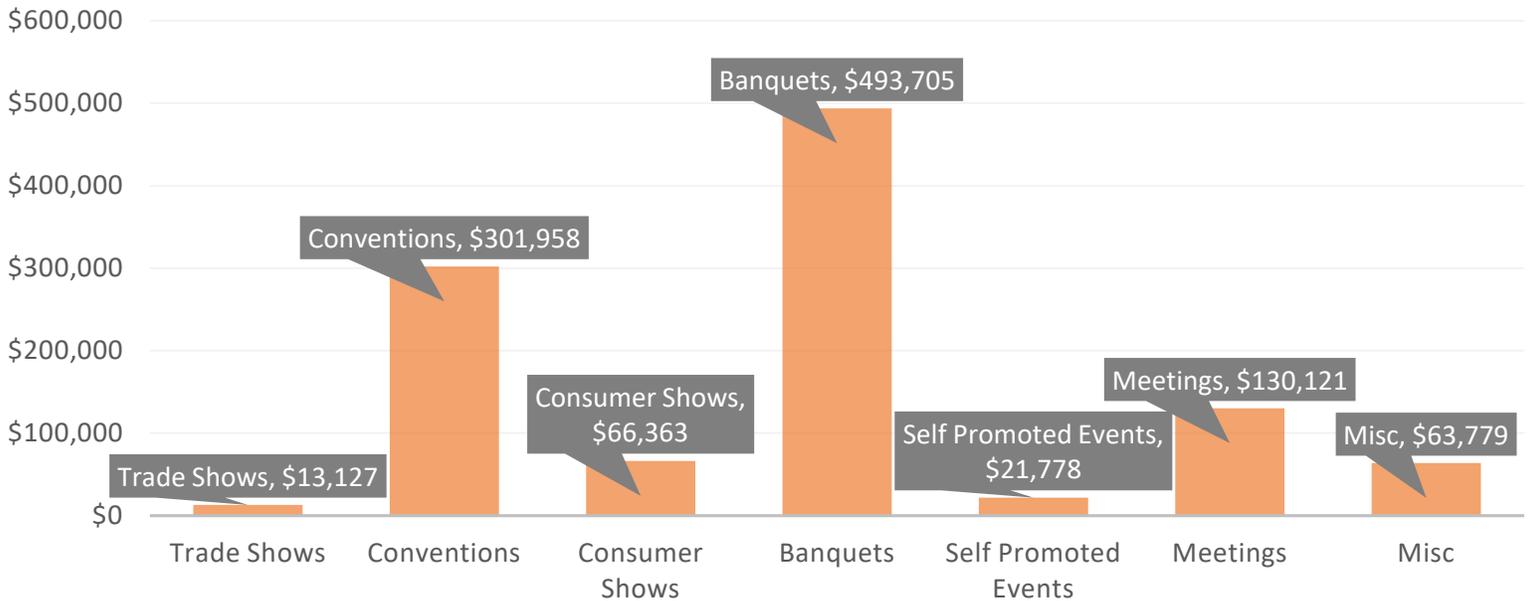
Event Income Percentage by Event Type



Net Income (Loss) by Year



Total Event Income by Event Type



EVENTS BREAKDOWN



279 TOTAL EVENTS

**16 MORE
THAN PRIOR YEAR**



**52,079
TOTAL ATTENDANCE**



**20,837 MORE
THAN PRIOR YEAR**



2019 expansion provided opportunity to hold more events and increase attendance. It's also worth noting attendance growth was achieved in spite of being closed for the month of January.

1

Trade Show

Notable Events:
Ben E. Keith Food Expo

**New Expo Hall opened in
May 2019*

16

Conventions

Notable Events:
Rocky Mountain SER
CSAE
Recycle Colorado
Santa Fe Railway Modeling
CO Government Finance

13

Consumer Shows

Notable Events:
Houston Exotic Reptiles
Just Between Friends
Patio and Home Show
YWCA
United Way

101

Banquets

Notable Events:
Best of Pueblo
Italian Invitational
A Caring Pregnancy Center
Sarah's Home
Ducks Unlimited
Rocky Mountain Elks

5

Self-Promoted Events

Notable Events:
Easter Brunch
Mother's Day Brunch
Bridal Expo
Brewfest

118

Meetings

Notable Events:
Parkview Medical Center
The Colorado Trust
Martin Marietta
Detech
Realtor Land Institute





FACILITY HIGHLIGHTS



Exhibit Hall Grand Opening

2019 marked the opening of the Pueblo Convention Center’s new exhibit hall. Funded in part by the Colorado Regional Tourism Act, the exhibit hall features more than 17,500 square feet of exhibit space and has already hosted a variety of unique events, including trade shows, sporting events, conventions, and banquets.

The exhibit hall was officially opened in May of 2019, and PURA and Spectra hosted a Grand Opening event with regional and local community leaders. The event highlighted the capabilities of the exhibit hall and introduced our new neighbors, the PBR Sports Performance Center and the Visit Pueblo Welcome Center.



Expansion Grand Opening Ceremony

FACILITY HIGHLIGHTS



New Commercial Dishwasher

One of 2019's major capital improvements was the installation of a new, top-of-the-line dishwasher. The new dishwasher will improve sanitary conditions and efficiency for our staff.

2019 Facility Upgrades

In conjunction with the expansion project, PURA completed various building upgrades in January 2019. The upgrades included new carpet, tile, and paint.

The enhancements to the facility have given the building new life, and have been extremely well received, especially from impressed out-of-town event planners.



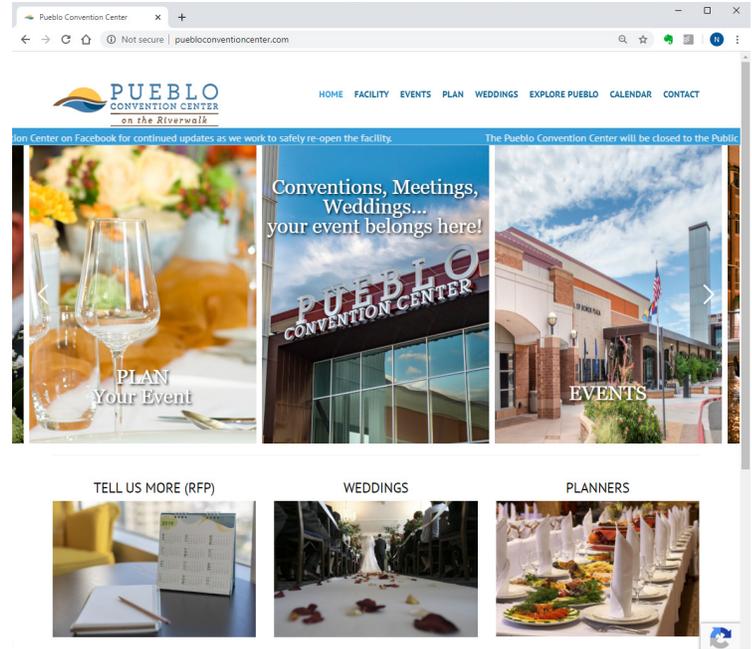
FACILITY HIGHLIGHTS

New Website

Our website is often the first impression we make on potential and existing clients. We made the determination in 2019 that a website refresh was overdue and launched a new site early in the year. Based in Pueblo, The Media Center took lead on the design and development of the new website.

The new site makes it easier for clients to find required information and reach out to us for pricing information.

Additionally, the site presents a more modern image, which helps position the Convention Center as a market leader.



Parking Garage

As part of the convention center expansion project, the new parking garage officially opened and began accepting paying customers in August 2019. The garage helps us offer easy, convenient parking for Convention Center events, and other events in the downtown area.

SALES AND MARKETING

The Pueblo Convention Center considers all sales and marketing activities to fall under two primary objectives:

1. Increase the Pueblo Convention Center's over-all share of regional and state business.
2. Maintain and grow the Center's current book of local and high-profile for profit and non-profit business.

We accomplish these goals with a comprehensive sales and marketing plan, crafted to reach these two audiences in a meaningful way.

Our marketing activities in 2019 included:

- Advertising in select, impactful mediums.
- Public relations efforts to garner media stories.
- Completion of large creative projects including:
 - A new website.
 - New photography for promotional materials.
 - New brochures and marketing collateral.

Executive Sous Chef Charlie Roberts presents a cooking demonstration on local network television.



Our sales activities in 2019 included:

- Attending Colorado events such as Destination Colorado's Customer Appreciation Event.
- Attending local meetings and networking events.
- Sales call blitzes to develop relationships with local, state and regional groups.
- Development of new sales goals and tracking mechanisms.



We created an advertisement with Wedding Sites and Services, one of the nation's premier wedding media properties. Our promotions in the publication included advertising for the annual Bridal Expo as well as ads for booking weddings.

In October, we attended Destination Colorado's Customer Appreciation event in Ft. Collins, Colorado. This event gave us a great opportunity to engage with regional and state meeting planners.



Throughout 2019, our team has been actively engaged with the three local chambers of commerce to help develop contacts and relationships for important local events. We regularly attend or host annual meetings, business lunches, business after hours, and other important events.



CUSTOMER FEEDBACK

CUSTOMER SURVEY HIGHLIGHTS

How likely are you to recommend the Pueblo Convention Center to a friend or colleague?

4.75

What was the overall presentation of our food & beverages items?

4.5

Did your meeting room/banquet space meet your needs?

4.86

What was your overall impression of our staff?

4.88

The Pueblo Convention Center achieved its goal of receiving completed surveys from at least 50% of events of \$1,500 or more.

WHAT OUR CUSTOMERS ARE SAYING

Your willingness to make our event special, you know the customer service + live it well. I cannot think of anything that could be improved.

You're Great!

Couldn't be happier with the service we received for this event. The customer service was outstanding, the room was beautiful & the food was excellent.

The staff make all of our attendees feel welcome!! Best Convention Center in the United States!!



FUTURE OUTLOOK

The expansion of the Pueblo Convention Center has provided new and unique opportunities to book events that have never been possible. We will continue to leverage these new possibilities to increase revenue and economic impact.

FY19 showed growth in both gross revenues and net operating income. We believe there is work yet to be done, and to continue to meet our goals we will focus on these areas to bring the Pueblo Convention Center to new heights.

- Increase the City's lodging tax revenue and economic impact by attracting more out-of-town business. Our adjusted sales and marketing strategy has incorporated greater involvement with this target market.
- Leverage new exhibit hall space to host unique events that weren't possible prior to expansion. This includes trade shows, consumer shows, sporting events, and other special events.
- Grow existing business by maximizing the profitability of available dates and increasing food and beverage revenue.

We will continue to enhance our active partnership with Visit Pueblo, all three Chambers of Commerce, and other local community stakeholders. We believe active partnerships within the community will ultimately help us reach our goals.