



Marin Center Economic and Business Analysis

Performed by Marin Economic Forum

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## Executive Summary

The Marin Center is a community asset; the facilities provide a place for multiday events throughout the year. Marin Center events and activities generate revenue and expenses for the County of Marin and result in economic impacts on Marin County's business community, employees, and residents. The connection between the Marin Center and other visitor industries and attractions provides support for additional business revenue, supported jobs and additional tax revenue. This report was commissioned by the Marin County Visitors Bureau.

There are two sets of economic impacts. The first is from Marin Center operations. The second is from subsequent visitor spending throughout Marin County's economy. These economic impacts include supported employment, new business revenue and new tax revenue for Marin County for every event at Marin Center. Multiday events using the Marin Center and complementary facilities create larger economic impacts than single-day events. In short, multiday events may generate as much as 5.33 times the number of support jobs, 3.3 times the amount of business revenue and 4.8 times the amount of tax revenue as the single-day events. The Marin Center's spaces and facilities are currently used for a variety of events, including the Marin County Fair and a wide breadth of single-day and multiday events. Multiday events range from exhibits to trade shows to corporate conventions. The Exhibit Hall is the most likely venue for multiday events. The importance of multiday events is in the implied overnight stays by attendees; many workers and types of businesses, as well as county and city governments in Marin County, benefit from these economic impacts.

There are financial case studies of current and proposed event center facilities. Such reports provide information about visitor spending habits based on overnight stays. Other facilities studies have strategic alliances with hotels and complementary visitor attractions and assets, or have their own. While hoteliers are neither the sole focus of this study, nor the only place broader economic impacts take place due to strategic changes to Marin Center's event calendaring, it is through hoteliers and their ability to provide overnight stays that the broader impacts initially flow. Overnight stays trigger a large amount of additional spending versus single day events; there may be as much as an additional \$360 of spending per day per visitor between single and multiday event; this difference is dominated by the overnight stays and leads to larger differentials in the economic impacts when multiday events are in the Marin Center calendar.

This study recognizes that more events also imply more costs of operations and depreciation to Marin Center's facilities. Assuming that event pricing would cover projected event costs and also provide for depreciation, as with other event centers, the deleterious effects of growth would be financially covered incrementally; we also assume that event growth will leave the Marin Center with the same funding gap in the short term such that pricing on average will just cover additional costs.

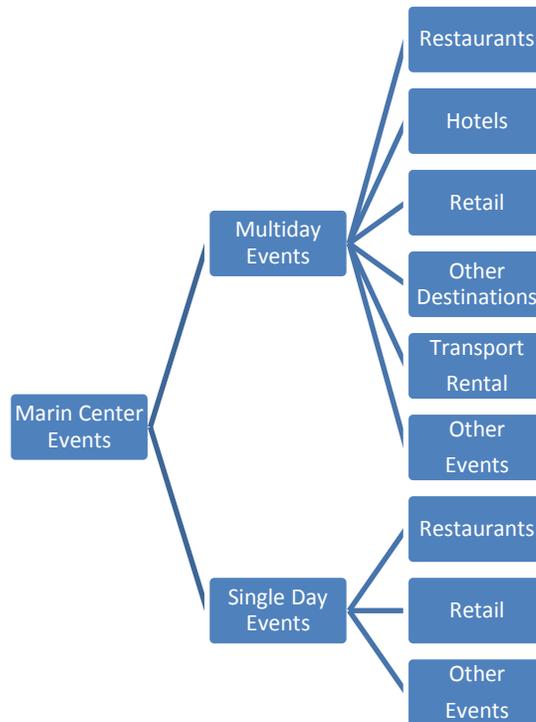
Broader economic impacts on other businesses ("external" effects) are triggered by event attendee spending in specific categories: hotel stays, retail (both taxable and non-taxable), other events, other visitor stops (such as historic landmarks or other physical attributes like hiking Mount Tamalpais), and renting cars. For single-day events, the spending is less because single-day events serve local visitors rather than regional to international. Figure EX-1 shows the links between the broader visitor economy and Marin Center's mix of events. Notice the complementary industries affected by these events involved are fewer with single-day versus multiday events

### *The Effects of Expanding Multiday Events*

Table EX -1 summarizes the economic impacts of the Marin Center on Marin County's economy based on a five-year average of expenditures and both the Center's economic impacts based on the mix

of single-day events (use of the auditorium and showcase theater) and multi-day events (assumed by number of days of use of exhibit hall), but also the external effects on the greater business community.

**Figure EX-1: Links between Marin Center and the Marin County Visitor Economy**



**Table EX-1: Marin Center Current Economic Impacts on Marin County, No Change to Operations**

Economic Impact Category	Marin Center spending \$3.3 million annually) supports (average since 2009)	Additional Impacts From Current Single-Day Events Support	<b>Baseline</b> Multiday Events Support
Employment	29.1 jobs	57.8 jobs	181 jobs
Business Revenue	\$6,254,300	\$5,875,000	\$19,648,000
Tax Revenue or (Cost to County)	(1,200,000)	\$395,000	\$1,250,900

Economic Impact Category	75 more Event Days Supports an <b>Additional</b>	150 more Event Days Supports an <b>Additional</b>
Employment	<b>185 jobs</b>	<b>308 jobs</b>
Business Revenue	<b>\$11.6 million</b>	<b>\$19.4 million</b>
Tax Revenue	<b>\$1.13 million</b>	<b>\$1.89 million</b>

Table EX-1 focuses on what the Marin Center does by its own operations and also by the implied spending of visitors to these events. Notice this is a baseline of almost 30 jobs based on Marin Center operations with the current mix and single day events using the theaters that draw in other spending beyond the Marin Center to support another 57.8 full-time equivalent jobs. In terms of business revenues, the Marin center generates over \$6,254 million in businesses revenues in Marin County, including its own revenues, but is a net cost to the county of around \$1.2 million per year. Its external

economic impacts add to businesses revenues by approximately \$5.875 million for the single day events, and reduce the net cost to the county by \$395,000. The sensitivity analysis in Table EX-1 is based on current Marin Center use, rising that use by 75 event days, and then again by 175 event days, specific to the Exhibit Hall. These data show ranges of growth for the subsequent economic impacts on Marin County.

It is estimated that an additional 185 jobs in Marin County are supported by the current event calendaring. Businesses that hire these workers generate over \$11.6 million in additional revenue, and the local tax estimate is just over an additional \$1.13 million in revenue. These figures assume every day that the Exhibit Hall is used increases the number of overnight stays due to multiday events utilizing that space. Single-day events using the exhibit hall both do not draw the same amount of spending from an external visitor market, they also block entry of events that would draw from that market.

If the baseline event days are increased to 150, approximately 250 event days overall for multiday events, there is an additional \$19.4 million in business revenue and \$1.89 million in tax revenues beyond the baseline of 125 event days. There would also be 308 more jobs supported than current operations through low and high-wage industries in Marin County. These effects would more than double the baseline impacts of current use, assuming multiday events take place any time the exhibit hall is used. In short, for every five-day event added to the Marin Center Calendar, there is an additional:

- 7.2 new jobs supported;
- \$785,900 in new business revenues throughout Marin County; and
- \$50,100 in new tax revenues for Marin County, a mix of sales, transient occupancy tax (TOT) and property taxes.

### *Recommendations*

- The Marin Center calendar is filled with multi-day events as primary placement;
- Calendaring is in coordination with local hoteliers and event facilities;
- Single-day events are second priority;
- Long-standing and specific non-profit events are provided calendaring priority after feasible multiday events are booked;
- Booking can be years in advance, especially for new, annual events that are multiday, annual events;
- Consider a Marin Center support fee tied to events and hotel stays that would capture multiday event demand and allocate to upgrades and technological maintenance of Marin Center;
- Marin Center calendar and logistics management; and
- A reserve fund be established to keep the Marin Center updated and on the communications frontier in terms of connectivity.

All these recommendations would be with a focus on multiday and common calendaring of events with local hotels and attractions. This is the essence of a destination management strategy where the Marin Center can still serve the local community, and now expands its economic and social support of Marin County.

## **Marin Center Analysis: Opportunities and Comparisons**

### **Introduction**

This report looks at the Marin Center in Marin County, California as a community asset. This report provides policy makers with a view of Marin Center's connections to the Marin County economy, specifically visitor industries, such as hotels, restaurants and retail services. There are three important themes in this study that drive the conclusions and recommendations:

- The Marin Center serves Marin County's communities, including its non-profit and civic organizations that need event space;
- The Marin Center is in partnership with private-sector businesses that help support and enhance visitor experiences, directly or indirectly; and
- By focusing on increasing the number of multiday events, the Marin Center not only generates more tax revenue for Marin County and its cities, these new events also support more jobs and businesses in Marin County than the current events calendar.

This study recognizes that there are political, cultural and economic benefits and challenges to change at Marin Center. This work recognizes the current economic impact and revenue of Marin Center as something that could be augmented, using both the literature on event centers and visitor data for Marin County, to see how multiday events provide an increase to county tax revenues, local business revenues, and job support and growth. The positive effects of a focus on more multiday events funds the costs of change.

This study has three parts. The first is a brief overview of the Marin Center, its budgets, and current economic impact on Marin County based on its 2009-13 activities annually. This report provides quantitative estimates of what change can provide. There is a brief overview of comparison facilities around the United States, based mainly on feasibility studies recently performed by C.H. Johnson, a consultancy that specializes in event center analyses. Recent visitor data from the State of California

provides a profile of how Marin County's visitors spend on various industries once they come to Marin. These estimates are used to gauge how current and potential Marin Center activities affect the broader Marin County economy in terms of the number of events, events and calendar management, and connectivity to the greater community in terms of generating hotel stays, restaurant meals, other retail sales, and the business community overall.

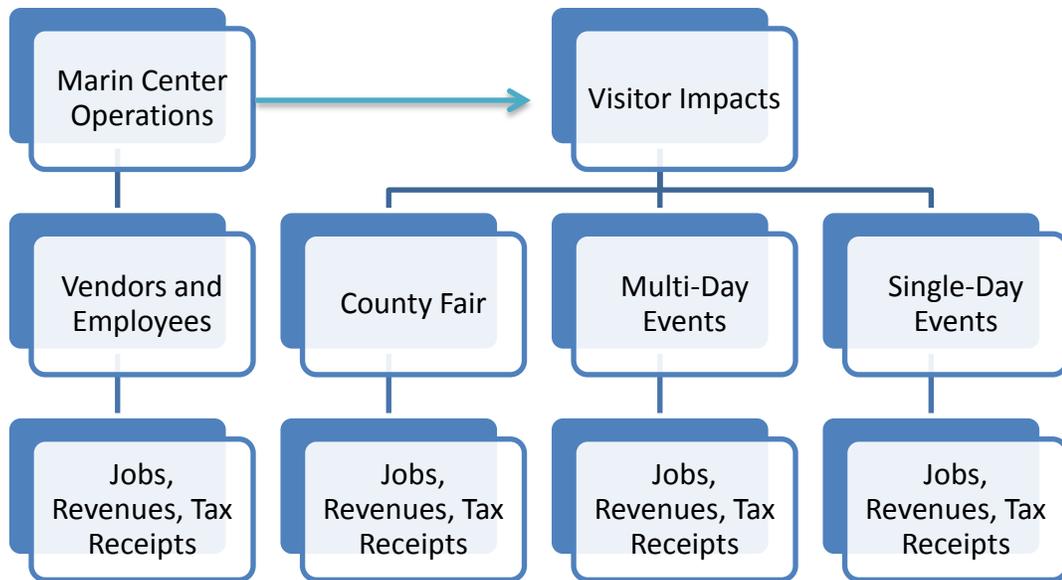
The next section looks at alternatives to Marin Center's current operations and what could be done with more multiday events. Estimates of those changes and additional impacts on Marin County's economy provide a way to understand how other industries are affected by expanding events that draw outside visitors and not just the local population. Under each alternative proposed, including the status quo, there would be an economic impact analysis. Each possibility has different effects on Marin County's economy, and each provides increases in supported local employment, incomes, and tax revenues generated versus the status quo, which is used as the baseline. In short, by expanding the number of event days by 75 annually specific to multiday events, the Marin Center supports 108 more jobs, \$11.7 million in more business revenues, and approximately \$750,000 in more tax revenues than the baseline impacts. If there were 150 more multiday event days, the additional effects would almost double (Table 16 in the Conclusions and Recommendations section provides the exact estimates). There may not be an ability to add 150 event days for multiday events given the current calendaring systems or policies for use of space and vendors. However, a strategic plan to make changes such that more multiday events are possible, and space is allocated with this goal in mind, may balance between smaller and larger clients for the betterment of the entire county economy and residents.

As a targeted industry for Marin County, tourism and its industries create jobs when Marin Center has more events, specifically multiday events. The final section provides conclusions and recommendations.

## **The Marin Center and Current Economic Impacts**

The Marin Center generates economic impacts from its internal operations in terms of business revenues, supported jobs and tax revenues for the County of Marin and its cities, through worker and vendor payments for services rendered and goods purchased. Additional spending by visitors (which may include attendees, exhibitors, associations, and their families), and also by vendor employees and those businesses patronized by Marin Center workers, triggers a broad range of impacts. When an event is a multiday event, even more spending by visitors takes place because of the number of overnight stays generated; multiday events also increase the internal impacts of Marin Center through a larger amount of utilization. Figure 1 represents Marin Center’s connections to the Marin County economy, where each effect is unique to its direct source of spending.

**Figure 1: Marin Center and Visitor/Attendee/Exhibitor Spending and Marin County’s Economy**



Notice that all direct uses of the Marin Center generate support of jobs and local businesses, and also generate tax revenue for Marin County and its cities. Overnight stays generate relatively larger economic impacts compared to other uses; overnight visitors generate more retail spending, more restaurant meals purchased, and more public revenue from attending events. Before we estimate

these impacts financially, the next section provides a brief overview of recent Marin Center activities and funding use to establish a baseline.

### **The Marin Center: Recent History and Current State of Resources**

The Marin Center acts as a place for events, corporate retreats, non-profit organization events, and many single-day speakers and music events.<sup>1</sup> There are three major facilities. The first is a mix of theater spaces: the Showcase Theater and Memorial Auditorium, where there are concerts, speakers, and large-audience, single-day events. These theaters may also be used by multiday events that focus on the second set of assets, the Auxiliary and the Exhibit Hall. These assets are in surrounding, covered spaces, which have multiple conference rooms and other meeting areas. The Marin Center auditorium holds 1,960 people; few conference facilities are going to have that size of an auditorium. The Showcase Theater is used for both single-day and multiday events; the Marin Center's Showcase Theater holds 315 people. There are 22,500 square feet of exhibit, meeting, conference, and dining space. The Embassy Suites and Sheraton Four Points, at a minimum from Marin County's hoteliers, can add space and functionality to conventions, corporate retreats, etc.<sup>2</sup>

The Marin County Fair is the annual signature event in terms of space and calendar use, as well as full utilization of all available assets (including 14 acres of grounds). Marin Center management suggested this eliminates five weeks from the events calendar otherwise for preparation and execution of the Fair's activities and required disassembly. The Fair is a major constraint on Marin Center increasing event days otherwise; county fairs have low likelihoods of overnight stays and limited

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<sup>1</sup> See <http://www.marincounty.org/depts/cu/about-center> for more.

<sup>2</sup> In discussions with some of Marin Center's clients, the proximity to Marin Center as the hub of a convention or conference to hotel space is a major factor in using local hotels for expanded space needs.

economic impact potential due to its local-population focus.<sup>3</sup> Table 1 shows regional comparisons from recent reports performed by C.H. Johnson on comparable facilities.

**Table 1: A Sample of Comparable Venues and Brief Overview**

Venue	Location	Approx Sq Feet of Space
Monterey Convention Center <sup>4</sup>	Monterey, CA	90,000
Sacramento Convention Center <sup>5</sup>	Sacramento, CA	134,006
Pullayup Fair and Events Center <sup>6</sup>	Pullayup, WA	190,000 covered for convention (Barns/Arena additional space outside)
Estes Park Events Center <sup>7</sup>	Estes Park, CO	18,230 sq feet exhibit space, 5 arenas for horses, 15,836 sq ft “barn”

The typical metric for event center utilization is event days. More than one event day per calendar day may exist because more than one client is using the event center’s assets that calendar day. For example, the Marin Center may have two separate events on the same calendar day which equals two event days (e.g. a Marin Symphony concert in the Showcase Theater and a trade show in the Exhibit Hall). The number of event days is important, but so is the composition of those event days: single-day events versus multiday events. If event days are high, but all are single day events, the amount of economic impacts may be less that utilizing the space fewer times per year, but focusing on multiday events.

The comparison facilities provided are similar in terms of local competition for events and their proximity and role in their respective communities (regardless of being in California or not), or that the match is similar in terms of what the event center is charged with from the community. For example, the Pullyap facility in Washington state is a combination of a fairgrounds and a conference and meeting

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<sup>3</sup> For fiscal year 2012-13, the Marin Center reports there were 122,000 which attended the Marin County Fair and a total attendance for all events somewhere between 800,000 and 900,000 visitors. These data were provided from Marin Center management directly in an e-mail correspondence.

<sup>4</sup> See <http://www.ci.seaside.ca.us/Modules/ShowDocument.aspx?documentid=3156>

<sup>5</sup> Ibid.

<sup>6</sup> See C.H. Johnson analysis of proposed Estes Park facility in Colorado: <http://tinyurl.com/estesconvention1>

<sup>7</sup> This is also in the C.H. Johnson analysis of proposed Estes Park facility in Colorado, and compared along with others: <http://tinyurl.com/estesconvention1>

facilities. The proposed Estes Park facilities are similar and serve a population roughly the size of Marin County; Estes Park is relatively close to Denver, Colorado and other larger population centers in Colorado overall. Other venues throughout the Bay Area act as competition, including the Green Music Center at Sonoma State University and Moscone Center in San Francisco. Generally, municipal event centers are shared characteristics with Marin Center that are important:

- Municipal facilities operate at a loss in terms of operations generally;
- Municipal ownership limits usable calendar days;
- Civic and nonprofit demand leads to some public subsidization for the event center; and
- Existing fairgrounds provide for an annual fair to take place, but also lead to limitations in use and flexibility of calendaring.

Both attendees and exhibitors should be viewed as “visitors”, as they are distinct sets of travelers to Marin County that fill hotel rooms, restaurant seats, and entertainment venues; these visitors, because they are away from home, are assumed to spend on an array of other goods and services while in Marin County. Such spending drives broader impacts that would not come from single-day, locally-focused events.

**Table 2: Event Choices and Overnight Stays Generation**

Event Type	Probability of Overnight Stays	
	Low	High
Conferences		●
Incentive Meetings (Corporate)		●
Conventions		●
Temporary Exhibitions	●	
Trade Shows	●	
Permanent Exhibitions	●	
Consumer Shows	●	
Assemblies and Social Events	●	
Entertainment Events	●	
County Fair	●	

**Source: C.H. Johnson (multiple studies)**

Table 2 summarizes the literature on destination management looks at event center utilization and overnight stays. Overnight stay generation is a key aspect of expanding the events' economic impacts; once a visitor buys a hotel room, the local economy receives more retail and restaurant revenues than with smaller, single-day events. It is through hoteliers and their ability to provide overnight stays for visitors that broader economic impacts flow. Marin Center operations have supported more locally-servicing events in the recent past.

### *Marin Center Operations*

Talking to management and clients of Marin Center provided more tactical insight about the strategic use of Marin Center for Marin County's betterment. Renovations and modernization seem to be a major component in any plan to seek more events with broader geographic appeal. Internal issues and more flexibility and choices, in terms of catering for larger events and calendar partnerships with local hoteliers, were seen as major criteria in choosing the Marin Center for multiday events. A common calendar between hoteliers, the Marin Center, and other visitor industries would help Marin Center clients better afford their own promotions and admissions (especially when local ticket sales are the main revenue source). Also, a lack of signage locally restricts local attendance to some events. Such policies may restrict certain types of multiday events and exhibits from locating at the Marin Center in terms of expanding the use of space. An expansion of food and beverage choice was also seen as a way to open doors to new and bigger events.

A common calendar provides ways to coordinate around regional events that affect the demand for hotel rooms and thus the cost of Marin Center events to clients. The literature on event centers suggest that major criteria for site location include: facilities and staff service quality; the affordability of space, food and beverage services; the location's appeal for association/client membership; the availability and quality of hotel rooms; and space accessibility from major transportation hubs are all major considerations.

It is also important (and heard from both management and clients) that budget be put aside to perform upgrades and maintenance to generate repeat, long-term bookings also. Clients that come for many years in a row are likely expect technologically-updated facilities and capabilities. Further, given the Marin Center’s facilities and complementary businesses otherwise, there may be a very slim number of events that would be multiday, convention-like events.

Table 3 provides a matrix of how event centers are used and their ability to generate economic impacts. Notice that these are listed in terms of the event’s perceived ability to generate economic impacts for the local community in descending order from left to right. The Marin Center should be considered a mix of “Community/Civic Center” and “Fairgrounds Complex”.

**Table 3: Use of an Event Center and Ability to Generate Economic Impacts**

	<b>Convention Center</b>	<b>Conference Center</b>	<b>Equestrian Center</b>	<b>Expo Center</b>	<b>Community/Civic Center</b>	<b>Spectator Arena</b>	<b>Fairgrounds Complex</b>
<b>Type of Space</b>	Exhibits, Meeting, Ballroom	Meeting, Ballroom	Multiple Indoor & Outdoor Facilities	Exhibit, Limited Meeting	<b>Multipurpose Space</b>	Spectator Seating, Flat Floor Space	<b>Multiple Indoor &amp; Outdoor Facilities</b>
<b>Typical Events</b>	Conventions, Trade Shows, Meetings, Banquet, Public Shows	Conferences, Meetings, Banquets	Horse, Rodeo, Ag., Livestock, Public Shows	Public Shows, Trade Shows, Misc	<b>Local Meetings &amp; Banquets, Recreation, Other Events</b>	Spectator and Other Events	<b>Fair, Ag., Horse, Livestock, Public Shows, Festivals, Other</b>
<b>Typical Ancillary Characteristics</b>	Adjacent Headquarters Hotel	Adjacent Headquarters Hotel	Parking, RV Hookups, Large Acreage	Parking, Accessibility, Visibility	<b>Parking, Accessibility, Visibility</b>	Parking, Accessibility, Visibility	<b>Parking, RV Hookups, Large Acreage</b>
<b>Economic Impact Generating Ability</b>	<b>High</b>	<b>Moderate</b>	<b>Moderate</b>	<b>Limited to Moderate</b>	<b>Limited to Moderate</b>	<b>Limited to Moderate</b>	<b>Limited to Moderate</b>

Source: Ames IA Multi-Event Facility Study (2010):

<http://www.visitames.com/docs/multi-usefacilitystudyfinalreport.pdf>

The Marin Center budget flows through the Board of Supervisors for approval. Table 4 shows revenues and expenditures at the Marin Center, based on available, public information concerning performance, since the fiscal year 2009-10 to 2011-12. These data provide the initial impulse of

economic impacts on Marin County, as the Marin Center uses local workers and vendors to support events. The net county cost leads to a budget allocation from the Board of Supervisors to Marin Center to close that gap. Since fiscal year 2009-10, the Marin Center costs the County of Marin approximately \$1.2 million per annum to maintain budget.

**Table 4: Marin Center Financials, 2009-2013, by Fiscal Years, Summary**

<b>Revenue or Expense</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13 (Budget)</b>
Revenues From Use	\$902,500	\$829,000	\$829,000	\$829,000
Personnel Services	1,249,900	1,033,100	1,053,500	1,053,500
Miscellaneous Rev	27,000	69,500	55,100	55,100
<b>Total Revenues</b>	<b>2,179,400</b>	<b>1,931,600</b>	<b>1,937,600</b>	<b>1,937,600</b>
Overtime – Regular	18,400	14,000	14,000	14,000
Other Emp Expense	251,300	232,400	220,400	225,600
Benefits	280,500	328,900	335,400	369,900
Salaries and Wages	1,860,200	1,648,300	1,655,200	1,638,600
Services Purchased	379,200	404,600	462,200	334,800
Supplies Purchased	175,600	165,000	165,000	165,000
Intra-fund Expense	389,100	381,700	368,400	387,600
<b>Total Expenditures</b>	<b>\$3,354,300</b>	<b>\$3,174,900</b>	<b>\$3,220,600</b>	<b>\$3,135,500</b>
<b>Net Benefit (Cost) to County</b>	<b>(\$1,174,900)</b>	<b>(\$1,243,300)</b>	<b>(\$1,283,000)</b>	<b>(\$1,197,900)</b>

Source: County of Marin, Finance Department

The Marin Center should be cast as a hub of an event facilities cluster in Marin County seeking out regional, national and international clients that would come for multi-day events. If the number of event days increased, so would the costs of running the center; we assume throughout this study that the current County cost would continue at \$1.2 million, even if growth takes place. As further data to determine the baseline economic impacts, Table 5 shows the number of days each of the major halls was used for the last three fiscal years, and projections for FY 2012-13.

It is the Exhibit Hall’s use that is the center of multiday events. Table 5 shows that most events use the theaters and are single-day events. There is no definitive number of event days that centers should strive to achieve; the literature, Marin Center clients and the Center’s management all suggest

that each event is unique in its needs and by booking certain events, there are constraints on booking others. As the number of events rises, optimizing space use can provide a balance between civic and commercial use of the Marin Center. There are limitations to an expansion of multiday events, and also opportunities.

**Table 5: Asset Usage at Marin Center**

<b>Asset</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13 Projected</b>
Days the Marin Veterans' Memorial Auditorium is rented out	261	226	225	225
<b>Days that the Exhibit Hall is rented out</b>	<b>122</b>	<b>104</b>	<b>110</b>	<b>125</b>
Days that the Showcase Theatre is rented out	189	175	185	185

Source: Marin County Budget Book, 2012-13 (see <http://tinyurl.com/marinbudget201213>)

*Limitations and Opportunities*

There are three critical factors in how event spaces are managed:

1. Time allocation for space use, taking into consideration preparation for and removal of events;
2. Allocation of space with respect to multiple events; and
3. Ability to support all events sought by the space.

A lack of availability may be due to municipal holiday schedules, scheduled maintenance, and other factors. This leaves a certain number of days to be allocated; private management may increase the number of days by working through holidays as needed. Once the available days available are determined, booking and calendar policy should attempt to maximize the use of available space per demand. Some days, multiple events would utilize multiple venues; other days there will be one event that may use only a subset of the space, and some days there will be no use. A major consideration of change at the Marin Center would be how many new events could take place with respect to the current calendaring and restrictions due to set-up and removal days for major events, the current calendar of regional events with respect to hotel room and complementary visitor resources available otherwise (including conference space, meeting rooms, etc.).

The economic impacts come with some social impacts to be recognized. Some augmentation in traffic may take place, most of which should be expected because of events do go on at the Marin Center throughout the year. The facilities' use for public and non-profit events should also be considered in terms of change. There may be some need to change dates, timing within the week, and also the size of current, single-day events to accommodate new uses. The overt coordination of event facilities with local hotel and additional meeting space and with other tourism opportunities can lead to powerful economic impacts from this facility's use. As the next section describes, an expansion of the Marin Center's use in terms of calendaring multi-day events in coordination with local hoteliers (who would need to allocate their rooms based on non-Marin Center events), can have large, additional economic impacts on Marin County. Event attendance and related overnight stays trigger larger spending and subsequent economic impacts.

Given the way other facilities are managed in terms of calendaring, use of facilities and focus on economic impacts for the community, the next section provides quantitative estimates for how the Marin Center currently affects the Marin County economy and could potentially augment those effects.

### **Event Centers and Economic Impacts**

This section shows how event centers generate economic impacts for their communities. An event center generates income from its events and what is sold to attendees, exhibitors, and the ultimate event clients. In the case of a convention, for example, the "client" may be an association; an example is the Western Economic Association International ([www.weai.org](http://www.weai.org)), which met in San Francisco in 2012. The attendance there is about 1,000 people for five days of academic presentations. The economic impacts on Marin County's communities, as a result of Marin Center events, are triggered by visitor spending on local businesses. Table 6 shows the estimated per day spending in such a setting,

where spending is split into attendees, associations and exhibitors (assuming all three types of visitors would come to a convention).

**Table 6: Convention Spending per Day per Visitor Category**

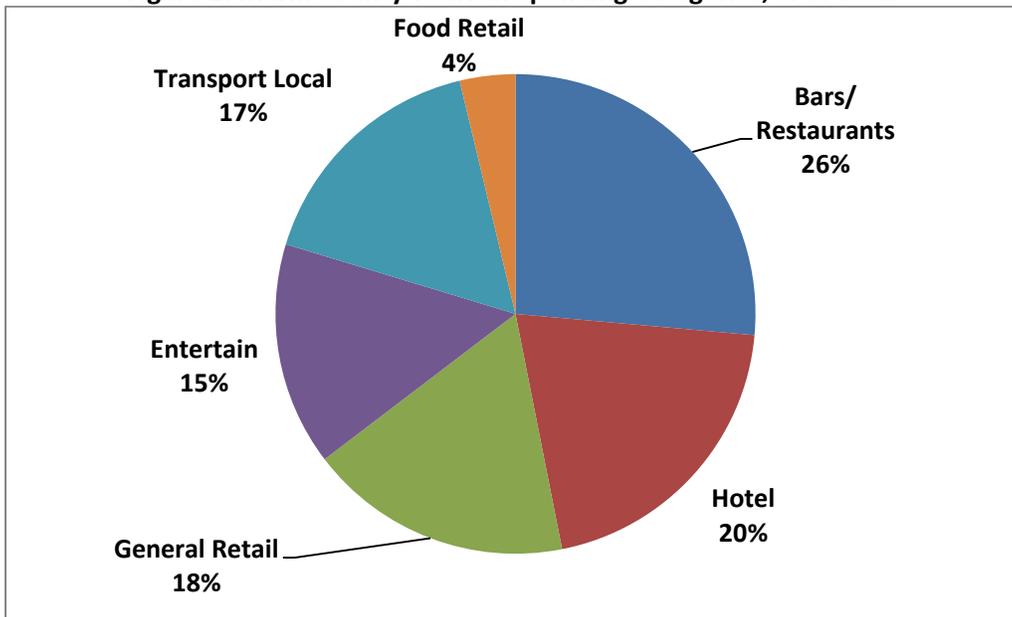
Spending Category	Single-Day			MultiDay		
	Attendee	Association	Exhibitor	Attendee	Association	Exhibitor
<b>External Spending</b>						
Lodging and Incidentals	\$0	\$90	\$90	\$180	\$90	\$180
Eating and Drinking	25	0	\$100	100	15	100
Recreation and Entertainment	15	0	0	20	5	0
Sporting Events	10	0	0	10	5	0
General Retail	0	0	0	50	5	0
Local Transit and Car Rental	0	0	50	50	5	50
<b>Internal Spending</b>						
Booth Rental and Event Services	0	40	75	0	40	175
<b>Total Daily Spending per Person</b>	<b>\$50</b>	<b>\$84</b>	<b>\$315</b>	<b>\$410</b>	<b>\$165</b>	<b>\$455</b>

Sources: Dean Runyan Associates<sup>8</sup>, CH Johnson Consulting, and Author's Calculations

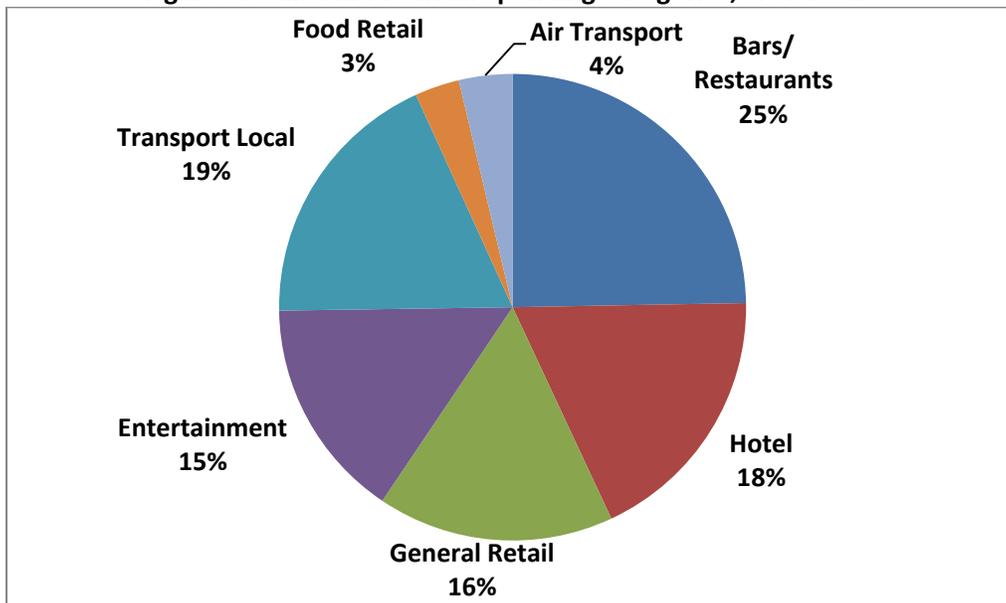
Notice that each type of visitor spends different amounts on different categories, at least in theory, because each type of visitor attends a multiday event for different reasons. The attendees and exhibitors are most similar to each other, except in terms of spending internally at the event venue. Because attendees have more time freedom than exhibitors, recreational spending is higher for attendees than exhibitors; in terms of room demand, the spending is assumed to be similar per person. Because each exhibitor and attendee likely converts to an overnight stay for regional or national multi-day events, a hotel room is factored into the daily spending. Figures 2 and 3 provide tourism spending proportions in Marin County versus California as a percentage of the total, estimated spending.

<sup>8</sup> <http://www.deanrunyan.com/CATravelImpacts/CATravelImpacts.html>

**Figure 2: Marin County Tourism Spending Categories, % of Total<sup>9</sup>**



**Figure 3: California Tourism Spending Categories, % of Total<sup>10</sup>**



Throughout this study, we have discussed potential changes to the Marin Center with an eye on increasing the number of overnight stays and subsequent retail and recreational spending in Marin County from attendees, exhibitors and associations otherwise. With a larger emphasis on calendaring multiday events, coordinated with the local hoteliers and other, major events in and around Marin

<sup>9</sup> <http://www.deanrunyan.com/CATravellImpacts/CATravellImpacts.html>

<sup>10</sup> <http://www.deanrunyan.com/CATravellImpacts/CATravellImpacts.html>

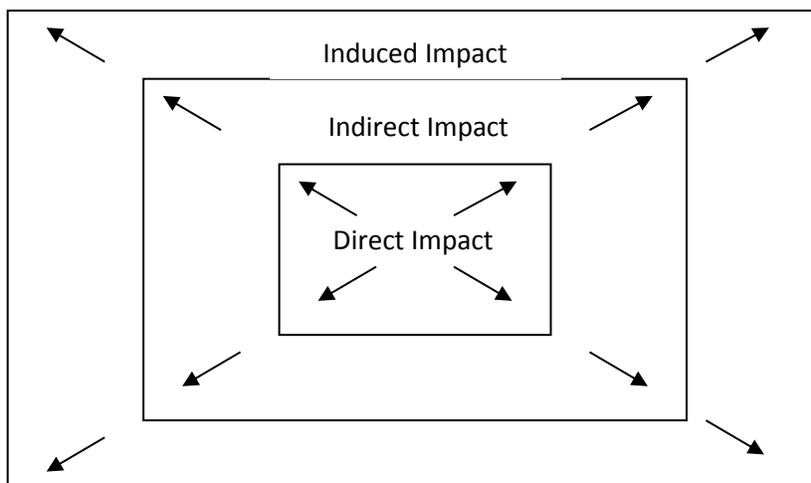
County that may affect hotel demand, all visitor assets related to the Marin Center can be more completely utilized and occupied. Such utilization and occupancy increases the economic outcomes for the Marin Center, the visitor-based businesses, many other businesses in Marin County, and local governments simultaneously.

### *Economic Impact Analysis Overview*

Like dropping a rock into a pond, an industry's existence or expansion has ripple effects on a local economy and beyond based on new jobs created. The IMPLAN<sup>®</sup> model used here, which stands for IMpact analysis for PLANning, is a model by which municipalities and counties worldwide analyze the employment, revenue, wage, and tax effects of economic events. This model has three impact classifications, summing to a total effect. The **direct** effects are those specific to the event. For example, for Marin Center and its operations, hiring new employees and supporting events provides wages and payments to support local employment, and generate new tax and business revenues. This includes the Marin Center buying services from allied industries. **Indirect** effects come from these workers and vendors taking new income and spending a portion on other businesses' goods and services. This revenue flow to other businesses leads to more employment, wages, revenue and taxes.

For example, when a newly-hired hotel worker goes out to eat at a restaurant, there are indirect effects from events at Marin Center; the affected restaurant uses a larger amount of a local linen cleaner's services than before, which creates indirect effects from new linen service demand. These additional, indirect jobs and revenues then create induced effects. The **induced** effects come from indirectly-affected workers and firms and their economic gains; these are similar to the indirect impacts in terms of breadth. For example, a new linen-service worker, hired due to the restaurant's expansion described above, may go to the grocery store, dry cleaners, or doctor's offices more often, which induces growth in retail sales, employment and taxes even faster. These effects in sum are is the total or overall economic impacts. Figure 4 shows the ripple effect idea of the multiplier process.

**Figure 4: Economic Impact Concept**



The next section looks at the status quo at the Marin Center and its economic impacts from both its operations and visitors to Marin County. The logic of calculating the economic impacts is as follows:

- All event days generate spending impacts from the Marin Center’s operations and from visitors (attendees, associations, and exhibitors);
- The Marin Center’s operations are the direct impacts on vendors and employees, which then become indirect and induced impacts through vendor and employee spending;
- The visitors become spending engines, where the engine includes more retail purchases if there are overnight stays, per the daily spending in Table 6; and
- The visitor spending triggers more business revenue, supported jobs, and tax revenues for all of Marin County.

To consider change in event days and how it would affect Marin County by focusing on more multiday events, we first consider the current impacts of Marin Center as the baseline.

#### *Option 1: Status Quo*

We assume that the status quo would lead to an approximate loss of \$1,200,000 per year or what the County of Marin must contribute annually to close Marin Center’s annual deficit. One could

make the case that the broader impacts of the Marin Center’s activity would fill that gap for the county; the Marin Center’s operations would naturally close that gap through the generation of more local tax revenues. The local tax revenue would be sales taxes and transient occupancy taxes (TOT) if we assume that the Marin Center’s current operations do not generate any new property taxes. Because TOT in Marin County goes to the cities (except for West Marin TOT collected, which goes to the county directly), it is difficult for Marin County to use TOT for Marin Center maintenance directly.

**Table 7: Supported Business Revenues by Marin Center Operations, Average 2009-12**

<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Totals</b>
Marin Center	3,304,500	53,600	15,000	3,373,100
Maintenance and repair construction	0	345,600	6,500	352,100
Real estate establishments	0	0	249,700	249,700
Architectural, engineering, and related services	0	188,500	3,200	191,700
Banks and Credit Unions	0	97,000	31,600	128,600
Extraction of oil and natural gas	0	78,400	6,700	85,100
Insurance carriers	0	12,200	66,900	79,100
Natural gas distribution	0	66,900	10,900	77,800
Bars and Restaurants	0	11,500	66,300	77,800
Medical and Dental Offices	0	0	73,100	73,100
Wholesale trade businesses	0	29,800	43,000	72,800
Investment Banking	0	32,900	36,000	68,900
Check Cashing/Pawn	0	29,300	29,500	58,800
Waste management and remediation services	0	53,600	4,800	58,400
All Others	0	595,300	712,000	1,307,300
<b>Total</b>	<b>3,304,500</b>	<b>1,594,600</b>	<b>1,355,200</b>	<b>6,254,300</b>

Tables 7 and 8 show the status quo effects on Marin County’s economy. These effects are in terms of the number of new revenues to businesses, the number of new jobs created, and the tax impacts. For the Marin Center, there are two sets of effects. The first set is based on the impacts of the event center operations themselves; the second is of the tourism-based expenditures that come with attendance of Marin Center events. Tables 7 and 8 show just the effects of Marin Center operations on Marin County’s economy. The Marin Center itself supports business revenue of over \$6.2 million in Marin County and supports 29.1 jobs through its annual operations.

**Table 8: Jobs Supported by Marin Center Operations, Average 2009-12**

<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Totals</b>
Marin Center	10.2	0.2	0.0	10.4
Maintenance and repair construction	0.0	2.1	0.0	2.1
Architectural and related services	0.0	1.6	0.0	1.6
Bars and Restaurants	0.0	0.2	1.0	1.2
Real estate establishments	0.0	0.6	0.3	0.9
Investment Banking	0.0	0.3	0.4	0.7
Medical and Dental Offices	0.0	0.0	0.5	0.5
Private household operations	0.0	0.0	0.5	0.5
Maintenance services	0.0	0.4	0.1	0.5
Natural Gas Utilities	0.0	0.4	0.0	0.4
Employment services	0.0	0.4	0.1	0.5
Wholesale trade businesses	0.0	0.2	0.3	0.5
Grocery Stores	0.0	0.0	0.4	0.4
All Others	0.0	3.2	5.7	8.9
<b>Totals</b>	<b>10.2</b>	<b>9.6</b>	<b>9.3</b>	<b>29.1</b>

The Marin Center generates about 1.89 times its own spending in terms of a multiplier effect on Marin County through its recent activities. Because the costs of Marin Center’s operations are not available per event, it is difficult to assess the amount of economic impacts by event type. It seems intuitive that larger events, where there are more exhibitors, attendees and needs for facilities drive up the number of employees, the number of vendors receiving income from the Marin Center’s activities, and the subsequent economic impacts. We will assume that the number of event days acts as the baseline metric. Tables 4 and 5 provide a guide to the increase in Marin Center impacts from its own operations: we will assume that there is \$6,051 per event day spent on Marin Center operations. Thus an increase of 75 event days would be \$453,800 more in expenses and 150 additional event days would be approximately \$907,700 in additional spending. We will assume that there would be revenue to cover additional costs and no additional county subsidy than the current level.

The great thing is there is a second round of economic impacts from Marin Center’s activities, based on the visitor spending beyond the event itself, including exhibitors. Tables 9 through 11 provide that data for the recent Marin Center activity and the imputed spending from multiday events only, assuming that the number of event days using the Exhibit Hall are all for multiday events. Since each

event day has staffing, we will assume that the total cost of running the Marin Center can be divided by the number of event days to estimate the additional impact from additional use. The major caveat here is that there will be more depreciation and internal cost along with the spending level (which currently does not include that cost in terms of spending on operations).

**Table 9: Supported Business Revenues, Marin Center Events as of 2012**  
**Multiday Events**

Industry	Multiday Events				Totals
	Direct	Indirect	Induced	Totals	Single-Day
Bars and Restaurants	\$5,058,200	\$95,300	\$162,900	\$5,316,400	\$1,933,100
Hotels and motels	3,549,600	10,800	14,300	3,574,700	7,300
State and National Parks and Wildlife Habitats	2,928,500	-	4,300	2,932,800	1,726,300
Retail Stores – General merchandise	936,800	1,100	26,000	963,900	8,300
Real estate establishments	-	549,400	170,900	720,300	285,400
Rental income from Property Owners	-	-	615,200	615,200	190,200
Insurance carriers	-	185,500	164,800	350,300	108,800
Retail Stores – Grocery	197,700	2,400	70,700	270,800	22,600
Advertising and related services	-	213,600	18,900	232,500	62,200
Management of companies and enterprises	-	183,000	21,200	204,200	47,800
Wholesale trade businesses	-	76,500	105,200	181,700	57,700
Medical and Dental Offices	-	-	179,400	179,400	55,300
Services to buildings and dwellings	-	134,200	22,200	156,400	35,400
All Others	100	1,925,700	1,756,300	3,682,100	1,334,900
<b>Totals</b>	<b>\$12,670,900</b>	<b>\$3,377,500</b>	<b>\$3,332,300</b>	<b>\$19,380,700</b>	<b>\$5,875,300</b>

**Table 10: Jobs Supported by Marin Center Multiday Events as of 2012**  
**Multiday Events**

Industry	Multiday Events				Totals
	Direct	Indirect	Induced	Totals	Single Day
Bars and Restaurants	75.3	5.3	9.2	89.8	28.8
Hotels and motels	30.4	0.4	0.5	31.3	0.1
State and National Parks and Wildlife Habitats	20.4	-	0.1	20.5	12.1
Retail Stores - General merchandise	14.2	0.1	1.5	15.8	0.1
Retail Stores – Grocery	2.7	0.1	3.5	6.3	0.3
Real estate establishments	-	9.8	3.2	13.0	1.4
Services to buildings and dwellings	-	7.7	1.3	9.0	0.5
Advertising and related services	-	5.4	0.5	5.9	0.4
Medical and Dental Offices	-	-	5.1	5.1	0.4
Private household operations	-	-	4.8	4.8	0.4
Employment services	-	3.5	0.8	4.3	0.4
Wholesale trade businesses	-	1.8	2.5	4.3	0.4
Investment Banking	-	0.6	3.4	4.0	0.3
All Others	-	43.5	50.3	93.8	12.2
<b>Totals</b>	<b>143.0</b>	<b>78.2</b>	<b>86.7</b>	<b>307.9</b>	<b>57.8</b>

In Tables 9 and 10, notice the businesses that are benefitting from the Marin Center’s visitor impulse. While this is a sample of those affected firms, and those that are most affected, notice the breadth of industries. Wholesale businesses, to accounting, to medical and dental offices are affected. Some of these businesses are affected by jobs growth; some Marin residents, as a result of the business income boost and subsequent hiring, will be able to go to the doctor’s or dentist’s office more often, which has a positive social impact on health. Table 11 shows the baseline, tax impacts.

**Table 11: Supported State and Local Tax Revenues  
Marin Center Multiday Events as of 2012**

Tax Type	Amounts	Amounts
	Multiday	Single-Day
Employment Taxes	\$25,600	\$7,700
Sales taxes	498,200	121,300
Transient Occupancy Tax (TOT)	546,900	730
Property taxes	354,900	133,400
Personal Income	233,800	72,000
Other Taxes and Fees	230,000	60,900
<b>Total State and Local taxes</b>	<b>\$1,889,400</b>	<b>\$395,300</b>

The Marin Center, from the \$3.3 million spent to support its activities, supports over \$6.45 million in business income within Marin County, over 29 full-time workers, and also creates additional economic impacts due to visitor spending while attending or exhibiting at multiday events. The additional impacts suggest that visitor spending in Marin County from these events supports another 307 jobs, over \$19.3 million in business revenues, and almost \$1.9 million in state and local tax revenues. Because the County of Marin does not collect those tax revenues and keep them directly, one should not read such tax revenue as directly available to close a budget gap. However, the idea of closing gaps becomes easier as the number of events increase. The next two options are focused on increasing multiday event days from the baseline and the subsequent effects.

Tables 9 through 11 provide a comparison between what the baseline is in terms of community impact between multiday and single-day events. Based on the assumptions we made concerning the amount of per person spending per attendee per event day to both multiday and single-day events at

Marin Center, the multiday events generate almost 3.3 times the revenues for local businesses, and 5.33 times the number of jobs. These large differences are due mainly to the number and types of industries involved when an overnight stay is generated as a complement to a Marin Center event. Single-day events may indirectly generate hotel stays; multiday events are based on hotel stays supporting the event. Finally, the tax revenue differential is important because multiday events provide transient occupancy tax (TOT) revenue and other sources of public finance; single-day events are more limited in their public revenue generation; multiday events generate almost 4.78 times the public revenue that single-day events do from a visitor population versus local residents. The next subsection looks at 75 more event days that are from multiday events.

*Option 2: Increase in Use and Focus on 75 Additional Multiday Event Days*

The literature on destination management and most comparison studies of event centers focus on the number and types of events to form projections of future financial gains or losses for event facilities. We have a benchmark for Marin Center's current operations in terms of events, event mix, and costs to support those events. If municipal management remained in place for the Marin Center (in terms of having a county employee or set of county workers administrate over the Marin Center), there would be some economies of scale in that choice. Tables 12 through 14 show the impacts of increasing the number of event days by 75. The increase in spending per day is proportional to the baseline; there are simply more visitors in Marin County based on an average number of visitors per event day and number of new events. As discussed above, there would be approximately \$453,800 in Marin Center expenditures to support these new event days. The new expenditures would augment the new business revenue created by another \$860,000 and support an additional 4 jobs.

Because activities during the day would be the same as any day event, having a focus on overnight stays increases the amount of spending per attendee at a Marin Center event.

**Table 12: New Revenues from 75 Additional Event Days of Multiday Events**

<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Totals</b>
Bars and Restaurants	\$8,093,100	\$152,500	\$260,700	\$8,506,300
Hotels and motels	\$5,679,400	\$17,200	\$22,900	5,719,500
State and National Parks	\$4,685,600	\$0	\$6,900	4,692,500
Retail Stores – General merchandise	\$1,498,800	\$1,800	\$41,600	1,542,200
Real estate establishments	\$0	\$879,100	\$273,500	1,152,600
Rental income from Property Owners	\$0	\$0	\$984,300	984,300
Insurance carriers	\$0	\$296,800	\$263,800	560,600
Retail Stores – Grocery	\$316,300	\$3,900	\$113,100	433,300
Advertising and related services	\$0	\$341,800	\$30,200	372,000
Management of companies and enterprises	\$0	\$292,700	\$33,900	326,600
Wholesale trade businesses	\$0	\$122,500	\$168,300	290,800
Medical and Dental Offices	\$0	\$0	\$287,100	287,100
Services to buildings and dwellings	\$0	\$214,700	\$35,500	250,200
All Others	\$200	\$3,081,100	\$2,810,100	5,891,400
<b>Totals</b>	<b>\$20,273,400</b>	<b>\$5,404,100</b>	<b>\$5,331,900</b>	<b>\$31,009,400</b>

**Table 13: New State and Local Tax Revenues  
75 Additional Event Days of Multiday Events**

<b>State and Local Tax/Fee</b>	<b>Amount</b>
Employment Taxes	\$41,000
Sales taxes	797,100
Transient Occupancy Tax (TOT)	875,000
Property taxes	567,900
Personal Income	374,000
Other Taxes and Fees	368,000
<b>Total State and Local taxes</b>	<b>\$3,023,000</b>

**Table 14: Supported Jobs from 75 Additional Event Days of Multiday Events**

<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Bars and Restaurants	120.4	8.5	14.8	143.7
Hotels and motels	48.7	0.6	0.8	50.1
State and National Parks and Wildlife Habitats	32.6	-	0.2	32.8
Retail Stores - General merchandise	22.7	0.2	2.4	25.3
Retail Stores – Grocery	4.3	0.2	5.7	10.2
Real estate establishments	-	15.6	5.1	20.7
Services to buildings and dwellings	-	12.4	2.0	14.4
Advertising and related services	-	8.7	0.8	9.5
Medical and Dental Offices	-	-	8.1	8.1
Private household operations	-	-	7.7	7.7
Employment services	-	5.7	1.2	6.9
Wholesale trade businesses	-	2.8	4.1	6.9
Investment Banking	-	1.0	5.5	6.5
All Others	-	69.5	80.5	150.0
<b>Totals</b>	<b>228.7</b>	<b>125.2</b>	<b>138.9</b>	<b>492.8</b>

For example, a one-day regional event would have less economic impact than a one-day national event; a three-day local event would have less spending than a three-day, national academic conference. Tables 12 to 14 showcase the economic impacts of 75 more event days specific to multiday events that boost visitor spending by an increase in events at the Marin Center in one year.

There are 492 jobs in Marin County supported when the event center is running 200 multiday event days per year, where 46 percent of those jobs are in hotel/accommodations, restaurants and bars, and grocery/department store retail. There are over \$31 million in business revenues supported; over 67 percent of these business revenues are in businesses that have taxable sales (hotels, bars, restaurants, retail). Over 74 percent of the supported tax revenues are local (sales, TOT and property). Next is what happens at double the current, multiday event days or 125.

*Option 3: Increase in Use by Additional 125 Event Days of Multiday events*

As recommended here, the management charge should be to book and maintain the maximum amount of bookings and usage as possible, where local organization events were provided some priority, specifically civic and nonprofit organizations. There would be some calendar shifts to accommodate those local and historic events that the county would want to keep. A third-party manager of booking calendars would have the freedom to financially analyze the full market possibilities and attempt to maximize the number and size of events possible.

Such a focus would include a full utilization of local tourism assets, and may necessitate that use, for corporate and other multi-day events. The target audiences for such an expansion would be relatively high-spending conferences, where multi-day use would provide overnights stays, economies of scale in terms of costs, and other benefits for both the Marin Center and the county economy. The overnight stays are the generator of both business and tax revenues. On the cost side, the major caveat

is maintenance and improvements to the Marin Center. Most financial plans for event centers use a reserve account to build up funding for repairs, maintenance that is not regular grounds and facilities maintenance, and major construction and renovation efforts. There are no industry averages for multiday events, so an additional 150 event days may be problematic to achieve with respect to the Marin County Fair occupying its current calendar space. Assuming these were added, there would be an additional amount of spending equal to \$907,700 supporting these events, which generates \$1.72 million in additional business revenues and supports an additional 7.1 jobs beyond the visitor impacts in Tables 15 to 17.

**Table 15: New Revenues from 125 Additional Event Days of Multiday Events**

<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Totals</b>
Bars and Restaurants	\$10,116,500	\$190,500	\$325,800	\$10,632,800
Hotels and motels	7,099,200	21,500	28,700	7,149,400
State and National Parks and Wildlife Habitats	5,857,000	0	8,700	5,865,700
Retail Stores – General merchandise	1,873,500	2,300	52,000	1,927,800
Real estate establishments	0	1,098,800	341,800	1,440,600
Rental income from Property Owners	0	0	1,230,300	1,230,300
Insurance carriers	0	371,000	329,700	700,700
Retail Stores – Grocery	395,300	4,800	141,300	541,400
Advertising and related services	0	427,300	37,800	465,100
Management of companies and enterprises	0	366,000	42,300	408,300
Wholesale trade businesses	0	153,000	210,300	363,300
Medical and Dental Offices	0	0	358,800	358,800
Services to buildings and dwellings	0	268,300	44,300	312,600
All Others	300	3,851,500	3,512,700	7,364,500
<b>Totals</b>	<b>\$25,341,800</b>	<b>\$6,755,000</b>	<b>\$6,664,500</b>	<b>\$38,761,300</b>

**Table 16: New State and Local Tax Revenues  
150 Additional Event Days of Multiday Events**

<b>State and Local Tax/Fee</b>	<b>Amount</b>
Employment Taxes	\$51,200
Sales taxes	996,500
Transient Occupancy Tax (TOT)	1,093,700
Property taxes	709,800
Personal Income	467,500
Other Taxes and Fees	460,000
<b>Total State and Local taxes</b>	<b>\$3,778,700</b>

It is important to recognize that with more multiday event days on the calendar, the fewer days there would be for single-day events if all the Marin Center facilities are used by the multiday events. By strategically selling the available dates and spaces, with an eye toward utilizing the total space and allocating based on demand, there should be a way of balancing the space, demand, and local needs of the Marin Center.

**Table 17: Supported Jobs from 150 Additional Event Days of Multiday Events**

<b>Industry</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Bars and Restaurants	150.5	10.7	18.5	179.7
Hotels and motels	60.8	0.8	1.0	62.6
State and National Parks and Wildlife Habitats	40.8	-	0.3	41.1
Retail Stores - General merchandise	28.3	0.3	3.0	31.6
Retail Stores – Grocery	5.3	0.3	7.2	12.8
Real estate establishments	-	19.5	6.3	25.8
Services to buildings and dwellings	-	15.5	2.5	18.0
Advertising and related services	-	10.8	1.0	11.8
Medical and Dental Offices	-	-	10.2	10.2
Private household operations	-	-	9.7	9.7
Employment services	-	7.2	1.5	8.7
Wholesale trade businesses	-	3.5	5.0	8.5
Investment Banking	-	1.3	6.8	8.1
All Others	-	87.0	100.7	187.7
<b>Totals</b>	<b>285.7</b>	<b>156.9</b>	<b>173.7</b>	<b>616.3</b>

When the multiday event days are doubled from the baseline of 125 event days, there are more jobs, more businesses and more tax revenues supported by this increase. Over \$38.7 million in business revenues are supported annually by such a calendar; over 616 jobs are also supported. Approximately \$2.8 million in tax revenue comes into city and county accounts as a result of these events. It is important to recognize that there may be displacement of some single-day events, or fewer of them. These figures in Tables 15 through 17 are only for the multiday events and are not net of the single-day events. This is true for all three options, short of the single-day event impacts.

### **Conclusions and Recommendations**

The Marin Center generates economic impacts from its own operations, and also through the visitors that come to Marin Center for events and performances. There is currently an emphasis on

locally-focused single-day and multiday events. The literature and datasets on visitors and event centers suggests that by focusing on multiday events, and specifically an expansion of events that draw regional, national and perhaps global audiences, there would be larger economic impacts on Marin County by using Marin Center's assets.

If increasing the community impact of Marin Center's use is a policy objective, events should be considered in terms of both their ability to draw in multiday visitors to Marin County and the event's complementarity with other visitor assets (hotels and other destinations in Marin County), and around events that change the availability of those visitor assets.

Based on the assumptions we made concerning the amount of per person spending per attendee per event day to both multiday and single-day events at Marin Center, the multiday events generate almost 3.3 times the revenues for local businesses, and 5.33 times the number of jobs. These large differences are due mainly to the number and types of industries involved when an overnight stay is generated as a complement to a Marin Center event.

Single-day events may indirectly generate hotel stays; multiday events are based on hotel stays supporting the event. Finally, the tax revenue differential is important because multiday events provide transient occupancy tax (TOT) revenue and other sources of public finance; single-day events are more limited in their public revenue generation; multiday events generate almost 4.78 times the public revenue that single-day events do from a visitor population versus local residents.

The current economic impacts of Marin Center are summarized in Table 15. Table 16 shows the change to the baseline as a result of more multiday event days rather than restate the totals. This provides the reader with a way to view the positive variance from increasing multiday events. We assume that 75 percent of the single-day events will remain on the calendar in terms of quantity of events; their mix will depend on how the new multiday events displace the current slate of events. The loss of 25 percent of the current single-day events will reduce some of the benefits to Marin Center,

replaced by new events. Notice, also, that there are positive impacts from both the increase in Marin Center use and the visitor impacts as the number of event days rises; Tables 18 and 19 summarize the baseline and the differential generated from new multiday event calendaring versus that baseline.

**Table 18: Marin Center Current Economic Impacts on Marin County, No Change to Operations**

Economic Impact Category	Marin Center spending \$3.3 million annually) supports (average since 2009)	Additional Impacts From Current Single-Day Events Support	<b>Baseline</b> Multiday Events Support
Employment	29.1 jobs	57.8 jobs	181 jobs
Business Revenue	\$6,254,300	\$5,875,000	\$19,648,000
Tax Revenue or (Cost to County)	(1,200,000)	\$395,000	\$1,250,900

**Table 19: Additional Economic Impacts from More Multiday Events: Sensitivity Analysis**

Economic Impact Category	75 more Event Days Supports an <b>Additional</b>	150 more Event Days Supports an <b>Additional</b>
Employment	<b>185 jobs</b>	<b>308 jobs</b>
Business Revenue	<b>\$11.6 million</b>	<b>\$19.4 million</b>
Tax Revenue	<b>\$1.13 million</b>	<b>\$1.89 million</b>

The conclusions from these data are as follows:

- There are more overnight stays from multiday events than single-day events, though there are overnight stays for single-day events;
- Marin Center operations generate local economic impacts based on the Center’s hiring of personnel, vendors, and suppliers for goods and services for events (internal effects);
- Single-day operations have external effects based on attendee/visitor spending, where the large emphasis of this spending will be on restaurant meals and other events complementary to the Marin Center’s event; and
- Multiday events become augmented hotel stays and a broader amount of visitor-related spending due to the attendees of Marin Center’s multiday events being actual visitors to Main County rather than local and regional residents touring Marin County for one day before and after events.

The final two conclusions are a description of the external effects and economic impacts on Marin County's businesses, employees and local governments based on visitor spending.

Recommendations:

Management and clients of the Marin Center provided thoughts about change and adjustments. The analysis of the status quo versus a larger focus on multiday events coordinated with local visitor industries, specifically local hotels, suggests the following changes be considered:

- The Marin Center calendar is filled with multi-day events as primary placement;
- Generate a strategic plan to make changes such that more multiday events are possible, and space is allocated with this goal in mind, may balance between smaller and larger clients for the betterment of the entire county economy and residents
- Calendaring is in coordination with local hoteliers and event facilities;
- Single-day events are second priority;
- Long-standing and specific non-profit events are provided calendaring priority after feasible multiday events are booked;
- Booking can be years in advance, especially for new, annual events that are multiday, annual events;
- Consider a Marin Center support fee tied to events and hotel stays that would capture multiday event demand and allocate to upgrades and technological maintenance of Marin Center;
- Marin Center calendar and logistics management; and
- A reserve fund be established to keep the Marin Center updated and on the communications frontier in terms of connectivity.

Once the available days available are determined, booking and calendar policy should attempt to maximize the use of available space per the demand. On some days, multiple events would utilize

multiple venues; other days there will be one event that may use only a subset of the space, and some days there will be no use of the space. The key is to optimize the use of the space and coordinate that use with other visitor assets in Marin County.