







HENRY B. GONZALEZ CONVENTION CENTER FUTURE STUDY

August 15, 2025



COVER LETTER

August 15, 2025

Mr. Ben Gorzell Chief Financial Officer City of San Antonio 100 West Houston Street San Antonio, TX 78205

Dear Mr. Gorzell:

Conventions, Sports & Leisure (CSL) has completed a Final Draft of the Henry B. Gonzalez Convention Center Futures Study. This report outlines the key findings associated with the analysis of local market conditions, historical HBGCC operations, industry trends and characteristics, competitive and comparable markets and facilities, and convention center demand characteristics specific to the San Antonio market.

The research presented herein is intended to assist City leadership, facility management and other project stakeholders with respect to key building program elements supported by market demand characteristics unique to San Antonio. The report presents various investment opportunities, resulting convention event activity, economic impact and financial operating implications.

We greatly appreciate the assistance provided by HBGCC staff and management, and the opportunity to work with you and the many project stakeholders impacted by the San Antonio convention industry. We look forward to working with you with on-going planning and analysis as the project moves forward.

Very truly yours,

CSL International



CSL

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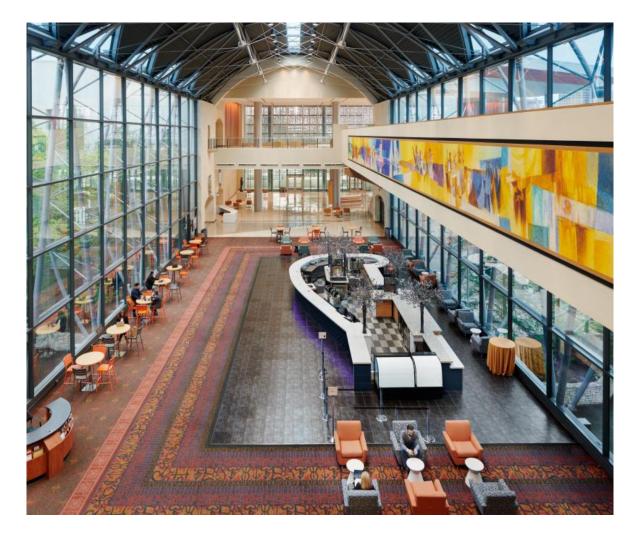


INTRODUCTION AND OVERVIEW

The Henry B. González Convention Center (HBGCC) is the City of San Antonio's primary convention and tradeshow facility, located in the heart of downtown along the River Walk. The venue currently offers 513,900 square feet of contiguous exhibit space across Exhibit Halls 1, 2, 3, 4A, 4B, and the Bridge Hall. While these areas are included in the total, it is important to note that the Bridge Hall and portions of Hall 4B do not meet current industry standards for configuration and accessibility; excluding these areas results in 432,200 square feet of contiguous exhibit space. Complementing the exhibit halls are two ballrooms—the 39,600-square-foot Hemisfair Ballroom and the 54,700-square-foot Stars at Night Ballroom—along with approximately 120,300 square feet of meeting space. With walls in place, the facility accommodates up to 64 breakout meeting rooms.

The most recent major expansion in 2016 modernized the facility, added new exhibit and ballroom space, and improved functionality for both event organizers and attendees. Today, the HBGCC supports a wide range of event activity, with conventions, tradeshows, and consumer shows serving as primary economic drivers, alongside banquets, assemblies, and entertainment events.

As the meetings and conventions industry continues to evolve, and competitive facilities across the country expand and modernize, the City is exploring opportunities to further enhance the HBGCC with a Convention Center Future Study. The following section outlines CSL's process for evaluating potential future expansion options to maintain and grow San Antonio's position in the national convention marketplace.





STUDY PROCESS OVERVIEW

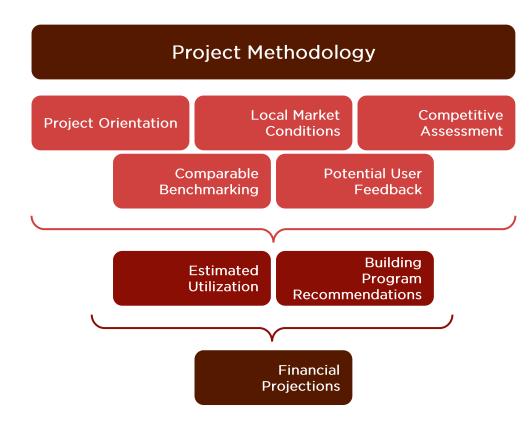
To explore the potential for expanding the Henry B. González Convention Center (HBGCC), the City engaged CSL to conduct a comprehensive market and financial feasibility analysis focused on potential facility program enhancements and positioning within the national convention marketplace. CSL's work encompassed:

- Stakeholder Engagement Interviews and discussions with City leadership, Visit San Antonio staff, convention and tradeshow organizers, hospitality industry representatives, and other key stakeholders.
- In-Market Visit A full walk-through of the HBGCC to review current exhibit halls, ballrooms, meeting spaces, and back-of-house areas, as well as surrounding amenities and connections to the downtown River Walk district.
- Market & Demographic Analysis Review of San Antonio's convention district vibrancy, and historic downtown hotel performance.
- Comparable Benchmarking Analysis of 23 similarly sized convention centers in Texas and nationwide, including sellable space offerings, space ratios, and headquarter and half-mile hotel inventory.
- **Promoter and Artist Feedback** Email survey of 113 state, regional, and national event planners, representing over 300 annually recurring convention, tradeshow and other events.

Using these inputs, CSL developed:

- Three primary program development options, evaluated in terms of their space offerings and subdivisibility, to determine a Preferred Development Option.
- An analysis of estimated utilization and economic/fiscal impacts associated with the Preferred Development Option for the HBGCC.

The remainder of this report presents findings from these processes, intended to inform City leadership on the optimal scale, configuration, and positioning of a potential HBGCC expansion. This analysis is part of CSL's broader, multi-project effort for the San Antonio Sports and Entertainment District, which also includes feasibility studies for the Alamodome, a new downtown music venue, and an assessment of the district's overall economic impact.



DISTRICT OVERVIEW

The HBGCC is a key anchor of San Antonio's downtown, situated within a broader downtown district that includes Hemisfair Park and the San Antonio River Walk—an area potentially undergoing significant and potentially transformative placemaking and redevelopment efforts. Strategic investment in the facility's expansion would complement these initiatives, enhancing the City's ability to attract high-profile conventions and tradeshows while boosting foot traffic, district vibrancy, and City revenues through the economic activity generated at nearby hotels, restaurants, retail, and other businesses by events. This report outlines key issues and opportunities for the HBGCC, concluding with recommendations for future investment and its projected financial and economic impacts.



Alamodome

U.S. Courthouse

Convention Center













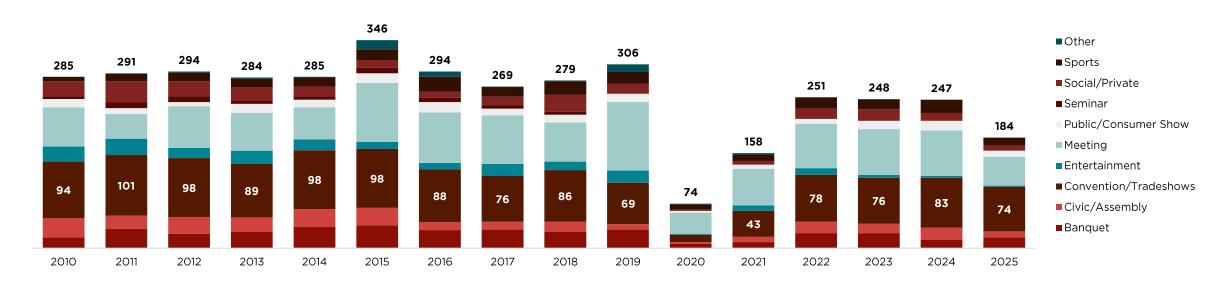


EVENTS

The exhibit below delineates the HBGCC's total number of events by type hosted between 2010 and 2025. As presented, convention/tradeshow and meeting events have comprised more than half (58 percent) of total events at the HBGCC over the last 15 years. As will be presented herein, convention/tradeshow activity is a major driver of utilization days, attendance, and room nights at the HBGCC. Fifteen to 20 annual events in each of the following categories—banquet, civic/assembly, entertainment, social/private, and sporting events—comprise most of the remaining event activity at the facility on an annual basis.

Post-Pandemic (2022 through 2024), the average number of annual events (249 events) at the HBGCC has been slightly lower than the pre-Pandemic average of 294 (2010 through 2019). In 2025 to date, the total number of events (184) is below the post-Pandemic average, due in part to many smaller events such as meetings, banquets, and civic/assemblies booking within a shorter lead window than conventions/tradeshows. As the year progresses, additional short-lead bookings could narrow this gap. However, larger conventions and tradeshows, which represent a significant portion of room nights and economic impact generation, have generally rebounded to levels approximate to pre-Pandemic totals, especially those seen between 2016 and 2019.

HBGCC Events by Type (2010 - 2025)



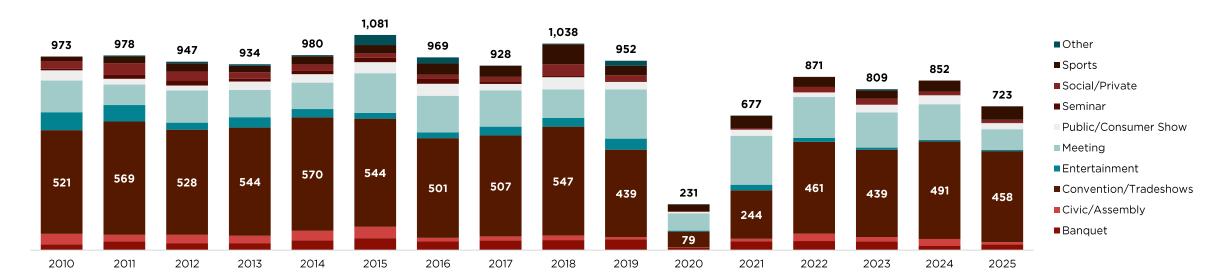


UTILIZATION DAYS

The total number of annual utilization days accommodated at the HBGCC between 2010 and 2025 is presented in the exhibit below. Utilization days include all event, move-in, and move-out days associated with an event.

Across the pre-Pandemic period (2010-2019), the HBGCC averaged approximately 978 total utilization days per year, compared to an average of 844 days per year during the post-Pandemic period (2022-2024), reflecting a 15 percent decline. In 2025 to date, the total number of utilization days (723) is tracking below the recent post-Pandemic average, due in part to many smaller or short-lead events—particularly meetings, banquets, and social/private events—still booking later in the year. Additional bookings in these categories could help close the gap by year-end. Convention/tradeshow activity, the single largest driver of utilization days, averaged 527 days annually pre-Pandemic and has rebounded to 454 days annually in the post-Pandemic period, representing 86 percent of pre-pandemic levels. This decline is attributable to a slight reduction in total convention/tradeshow events in recent years; however, as will be shown later in this section, convention/tradeshow attendance and room nights have remained strong during the post-Pandemic period.

HBGCC Utilization Days by Event Type (2010 - 2025)



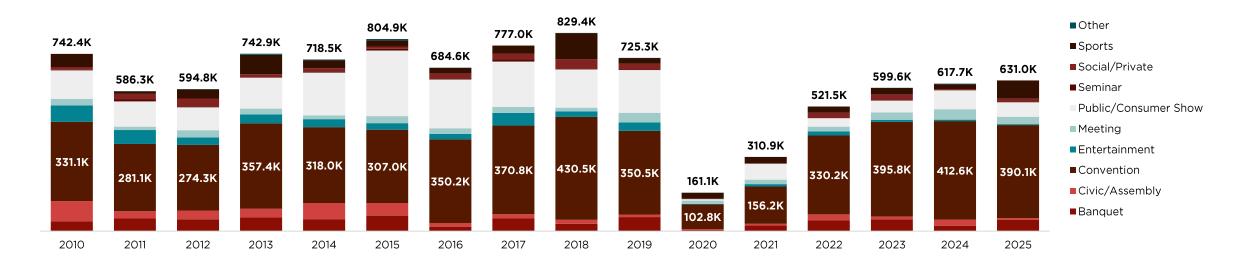


HISTORICAL OPERATIONS

ATTENDANCE

The exhibit below presents annual attendance by event type for all HBGCC events between 2010 and 2025. Attendance for 2025 is based on official bookings made as of August 2025, with attendance for confirmed events later in the year estimated. Average annual pre-Pandemic total attendance was 720,600, with a high of 829,400 (2018) and a low of 586,300 (2011). Between 2010 and 2019, conventions/tradeshows averaged 337,100 attendees annually, representing 46 percent of total attendance, with public/consumer shows accounting for another 23 percent. Extraordinary spikes in the sports category in 2018 and 2025 reflect attendance associated with the NCAA Men's Final Four Tournament. In the post-Pandemic period (2022–2024), conventions/tradeshows have averaged 379,500 attendees annually—up from the pre-Pandemic average—and have accounted for a much larger share of total attendance (approximately 65 percent). This growth in annual convention/tradeshow attendance has occurred despite the HBGCC hosting fewer total conventions/tradeshows and incurring fewer convention/tradeshow utilization days, pointing to higher per-event attendance in recent years. In 2025, convention/tradeshow attendance is at 390,100—continuing this strong trend and underscoring the importance of this segment, whose attendees are primarily non-local and higher-impact. Attendance totals for 2025 could finish higher than this total by year-end if additional short-lead events are booked.

HBGCC Attendance by Event Type (2010 - 2025)





ROOM NIGHTS

The chart below presents CSL's estimate of annual hotel room nights generated by event activity at the HBGCC between 2010 and 2025, segmented into two categories: Convention/Tradeshow and Non-Convention/Tradeshow (which aggregates all other historical event types, including banquets, civic/assembly, entertainment, meetings, and others). This consolidation reflects the fact that convention and tradeshow activity is overwhelmingly the primary driver of non-local hotel demand. CSL's room night estimates are derived from historical attendance data by event type, applying event-specific assumptions for the share of attendees that are non-local, the average number of unique persons per hotel room, and the share of non-local attendees staying in hotels. This methodology produces a consistent measure of total room nights tied directly to event activity at the HBGCC, and accounts for the large shar of attendees that book outside the formal room block.

Since 2010, Convention/Tradeshow events have accounted for 97 percent of all estimated HBGCC-generated hotel room nights. In the pre-Pandemic period (2010–2019), the facility averaged an estimated 694,800 room nights annually, including 671,300 from Convention/Tradeshows. Following expansion in 2016, estimated annual room nights reached new highs, peaking in 2017 with an estimated 879,800 room nights. The Pandemic period in 2020–2021 produced the lowest volumes on record, with estimated total room nights falling below 300,000 in both years.

Post-Pandemic (2022-2024), Convention/Tradeshow events have averaged approximately 805,400 room nights per year (98 percent of average annual room nights), reflecting a strong rebound and surpassing pre-Pandemic levels despite fewer total Convention/Tradeshow events annually. In 2025, projected total room nights remain ahead of pre-Pandemic averages and consistent with recent post-Pandemic performance.

HBGCC Estimated Room Nights by Event Type (2010 - 2025)

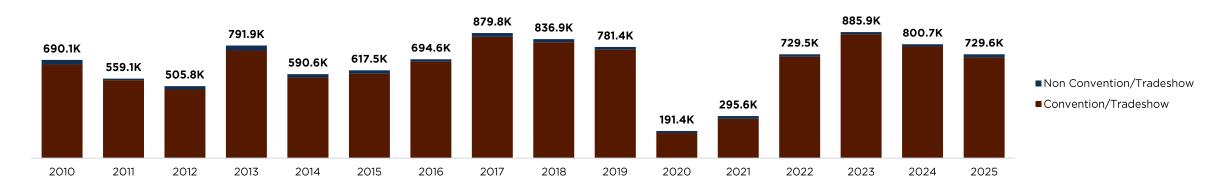




EXHIBIT HALL OCCUPANCY

The chart below presents the occupancy level of the HBGCC's exhibit hall between 2010 and 2025. While 2025 is still underway and its full calendar of events has not yet occurred, exhibit hall occupancy in this year can still be determined with a reasonable degree of certainty given the long booking lead times for large national conventions and tradeshows who typically book these spaces. Prior to the 2016 expansion—which added Exhibit Halls 1 and 2 and, following the opening, involved demolition of the non-contiguous Event Halls A and B to the west to make way for Hemisfair Park—annual occupancy consistently reached or exceeded 70 percent. This level represents the "practical maximum capacity" of the space and suggests that the HBGCC may have been turning away significant business during those years. Following the expansion's official opening in early 2016, occupancy fell to 57 percent. This decline is attributable to the fact that large conventions typically contract 3–5 years in advance, meaning much of the 2016 calendar was likely secured during the construction period, before planners could evaluate and commit to the expanded product—limiting near-term occupancy in that year. Occupancy quickly rebounded in subsequent years to levels exceeding practical maximum capacity. After 13-year lows in 2020 and 2021 due to the pandemic, the HBGCC's exhibit hall occupancy rate has returned to the mid-to-high 60 percent range over the past three full years. Based on current bookings as of August 2025, 2025 occupancy registered near 70 percent.

HBGCC Attendance by Event Type (2010 - 2025)

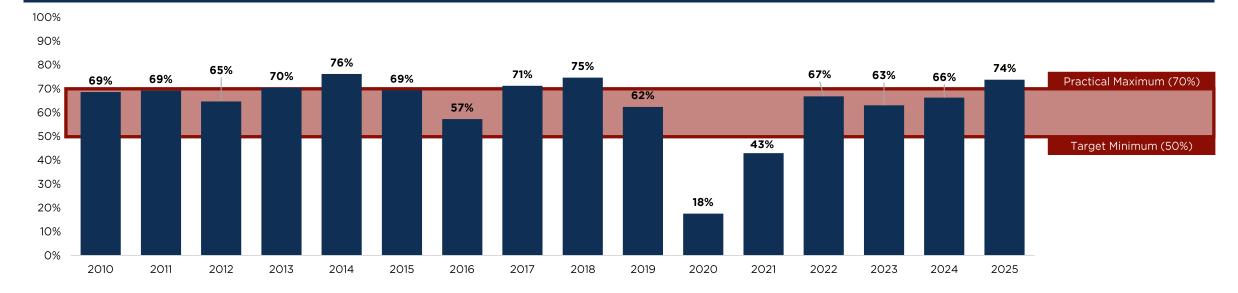




EXHIBIT HALL OCCUPANCY (continued)

The table below presents annual occupancy levels—segmented by event type—for the HBGCC following Exhibit Hall expansion in 2015. The chart below presents average occupancy by event type over that same period, excluding Pandemic-affected years in 2020 and 2021.

Large Convention/Tradeshows (with exhibits) have driven HBGCC exhibit hall utilization over the last 10 years. In a typical year of operation, 39 percent of exhibit space is utilized for large Convention/Tradeshows (with exhibits) and 14 percent is utilized for small Convention/Tradeshows (with exhibits). The remaining 13 percent of usage consists of a handful of Convention/Tradeshows (without exhibits), Corporate Tradeshows, Public/Consumer Shows, and Sporting Events.

Event Types	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
● Banquet	<0%	1%	1%	1%	<0%	<0%	1%	2%	<0%	1%
Civic/Assembly	0%	<0%	<0%	0%	0%	0%	1%	0%	1%	0%
● Convention/Tradeshow (with exhibits) - Large	26%	40%	50%	37%	11%	9%	39%	41%	41%	51%
Convention/Tradeshow (with exhibits) - Small	16%	18%	12%	11%	2%	16%	16%	12%	15%	10%
 Convention/Tradeshow (without exhibits) 	1%	1%	1%	4%	1%	1%	1%	2%	1%	2%
Corporate Tradeshow	2%	1%	2%	2%	0%	<0%	1%	<0%	1%	<0%
Entertainment	0%	0%	0%	<0%	0%	<0%	0%	0%	0%	0%
Meeting	1%	1%	0%	1%	1%	3%	3%	2%	1%	<0%
Public/Consumer Show	7%	4%	3%	3%	<0%	2%	1%	2%	4%	3%
Seminar	<0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Social/Private	1%	1%	1%	1%	<0%	0%	1%	1%	0%	0%
• Sports	1%	3%	4%	1%	2%	12%	3%	2%	2%	6%
Other	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%
OVERALL EXHIBIT HALL OCCUPANCY	57%	71%	75%	62%	18%	43%	67%	63%	66%	74%

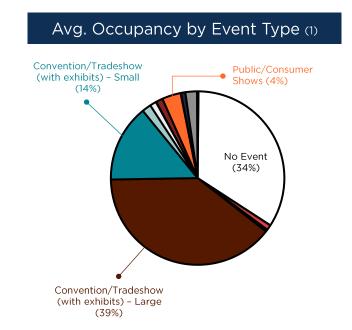




EXHIBIT HALL OCCUPANCY (continued)

To further analyze the occupancy of the HBGCC's exhibit hall, the charts below present daily exhibit space square footage utilization for the years 2018 and 2025. These years were selected for this analysis because both coincide with San Antonio hosting the NCAA Men's Final Four. In 2018, when exhibit hall occupancy reached a near historic peak of 75 percent, the HBGCC had only three six-day blocks with at least 200,000 square feet of space available for an event booking, and none with 400,000 square feet available. These openings coincided with Memorial Day, Labor Day, and the Christmas/New Year's period—excluding holiday periods, 2018 had no six-day blocks with 200,000 square feet or more available. In 2025, at an exhibit hall occupancy of 74 percent based on bookings as of August 2024, there are currently six six-day blocks where at least 200,000 square feet of exhibit space are available, including a single block with 400,000 square feet available. Several of these occur during holiday periods such as Labor Day and Christmas, which are generally difficult to book for high-impact events. Excluding holidays, 2025 currently has only four six-day blocks with at least 200,000 square feet available, and one additional single-day block with over 400,000 square feet of available space. Overall, the 2025 booking calendar appears on track to reflect a return to near-peak occupancy levels last seen in 2018, with similarly few extended gaps in exhibit hall availability outside of holiday periods.

2018 Daily Exhibit Hall Usage (SF)

3 6-day blocks with at least 200k SF of space available (**Q** when excluding holidays)

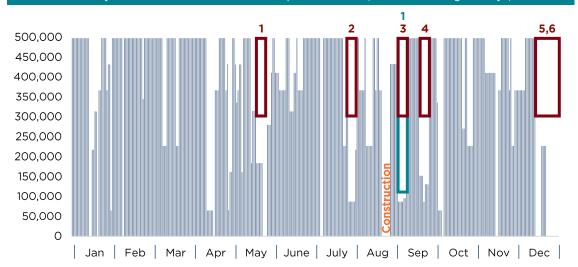
O 6-day blocks with at least 400k SF of space available (**O** when excluding holidays)



2025 Daily Exhibit Hall Usage (SF)

6 6-day blocks with at least 200k SF of space available (**4** when excluding holidays)

1 6-day blocks with at least 400k SF of space available (1 when excluding holidays)





HISTORICAL OPERATIONS

OCCUPANCY BY SPACE

Further examination of the HBGCC's Exhibit Hall occupancy is presented below, including annual occupancy levels by individual event hall. This table also includes occupancy data for the Center's 39,600-square foot Hemisfair Ballroom and 54,700-square foot Stars at Night Ballroom.

As previously noted, following expansion in 2016, Exhibit Hall occupancy temporarily dropped to 57 percent—a result of long booking lead times for large conventions and the tendency of planners to wait until a major expansion is fully operational before committing. Occupancy quickly rebounded, exceeding 70 percent in 2017 and 2018, before falling during the pandemic and recovering to the mid-60s in recent years. Based on current bookings, 2025 occupancy is projected to reach 74 percent. The Stars at Night Ballroom and Hemisfair Ballroom achieved strong occupancy between 2017 and 2019, consistently exceeding 70 percent. Following pandemic-affected years in 2020 and 2021, these levels have rebounded to the mid-to-high 60s, much like the exhibit hall. The Stars at Night Ballroom has seen higher utilization in recent years, reaching an occupancy rate of 70 percent in 2024 and a projected 77 percent in 2025, compared to Hemisfair's 63 percent in 2024 and 65 percent projected in 2025.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Exhibit Hall 1	NA	NA	NA	NA	NA	NA	59%	73%	79%	61%	17%	48%	70%	67%	64%	73%
Exhibit Hall 2	NA	NA	NA	NA	NA	NA	46%	66%	71%	59%	18%	39%	67%	62%	64%	74%
Exhibit Hall 3	65%	62%	62%	67%	67%	55%	63%	77%	79%	67%	19%	46%	67%	64%	66%	79%
Exhibit Hall 4A	71%	74%	67%	73%	83%	80%	68%	73%	75%	64%	17%	42%	59%	58%	68%	69%
Exhibit Hall 4B	71%	74%	67%	73%	83%	80%	69%	74%	73%	66%	17%	43%	67%	62%	76%	72%
Exhibit Hall	69%	69%	65%	70%	76%	69%	57%	71%	75%	62%	18%	43%	67%	63%	66%	74%
Hemisfair Ballroom C1	76%	70%	70%	67%	70%	73%	66%	76%	79%	72%	20%	54%	69%	67%	64%	64%
Hemisfair Ballroom C2	75%	70%	70%	67%	69%	68%	70%	74%	79%	72%	19%	54%	70%	67%	62%	66%
Hemisfair Ballroom C3	75%	71%	68%	68%	69%	68%	69%	73%	77%	70%	19%	50%	71%	65%	62%	66%
Hemisfair Ballroom	75%	70%	70%	67%	69%	70%	69%	74%	79%	71%	19%	53%	70%	66%	63%	65%
Stars at Night Ballroom B1	NA	NA	NA	NA	NA	NA	66%	76%	82%	72%	19%	55%	68%	69%	71%	77%
Stars at Night Ballroom B2	NA	NA	NA	NA	NA	NA	65%	78%	82%	72%	17%	48%	68%	68%	71%	77%
Stars at Night Ballroom B3	NA	NA	NA	NA	NA	NA	63%	74%	79%	69%	17%	48%	66%	67%	71%	77%
Stars at Night Ballroom B4	NA	NA	NA	NA	NA	NA	61%	75%	81%	67%	17%	49%	66%	64%	69%	77%
Stars at Night Ballroom	NA	NA	NA	NA	NA	NA	64%	76%	81%	70%	18%	51%	67%	67%	70%	77%



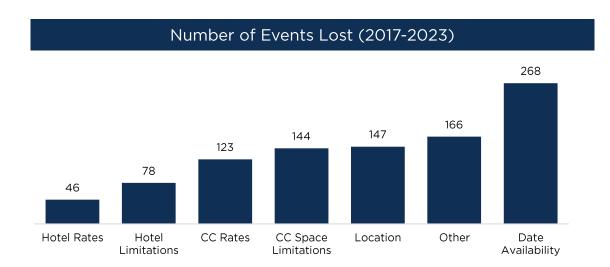


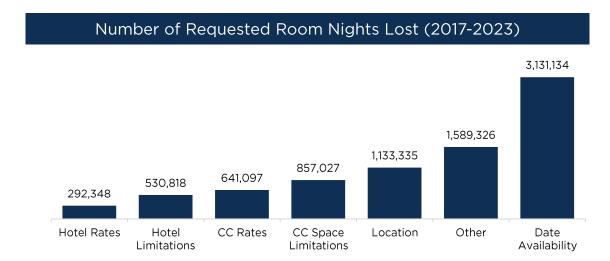
LOST BUSINESS ANALYSIS

Visit San Antonio staff track the events and associated room nights lost to other convention destinations during the competitive bid process. Typically, an association or corporation will issue a request for proposal, with the HBGCC and Visit San Antonio staff issuing a response that includes Center availability and rental rates, hotel room blocks, room rates, and other elements important for production of the event.

The tracked lost events during the period spanning 2017 through 2023 are summarized below segmented by reasons for choosing other destinations. Date availability at the Center is the leading reason for lost business in terms of total events and room nights. Other controllable factors resulting in lost business for the Center include limitations of Center space, Center rates, and hotel-related challenges. Lost business due to date availability and space limitations can generally be addressed through the addition of new, trend-forward event space. Limitations related to hotel properties generally pertain to number and quality of accessible hotel rooms for attendees and planners. These issues can be eventually addressed through the development of a new headquarter hotel and/or surrounding hotel properties.

Other primary reasons for lost business include uncontrollable factors such as undisclosed reasoning and decisions to postpone their consideration of San Antonio until future years; and 'location,' which includes market accessibility, destination appeal, and geographical rotation requirements. These factors are less controllable and present less opportunity to mitigate the HBGCC's lost business levels.



















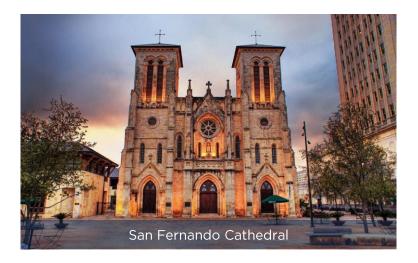
INTRODUCTION

The San Antonio market widely recognized as a leading destination for sports, events, entertainment and leisure. The unique history and culture, downtown walkability, and urban and metro area attractions supported a visitation level of 2022 in 34.8 million, according to a study by D.K. Shifflet. A recent study by Trinity University estimated that the San Antonio tourism and hospitality industry generated an annual economic impact of \$19 billion, including visitor spending and spending by local businesses that support the tourism industry.

The Henry B. Gonzalez Convention Center (HBGCC) plays an important role in the overall San Antonio visitor industry, generating new spending for the economy, supporting hotel and restaurant inventory and demand, providing a space for important local events, and introducing the San Antonio area to thousands of business leaders from around the world. This report creates a significant research framework from which we can identify strategic investments designed to maintain and increase San Antonio's market capture within the highly competitive convention and tradeshow industry.







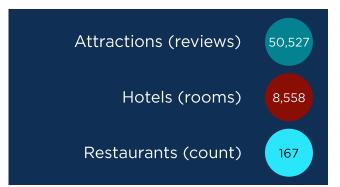


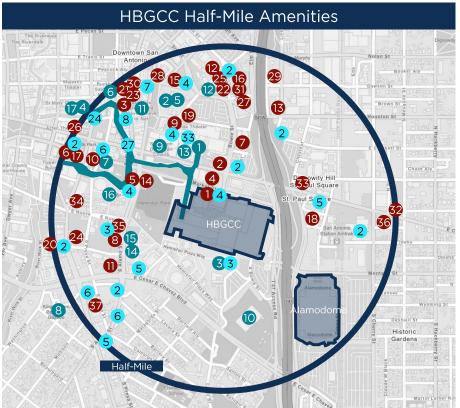
HALF-MILE AMENITIES

The tables and map below detail the lodging properties, attractions and inventory of restaurants located within a half-mile of the HBGCC. In total, there are 37 hotel properties offering nearly 8,600 sleeping rooms; 17 major attractions, including the City's iconic River Walk; and nearly 170 restaurants inside this radius. These destination assets are largely concentrated to the northwest of the HBGCC in downtown San Antonio. This walkable area is generally recognized among convention and tradeshow planners as an important competitive advantage for the San Antonio market.

Lodging Property	Number of Rooms	Chain Scale
1 Grand Hyatt San Antonio River Walk	1.003	Luxury
2 Marriott San Antonio Rivercenter	1,000	Upper Upsc
Hyatt Regency San Antonio Riverwalk	630	Upper Upsc
4 Marriott San Antonio Riverwalk	512	Upper Upsc
5 Hilton Palacio Del Rio	485	Upper Upsc
6 The Westin Riverwalk, San Antonio	473	Upper Upsc
7 La Quinta Inn & Suites by Wyndham San Antonio Riverwalk	347	Upper Mid
8 Kimpton Santo	347	Upper Upsc
9 The Historic Menger Hotel	316	Indep
10 Hotel Contessa	265	Indep
11 Plaza San Antonio Hotel & Spa, Autograph Collection	253	Upper Upsc
12 Sonesta ES Suites San Antonio Downtown Alamo Plaza	220	Upper Mid
13 Red Roof PLUS+ San Antonio Downtown-Riverwalk	215	Economy
The Monarch San Antonio, Curio Collection by Hilton (1)	200	Upper Upsc
The Emily Morgan San Antonio - a DoubleTree by Hilton Hotel	177	Upscale
16 Hampton by Hilton Inn San Antonio-Downtown River Walk	169	Upper Mid
17 Homewood Suites by Hilton San Antonio Riverwalk Downtown	146	Upscale
18 Staybridge Suites San Antonio Downtown Convention Ctr	138	Upscale
19 Crockett Hotel	138	Indep
20 Hyatt Place San Antonio Riverwalk	131	Upscale
21 Hilton Garden Inn San Antonio Downtown	126	Upscale
22 SpringHill Suites San Antonio Alamo Plaza Convention Center	118	Upscale
23 TownePlace Suites San Antonio Downtown Riverwalk	117	Upper Mid
24 SpringHill Suites San Antonio Downtown/Riverwalk Area	116	Upscale
25 Fairfield Inn & Suites San Antonio Alamo Plaza/Convention Center	99	Upper Mid
26 Mokara Hotel & Spa	99	Indep
27 Tru by Hilton San Antonio Downtown Riverwalk	95	Midscale
28 Hotel Gibbs Downtown Riverwalk	91	Indep
29 Comfort Suites Alamo Riverwalk San Antonio	89	Upper Mid
The Maverick, powered by Placemakr	86	Indep
31 Days Inn San Antonio Alamo Riverwalk	82	Economy
32 Holiday Inn Express & Suites San Antonio Rivercenter	81	Upper Mid
33 Aiden by Best Western @ San Antonio Riverwalk	79	Upscale
34 The O'Brien Riverwalk Boutique Hotel	39	Indep
35 The Fairmount Hotel	37	Indep
36 City View Inn & Suites	20	Indep
37 La Villita Inn	19	Indep
TOTAL	8.558	

	Attraction	Number of Positive Reviews	Туре
1	San Antonio River Walk	24,734	Scenic Walking Area
2	The Alamo	17,024	Historic Site
3	Tower of the Americas	1,953	Observation Deck
4	Majestic & Empire Theaters	1,229	Performance Venue
5	Alamo Plaza	1,077	Historic Site
6	The Buckhorn Museum	1,049	Specialty Museum
7	Briscoe Western Art Museum	837	Art Museum
8	King William Historic District	736	Historic Site
9	St Jospeh Catholic Church	436	Cathedral
10	Institute of Texan Culture	410	History Museum
11	Ripley's Believe it or Not! San Antonio	344	Specialty Museum
12	San Antonio Fire Museum	242	Specialty Museum
13	Shops at Rivercenter	242	Shopping Mall
14	Yanaguana Garden	55	Garden
15	Magik Theatre	54	Performance Venue
16	Arneson River Theater	54	Performance Venue
17	St. Mary's Catholic Church	51	Cathedral
	TOTAL	50,527	



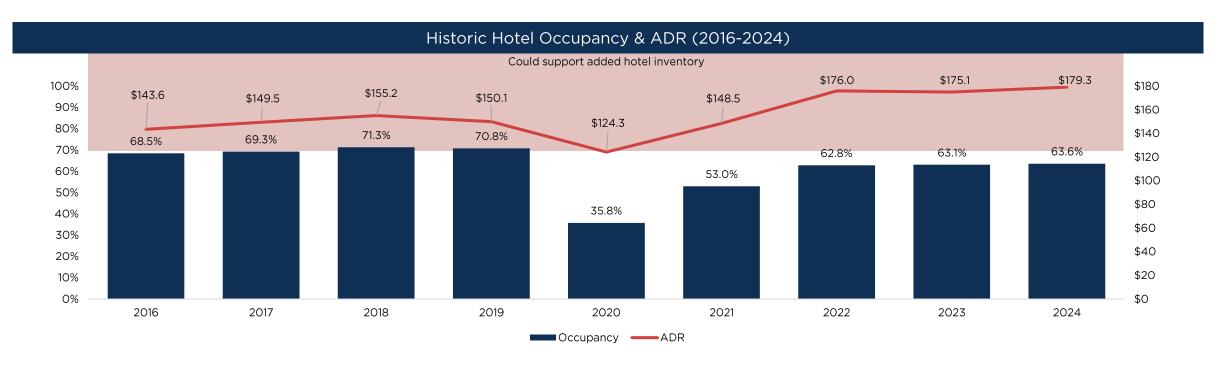




YEARLY HOTEL PERFORMANCE (OCCUPANCY & ADR)

Decisions as to the future of any substantial hospitality-related investment such as a convention center improvement or hotel development should consider the overall performance of a given area's hospitality sector, which is partly defined by overall hotel occupancy and room rates. Markets with substantial leisure, group, and/or corporate transient demand often experience hotel occupancy levels near or above 70 percent, and in these cases, additional hotel inventory may be supported. The average daily rate (ADR) is also important to consider as part of any convention-related investment, as event planners often seek competitive hotel rates when selecting a host destination.

The exhibit below details yearly occupancy and ADR for hotels within San Antonio's Central Business District (properties that are typically used to commit room blocks to visiting groups using the HBGCC) from 2016 to 2024. During the two years prior to the Pandemic (2018 and 2019), hotel occupancy for San Antonio exceeded 70 percent. Post Pandemic occupancy data has lagged the 2016 to 2019 performance, however ADR hit a 9-year high in 2024 at \$179.30.



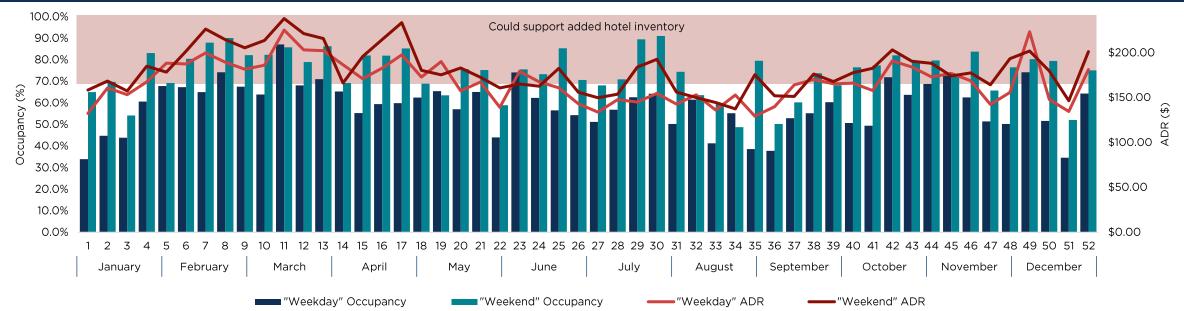


WEEKLY HOTEL PERFORMANCE (OCCUPANCY & ADR)

To further summarize hotel industry performance in San Antonio's Central Business District, the exhibit below details weekday and weekend occupancy and ADR for a sample year of 2023. Weekday occupancy, which is partially driven by HBGCC conventions, surpassed 70 percent occupancy during seven weeks of 2023. Hotel occupancy levels are typically higher during the weekend.

Average daily rate for downtown properties generally peaks during the late winter and spring months, and again during the fall months. Weekend rates are generally higher than those recorded during the week. The spring/fall pattern for higher rates and occupancy corresponds to the periods during which peak national convention demand occurs, potentially creating challenges for assembling room blocks for large events. However, much of the national convention and tradeshow demand takes place during the weekday period, offering opportunities to increase overall hotel financial performance and tax generation in San Antonio by filling potential need periods.







DAILY HOTEL PERFORMANCE (DAILY OCCUPANCY)

Again using 2023 data as a case study, CSL analyzed the daily occupancy of Central Business District hotels. This analysis highlights potential challenges in attracting large events during peak demand periods. For example, limited availability exists during March, with modest (and primarily weekend) capacity in April. May offers several dates with lower occupancy, however they correspond with Memorial Day weekend.

During the fall period, September and October provide a limited number of dates with low downtown hotel occupancy, including dates around Labor Day. Major convention and tradeshow activity typically concentrates in the spring and fall period, with large corporate events held throughout the year. We note that during the spring/fall months, weekly hotel occupancy in downtown San Antonio can exceed 70 percent on numerous occasion, while also dropping to below 70 percent on other occasions. This suggests a need to specifically target particular weeks/periods for attracting added high-impact event at the current HBGCC. Future added hotel inventory, particularly a headquarter hotel, could benefit the long-term ability to assemble room blocks for larger HBGCC events during peak event demand periods.

2023 Daily Hotel Occupancy

	January '23											
S	М	Т	W	Т	F	S						
41%	26%	29%	34%	39%	61%	69%						
26%	37%	47%	58%	56%	71%	68%						
40%	33%	48%	49%	49%	50%	58%						
38%	59%	74%	71%	61%	75%	91%						
59%	76%	79%										

	May '23											
S	М	Т	W	Т	F	S						
	63%	70%	71%	64%	64%	74%						
72%	76%	79%	52%	48%	61%	66%						
33%	53%	62%	76%	62%	66%	85%						
63%	72%	79%	72%	39%	62%	88%						

	September '23											
S	М	T	W	T	F	S						
					68%	91%						
65%	20%	29%	37%	39%	46%	55%						
40%	54%	63%	54%	54%	55%	65%						
43%	57%	61%	55%	60%	69%	79%						
50%	75%	71%	55%	50%	60%	76%						

	February '23											
S	М	Т	W	T	F	S						
			77%	49%	66%	73%						
41%	51%	62%	91%	93%	94%	67%						
40%	54%	69%	83%	80%	84%	92%						
71%	63%	76%	77%	84%	88%	92%						
58%	63%	73%										

		J	une '2	:3		
S	М	Т	W	Т	F	S
				41%	53%	65%
73%	85%	86%	70%	57%	71%	80%
46%	59%	56%	74%	76%	75%	72%
47%	49%	56%	64%	67%	82%	89%
42%	54%	62%	60%	54%	59%	

		Oc	tober	'23		
S	М	Т	W	Т	F	S
43%	45%	51%	56%	59%	72%	81%
45%	42%	50%	56%	54%	74%	81%
59%	68%	74%	74%	83%	82%	82%
53%	65%	73%	66%	61%	78%	79%
53%	64%	67%				

March '23											
S	М	Т	W	Т	F	S					
			76%	68%	78%	86%					
60%	68%	64%	66%	62%	75%	90%					
74%	94%	96%	93%	79%	87%	84%					
53%	62%	77%	76%	72%	68%	90%					
73%	83%	75%	65%	59%	78%						

July '23									
S	М	Т	T W T F						
66%	57%	43%	43%	47%	64%	72%			
36%	44%	67%	70%	67%	67%	75%			
52%	57%	59%	69%	75%	88%	91%			
55%	63%	68%	65%	71%	88%	94%			
57%	44%								

November '23										
S	М	Т	W	Т	F S					
			81%	79%	74%	86%				
68%	85%	80%	73%	56%	70%	76%				
56%	66%	70%	62%	59%	78%	89%				
76%	58%	36%	39%	49%	75%	57%				
27%	38%	56%	68%	63%						

April '23										
S	М	S								
	94%									
73%	71%	66%	58%	58%	69%	69%				
32%	39%	55%	72%	77%	81%	83%				
44%	53%	61%	69%	69%	81%	83%				
43%	52%	62%	69%	74%	84%	86%				
45%										

August '23									
S	М	Т	W	Т	F	S			
		48%	3% 50% 52%		67%	82%			
60%	64%	67%	61%	55%	59%	68%			
40%	45%	42%	39%	40%	55%	64%			
48%	60%	66%	62%	41%	46%	51%			
23%	31%	38%	43%	57%					

December '23										
S	М	Т	F	S						
		70%	83%							
44%	68%	86%	88%	85%	79%	81%				
44%	57%	60%	51%	46%	72%	86%				
38%	32%	33%	33%	37%	50%	54%				
45%	42%	63%	77%	94%	82%	68%				
83%										

High Occ.

Low Occ.



69% 29% 38% 42%









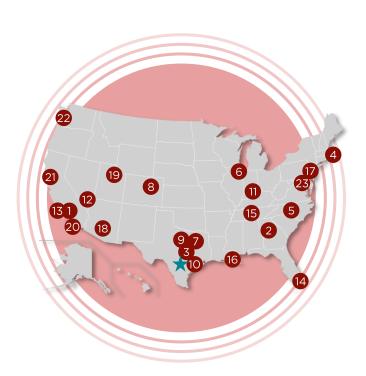






OVERVIEW

Certain inferences can be made when reviewing comparable convention and tradeshow facilities in markets across the country that are similar in size and/or geographic positioning to San Antonio. Analyzing the 23 convention facility products listed below helps place future strategic investment in the Henry B. González Convention Center (HBGCC) into a broader context—particularly with respect to event space offerings, hotel inventory (both headquarter and within a half-mile), walkable surrounding environments, and market demographic and socioeconomic characteristics. Many of these facilities can also be considered competitive with the HBGCC. We note that significant convention center and hospitality industry investment is currently in planning stages or is under way in Austin, Dallas, Houston and Fort Worth.



						Total	Largest	HQ	Half-Mile
			Exhibit	Ballroom	Meeting	Sellable	Contiguous	Hotel	Hotel
			Space	Space	Space	Space	Space	Rooms	Rooms
	Facility Name	City, State	(SF)	(SF)	(SF)	(SF)	(SF)	(count)	(count)
1	Anaheim Convention Center	Anaheim, CA	841,700	38,100	210,600	1,090,400	670,100	3,222	11,200
2	Georgia World Congress Center	Atlanta, GA	1,439,200	58,700	215,800	1,713,700	1,099,200	2,043	7,669
3	Austin Convention Center (1)	Austin, TX	428,500	63,900	77,500	569,900	336,000	1,849	10,985
4	Boston Convention and Exhibition Center	Boston, MA	516,000	53,000	128,200	697,200	516,000	1,847	4,415
5	Charlotte Convention Center	Charlotte, NC	280,000	75,000	84,400	439,400	280,000	700	6,074
6	McCormick Place (2)	Chicago, IL	2,598,500	182,300	419,100	3,199,900	840,000	2,463	2,929
7	Kay Bailey Hutchison Convention Center (1)	Dallas, TX	750,000	170,300	180,000	1,100,300	750,000	1,001	5,853
8	Colorado Convention Center	Denver, CO	576,700	82,200	91,900	750,800	576,700	1,100	10,484
9	Fort Worth Convention Center (1)	Fort Worth, TX	283,600	68,200	96,700	448,500	283,600	618	3,592
10	George R. Brown Convention Center (1)	Houston, TX	900,000	90,000	120,000	1,110,000	750,000	2,207	5,516
11	Indiana Convention Center (3)	Indianapolis, IN	652,600	57,100	118,400	828,100	652,600	3,037	8,839
12	Las Vegas Convention Center	Las Vegas, NV	2,542,600	0	394,200	2,936,800	908,500	2,956	9,973
13	Los Angeles Convention Center (4)	Los Angeles, CA	558,000	47,900	105,300	711,200	346,900	1,001	3,397
14	Miami Beach Convention Center	Miami Beach, FL	491,700	96,700	96,300	684,700	491,700	0	8,001
15	Music City Center	Nashville, TN	353,100	75,400	83,500	512,000	353,100	1,839	12,402
16	Ernest N. Morial Convention Center	New Orleans, LA	1,026,600	36,400	227,900	1,290,900	1,026,600	331	6,152
17	Pennsylvania Convention Center	Philadelphia, PA	563,000	86,900	148,000	797,900	528,000	1,408	8,491
18	Phoenix Convention Center	Phoenix, AZ	584,500	118,800	156,700	860,000	312,500	1,696	4,539
19	Salt Palace Convention Center	Salt Lake City, UT	515,000	45,000	115,300	675,300	515,000	1,210	4,815
20	San Diego Convention Center	San Diego, CA	615,700	81,500	118,700	815,900	525,700	4,184	7,826
21	George R. Moscone Center	San Francisco, CA	599,100	148,700	122,400	870,200	502,400	1,500	15,628
22	Seattle Convention Center	Seattle, WA	443,700	102,400	193,200	739,300	205,700	2,496	11,804
23	Walter E. Washington Convention Center	Washington, D.C.	703,000	77,400	116,800	897,200	473,000	1,175	8,393
	AVERAGE		794,00	80,700	157,400	1,019,500	562,800	1,730	7,800
	MEDIAN		580,600	76,400	120,200	788,000	515,500	1,700	7,800
	Henry B. González Convention Center	San Antonio, TX	513,900	94,300	120,300	728,500	513,900	2,003	8,558

Note: (1) Dallas, Houston, Austin and Forth Worth space totals reflect their ongoing expansion programs.

⁽²⁾ McCormick Place's listed exhibit space includes 471,000 square feet of "other" exhibit space across Halls B2, C2 and E—ceiling height is below 20 ft in these areas.

⁽³⁾ Indianapolis includes a planned HQ Hotel property.

⁽⁴⁾ Los Angeles' HQ Hotel is a combination of two hotel brands located within the same property.

Source: STR. facility management, facility websites, 2025.

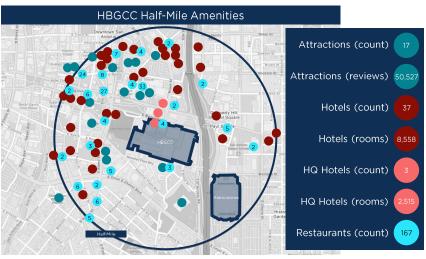


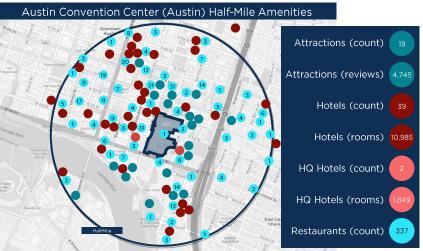
HALF-MILE AMENITIES

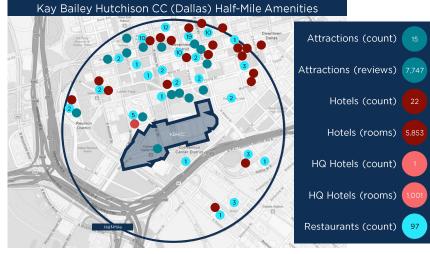
The four maps to the right highlight the lodging properties, attractions, and restaurant inventory located within a half-mile of the Henry B. González Convention Center (HBGCC), as well major Texas comparable and competitive facilities: the Kay Bailey Hutchison Convention Center (Dallas), the Austin Convention Center (Austin), and the George R. Brown Convention Center (Houston).

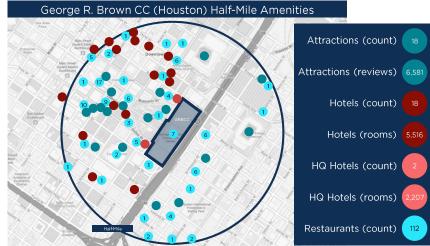
The HBGCC is comparable to these in-state competitors in terms of the number of attractions within a half-mile but significantly exceeds them in total attraction reviews, underscoring the area's strong visitor base and appeal. The San Antonio River Walk and The Alamo serve as unique, high-traffic tourism assets that help differentiate the walkable environment surrounding the HBGCC from those of other Texas convention centers. The on-going \$400 million investment in the Alamo Plan will grow the San Antonio visitor base and attractiveness even more.

Additionally, the HBGCC's half-mile area contains more hotel rooms (2,515) than those surrounding the other Texas facilities. Its restaurant inventory (167) ranks second only to the Austin convention district (337).









Source: STR, TripAdvisor, Esri, 2025.

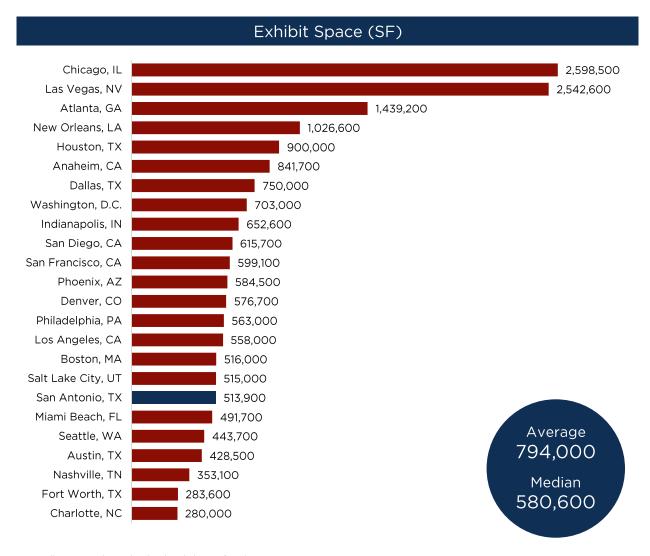


COMPARABLE FACILITY SIZING - EXHIBIT SPACE

The exhibit to the right compares the total sellable exhibit space square footage of the HBGCC with that of 23 convention facilities in the comparable sample set.

As shown, the HBGCC's existing 513,900 square feet of sellable exhibit space ranks in the bottom third of the sample, well below both the average (794,000 square feet) and the median (580,600 square feet) for these facilities. We also note that the space total for the HBGCC includes the Bridge Hall and space in Hall 4B that is not at industry standards for configuration and accessibility. Excluding these spaces, the HBGCC exhibit space total declines to 432,300 square feet, which would lower the facility to fifth to last in this analysis, just behind Seattle. This assessment suggests that studying potential investment in additional exhibit space for the HBGCC is prudent.

It is also important to note that a majority of these comparable facilities are either actively planning or already undertaking expansion projects. The data presented to the right reflect the estimated new exhibit space totals for competitive in-state facilities in Dallas, Houston, Austin and Fort Worth—all of which are in various stages of planning or construction. These facilities' post-expansion programs will be reflected in their space totals throughout the remainder of this section.







COMPARABLE FACILITY SIZING - EXHIBIT SPACE (cont.)

In addition to total exhibit space, it is important to compare the size of the HBGCC's Exhibit Hall with each comparable facility's largest contiguous event space. These figures are shown in the bar chart to the right.

The HBGCC's current 513,900-square-foot Exhibit Hall ranks near the median of the sample set, closely aligned with the average (562,800 square feet) and median (515,500 square feet) for these facilities. This contiguous space offering is comparable to those at the Salt Palace Convention Center in Salt Lake City, UT and Boston's Convention and Exhibition Center. Excluding the lower quality space in the Bridge Hall and Hall 4B, the total contiguous space for the HBGCC again drops to 432,300 square feet, lowering the facility's ranking in this analysis by three spots to 18th in the set.

Two competitive in-state facilities—Houston's George R. Brown Convention Center and Dallas' Kay Bailey Hutchison Convention Center—will offer approximately 750,000-square-foot contiguous exhibit halls following expansion efforts. These significantly larger single-hall spaces position both venues at the top end of the Texas convention and meeting market. The ability of convention centers in these markets to host large overlapping conventions and tradeshows will likely erode event levels for the HBGCC over time.





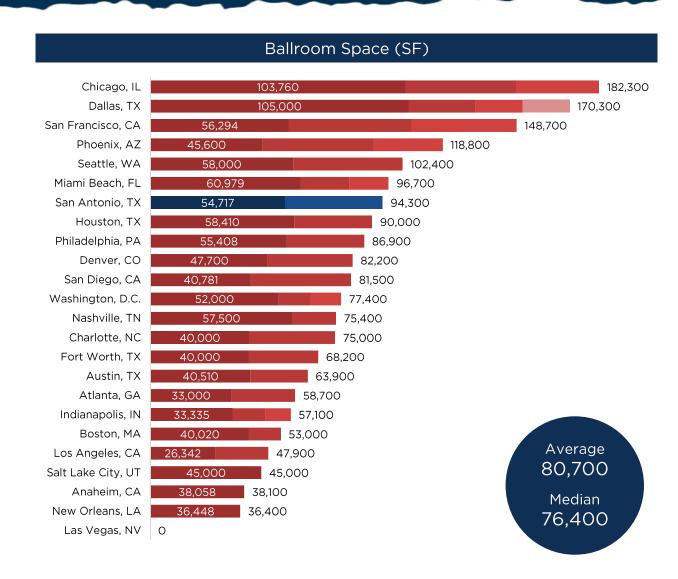
COMPARABLE FACILITY SIZING - BALLROOM SPACE

Ballroom space—often characterized as multi-use space—plays a critical role in supporting the food functions, general sessions, light exhibits, large meetings, scientific poster session and other activities associated with major conventions and tradeshows. Over at least the past decade, the industry has seen a steady increase in ballroom square footage requirements.

The exhibit to the right ranks the total ballroom space offered by the HBGCC against the 23 comparable facilities previously identified. Each bar shading represents the square footage offered in each individual ballroom, with the cumulative amount listed at the end of each bar. Largest contiguous ballroom space is also highlighted.

The HBGCC currently offers 94,300 total square feet of ballroom space, split between the Stars at Night Ballroom (54,700 square feet) and the Hemisfair Ballroom (39,600 square feet). This ranks materially above both the average (80,700 square feet) and median (76,400 square feet) of the sample set, representing the seventh-highest total ballroom space among the 23 facilities reviewed.

As part of their expansion efforts, Houston currently plans to add a new 58,400-square-foot ballroom, increasing their total from 31,600 square feet to 90,000 square feet. Current plans in Dallas call for an approximately 105,000-square-foot contiguous ballroom—the largest single ballroom in the comparable set. These competitive enhancements underscore the importance of maintaining a strong ballroom product at the HBGCC to meet evolving planner expectations and remain competitive with leading in-state peers.



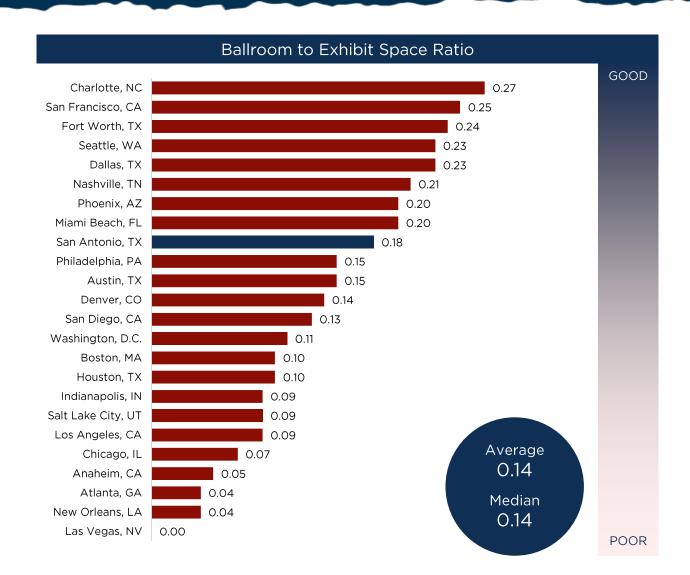


COMPARABLE FACILITY SIZING - BALLROOM SPACE (cont.)

The relationship between ballroom and exhibit space is an important indicator of a convention facility's flexibility and ability to accommodate the full range of convention and tradeshow programming. A well-balanced ratio ensures that events have adequate space for both large-scale exhibits and high-finish, multi-use functions such as general sessions, meals, and networking events. In addition, a well-balanced ballroom/exhibit space ratio helps to accommodate large overlapping events within the overall convention complex. The exhibit to the right illustrates the ratio of ballroom space to exhibit space for the current HBGCC compared to the comparable set.

The HBGCC's combination of below-average gross exhibit space and above-average total ballroom space (seventh-highest in the set) results in a ballroom-to-exhibit space ratio of 0.18—slightly above both the average (0.14) and median (0.14) for the sample set.

Among Texas facilities, Fort Worth currently has the highest ballroom-to-exhibit space ratio at 0.24, up from 0.14 prior to ongoing expansion efforts that will add a net of 75,000 square feet of exhibit space and 40,000 square feet of ballroom space. Dallas follows closely with a ratio of 0.23, representing a significant increase from 0.09 before its planned expansion. The HBGCC ranks mid-pack at 0.18, above Austin's ratio of 0.15, although the Austin expansion program includes a 100,000 square foot flex hall that can also be used for ballroom-type functions. Houston has the lowest ratio among the Texas facilities at 0.10, up from 0.04 prior to the planned addition of substantial new ballroom and exhibit space, with its low ranking driven in part by its significant total exhibit space of 900,000 square feet.





COMPARABLE FACILITY SIZING - MEETING SPACE

Sufficient modern meeting space is essential for attracting and accommodating events in the convention, tradeshow and meetings industry. Event organizers view meeting space as a critical factor in their venue selection, and offering enough space to support a high number of concurrent classroom sessions, often for multiple overlapping events, is necessary to remain competitive.

The HBGCC's 120,300 square feet of total meeting space ranks below the average (157,400 square feet) but slightly above the median (120,200 square feet) of the venues reviewed. In-state competitive facilities in Dallas, Austin, and Fort Worth are each adding substantial meeting space as part of their respective expansions.

Austin will add over 20,000 square feet, bringing its total to 77,500—still well below the HBGCC. Fort Worth will add 40,000 net new square feet, bringing its total to approximately 96,700 square feet. Plans in Dallas call for nearly doubling meeting space from approximately 98,000 to 180,000 square feet. These enhancements underscore a broader industry trend toward expanded meeting space as a key element of competitive convention center offerings



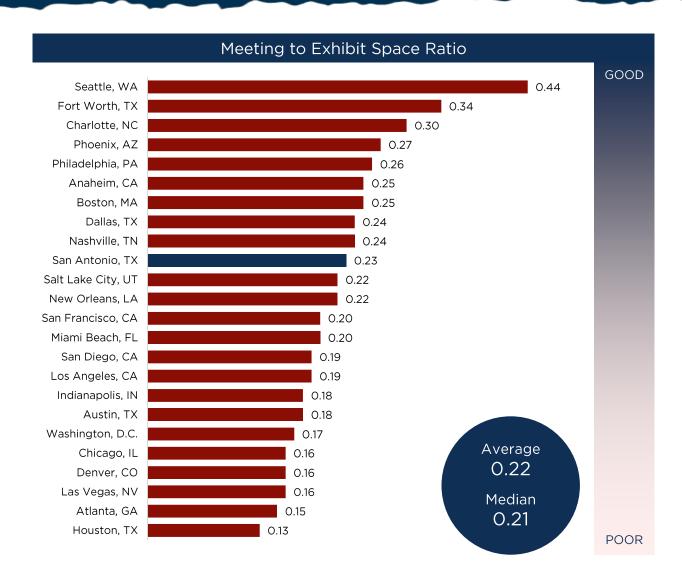


COMPARABLE FACILITY SIZING - MEETING SPACE (cont.)

To further analyze the HBGCC's current inventory of breakout meeting space relative to the comparable facility sample, the exhibit to the right presents each facility's ratio of meeting space to exhibit space. Maintaining a high ratio of meeting space relative to exhibit space is increasingly important for attracting large, high-value events—particularly those in the medical, technical, and professional sectors, where robust educational programming, concurrent sessions, and breakout rooms are essential event format components.

Currently, the HBGCC offers approximately 120,300 square feet of meeting space and 513,900 square feet of exhibit space, resulting in a meeting-to-exhibit space ratio of 0.23. This figure is nearly equivalent to the average ratio (0.22) and slightly above the median (0.21) among the 23 comparable facilities analyzed.

While the HBGCC performs well in this metric, continued growth in demand for breakout and educational sessions among event planners reinforces the need to plan for added meeting space as part of any future Center investment. Increasing this ratio further—especially if paired with flexible room layouts and modern amenities—would position the HBGCC to better compete for national conventions, professional association meetings, and multi-track conferences. With any consideration of exhibit hall expansion, it will be important to ensure that meeting space is also expanded proportionally in order to preserve a strong meeting-to-exhibit space ratio.





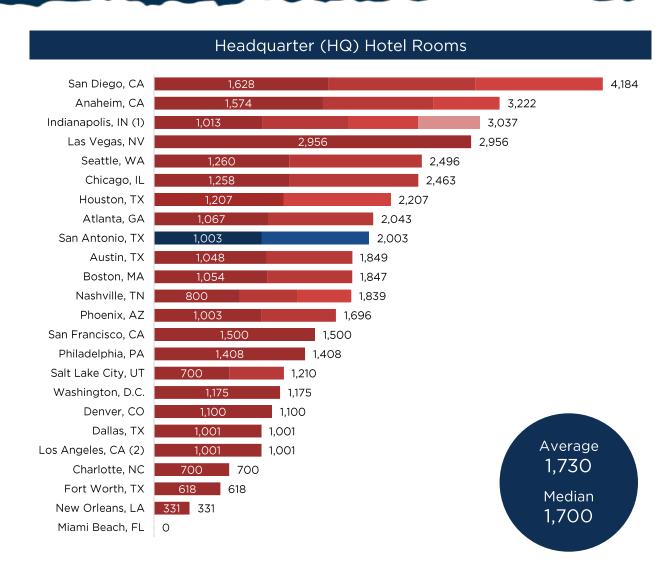
HEADQUARTER HOTEL INVENTORY

A convention facility's supporting hotel inventory is critical to successfully compete for large convention and tradeshow business with significant non-local attendance. Headquarter and proximate (half-mile) hotel inventory are among the most important considerations used by event planners in their venue and destination selection process.

To evaluate the HBGCC's headquarter hotel room inventory relative to comparable markets, the combined 2,003 total rooms offered at the Center's two headquarter hotel properties—The Grand Hyatt and Marriott Rivercenter—have been compared with the headquarter hotel inventory of each facility within the comparison set. The 512-room Marriott Riverwalk is located a block from the HBGCC, and is not considered a headquarter hotel for purposes of this analysis.

Like the HBGCC, many of these convention centers are accommodated by multiple HQ hotel properties, reflected by multicolored bars stacked from largest (left) to smallest (right) property. As presented, San Antonio's 2,003 total HQ hotel rooms rank above the average (1,730) and median (1,700) of the comparable facilities analyzed.

We note that San Antonio is both a successful leisure and event destination, resulting in high hotel occupancy. Even with significant hotel room inventory, inability to assemble large event room blocks during peak event demand seasons can on occasion negatively impact market capture. Considering the new hotel demand that would be associated with new and larger events at an expanded HGBCC, future increases to hotel inventory near the HBGCC, in addition to the 200-room Monarch currently under construction, should be considered over time.

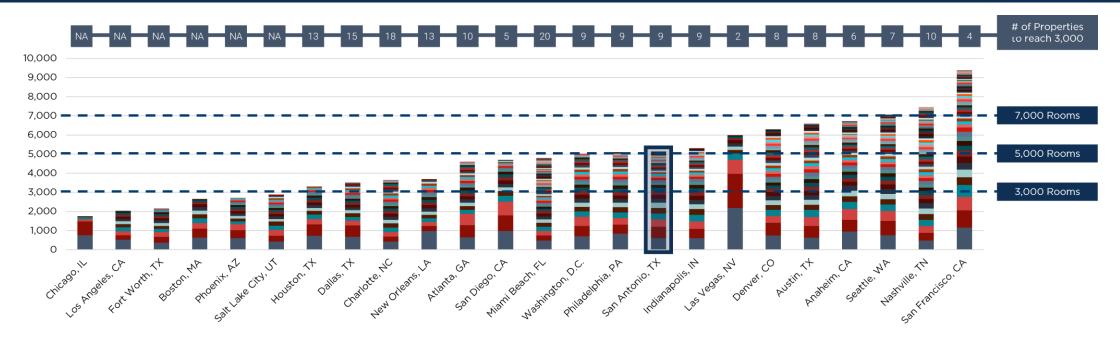




HALF-MILE HOTEL INVENTORY

The chart below summarizes the number of hotel properties and estimated committable rooms within a half-mile radius of the HBGCC and each of the 23 comparable facilities. A hotel room committable rate of 60 percent, a general average in metro areas nationally, has been assumed for each hotel in each market. These comparable markets are ordered from lowest (left) to highest (right) committable half-mile room count, and the individual bars consist of hotel properties stacked from largest to smallest room counts. The HBGCC can achieve a block of 3,000 committable rooms using nine hotels within a half-mile radius, representing a more efficient convention hotel package than in-state competitors in Fort Worth, which cannot achieve this half-mile room block, and Houston and Dallas, which require 13 and 15 properties, respectively. Markets such as Denver, Seattle and Austin can assemble large blocks of rooms in slightly fewer properties than San Antonio. We note that in some cases, the San Antonio market can exceed 60 percent room committability for desired city-wide conventions, with the potential to secure up to 4,000 rooms within eight to ten properties.

Number of Committable Rooms at Hotel Properties within Half-Mile of Comparable Convention Facilites

















INTRODUCTION

The economy of any destination can be influenced by many factors outside the control of community leaders. Economic conditions, corporate relocations, changes in governmental or institutional presence and other factors will influence employment, income, tax revenues and other critical aspects of an economy. In San Antonio, the visitor industry also plays a role in local and regional economic health.

The HBGCC is an important asset within the broader visitor market for San Antonio, and the long-term market success for the Center can be partially attributed to broader industry characteristics and trends. To assess the current and future strength of the market for a potential expanded convention product, we evaluate prominent and emerging trends from a national perspective.

In recent years, material changes in the national convention industry have taken place that have impacted many supply and demand aspects. Significant phases of retraction and expansion in event demand, attendance and participation characteristics have taken place within the industry over the past decade. The COVID-19 Pandemic caused dramatic disruption in all sectors of the global economy, including severe impacts in the convention and tourism industries. Additionally, the "state-of-the-industry" in terms of the physical product aesthetics and functionality of convention facilities has continued to advance year over year in cities throughout the country. Event planners and users increasingly prefer, and oftentimes demand, the modern, spacious aesthetics and optimized, advanced functionality and efficiency of newer facility designs and programs.

Simply maintaining the amenities, space types, technology and other aspects of a convention center will, over time result in a competitive disadvantage when competing for events. Relying on existing hotel, entertainment and other visitor assets to support a convention destination without continued investment will also place any market at a long-term competitive disadvantage.

The remainder of this section summarizes trends in facility design and programming that will impact future HBGCC investment, a summary of the facility and destination preferences of today's convention and meeting planners, and relevant entertainment district and macro economic trends that will likely have implications for the future of the convention industry in San Antonio. Iin addition, a summary of peer convention center expansion projects is provided at the end of this section.











NEXT GENERATION CONVENTION INDUSTRY TRENDS

As with any product in any industry, continual investment is required to respond to evolving customer and industry demands. Planning for future HBGCC and surrounding hotel and hospitality investment will require a future-focused approach to market-supported design and technology investments in an evolving and highly competitive environment.

Even before the COVID-19 Pandemic, CSL's research had shown that the increasing Millennial and Gen-Z convention attendee base was creating new demands and expectations of event facility design and programming. With a substantial portion of event planners nationally retiring or changing careers during and shortly following the Pandemic, a new generation of young decisionmakers now choose the sites and organize the programming for thousands of conventions and meetings around the world. CSL's surveys of many new citywide convention planners suggests an increasing focus on event "experiences" in combination with event facilities during site selection processes. Many of these planners desire new types of event space (indoor or outdoor); vibrant walkable districts surrounding the host facility; opportunities for their attendees to engage in authentic experiences unique to the host destination; chances to positively impact or reduce the negative impact of their hosting in the destination; and state of the art technology to support immersive and interactive event programming.

It is critical to consider these important trends as the event industry continues to evolve in a rapidly changing world. A potentially expanded HBGCC must be able to address these new preferences in order to remain competitive.





KEY CONVENTION CENTER TRENDS

Event planners and attendees are increasingly emphasizing a variety of current and emerging facility/destination attributes. The following pages summarize the emerging and future trends of various event industries (as outlined below), as well as examples of how facilities around the country have adapted to the changing needs of event attendees:

- Signature Outdoor Space planners increasingly use terraces, rooftops, patios, and pavilions for off-site event functions.
- Walkable Districts vibrant, safe and navigable districts around a facility are nearly as important as event space.
- Dynamic & Interactive Meeting Spaces larger meeting spaces with modular furniture help support creative breakout sessions.
- Engaging Pre-Function and Network Areas events increasingly utilize lobbies and concourses for presentations, networking and other means of event attendee productivity.
- Unique and Authentic Food & Beverage static food courts are being replaced by locally sourced pop-ups and stylish food halls.
- Sustainability addressing the issue from numerous perspectives including waste diversion, locally sourced food, etc.
- **Digital Placemaking** new LED technology is allowing for new, dynamic displays and signage that create a unique approach to way finding, advertising/sponsorships, and opportunities for attendee interaction.
- Hybrid Event Formats turnkey broadcast and production assets will help in-person events stream to broader virtual audiences.
- Immersive Experiences virtual, shared experiences are increasingly important to science, medical and tech organizations.
- AI, Apps, and Other Tech Trends app-activated breakout spaces and AI technology will improve the convention attendee experience.



FACILITY TRENDS - EMERGING MAINSTAYS IN THE CONVENTION INDUSTRY



Signature Outdoor Space

Even prior to the Pandemic, event planners indicated an increasing demand for unique outdoor event space at their host venues. Examples in place nationally include the following.

Long Beach Convention Center: The Cove, a streetside plaza space covered by a secondstory walkway, is a frequently programmed outdoor event space featuring lounge furniture, outdoor games, and an area for food trucks.

Anaheim Convention Center: The Center's plaza frequently hosts up to 27 food trucks that cater to some of the facility's larger national conventions throughout the year. Seating/resting areas and shading are provided for dining event attendees.

Phoenix Convention Center: An adjacent street is occasionally blocked off for large citywide conventions. The street can be activated as a "block party" space for special programming.

Colorado Convention Center: The upcoming expansion of the Colorado Convention Center will feature a rooftop terrace just outside a new 80,000-square foot multipurpose hall.

The Grotto event space at the HBGCC helps position the facility for increasing outdoor space demand. Opportunities to develop a larger and/or elevated/rooftop outdoor space at the Center should be evaluated as part of future developments.



Walkable Districts

As the competition to attract nationally rotating conferences has become increasingly intense, many facilities have begun to position themselves as part of "convention districts." Enhancing the walkability and vibrancy of the convention experience will enhance market capture.

Cities including San Diego, Boston and Seattle are known for their unique and walkable Convention Center districts. In New Orleans, significant investment is being made in hotel, retail, residential and entertainment assets surrounding the Center, along with a transportation center and public parks. The River District investment well exceeds \$1 billion in public and private investment.

The downtown position of the HBGCC along the River Walk supports the Center's ability to align with this increasingly important trend. Continued considerations to strategic development surrounding the Center should be made to maintain this competitive advantage.

FACILITY TRENDS - PREFERRED AMENITIES AMONG EVENT PLANNERS



Engaging Pre-Function and Network Areas

The Open Space Learning (OSL) concept challenges the traditional lecture or seminar-based formats that tend to draw attendees off the main show floor during events and instead provides unique and creative learning environments that can be constructed in lobbies, pre-function areas, atriums, etc. Facilities such as the Renasant Convention Center in Memphis, the Vancouver Convention Centre, the Grand Wayne Convention Center in Fort Wayne, and many other facilities have invested in elements like versatile furniture, LED panels and facility-wide access to A/V to create environments for small meetings and lectures, podcasts, and informal networking events.



Unique and Authentic Food & Beverage

Recent trends in the food and beverage sector are more reflective of changing demographics and how conventions and meetings are being produced. The balance between standard sit-down banquets and more formal food options may be shifting towards the informal, and the ability of a center to offer more convenient "grab & go" or "pop-up" dining opportunities could become much more important in the future. Planners and attendees today are also preferring a highly localized food and beverage product, often provided in lobby outlets, pop-ups and food trucks.



Sustainability

Event planners, driven by demands from their industry, exhibitors, attendees and their own interests are focusing on how to minimize the carbon footprint of their event. Convention enters place increasing importance on assisting event planners with aggressive waste diversion programs. Their caterers are encouraged to source locally. Use of alternative energy and installation of green roofs and solar panels are a focus. This trend is not likely to recede.

FACILITY TRENDS - PREFERRED AMENITIES AMONG EVENT PLANNERS



Dynamic & Interactive Meeting Spaces

Planners are increasingly using larger, more versatile spaces for breakout sessions. These rooms range anywhere between 3,000 and 10,000 square feet and feature portable and modular furniture to accommodate a variety of programs. The Calgary TELUS Convention Center has developed several meeting spaces that serve this trend and have generated positive planner perceptions as a result.

Similarly, the Cantilever Room at the HBGCC is often cited by event planners as an exemplary multipurpose space. The room's built-in A/V, digital signage, movable furniture, and dual-purpose window/whiteboard help create a flexible and open environment for workshops, brainstorming sessions, and strategy meetings. Future considerations to replicating these types of spaces should be made regarding improvements to the Center.



Hybrid Event Formats

Event planners interviewed by CSL during and post-Covid suggest a potential interest in production and broadcast capabilities on-site at event venues to stream and produce content for events in real-time. This also opens the door to attending conventions via emerging Virtual Reality platforms.

While adoption of virtual event/attendee capabilities is not fully developed or understood, many event planners do see the potential value of digital broadcasting and/or creating event-generated content that can be accessed by employees, customers and suppliers (for corporate events), and by members, exhibitors and suppliers (for association events) throughout the year.

FACILITY TRENDS - FUTURE TRENDS TO MONITOR



Immersive Experiences

Technology-driven immersive experiences are rapidly gaining popularity. Large-scale LED walls, projection mapping, virtual reality (VR), and augmented reality (AR) fuel the success of attractions like The Sphere, Illuminarium, the Van Gogh Exhibit, COSM, and The VOID.

Many convention leaders see these technologies transforming attendee experiences, enhancing both social and educational programming. Illuminarium in Las Vegas, for example, hosts dozens of private events annually, including many off-site events tied to major conventions at the Las Vegas Convention Center. Likewise, The Sphere recently hosted Delta's 100th Anniversary Celebration, featuring a hyper-realistic flight simulation during the CEO's keynote.

As this trend evolves, convention centers may need to rethink equipment, space layouts, staffing, and monetization strategies to stay competitive.



Digital Placemaking

One of the more recent trends to be considered for future HBGCC planning involves the concept of digital placemaking. Once an expensive novelty, LEDs are now highly affordable, which has unlocked new avenues for creativity. LED digital signage is flexible and can be contoured to walls and other spaces within a facility. Use cases include providing information to attendees in real-time, displaying local art, providing sponsors with a flexible platform for messaging, showing dynamic logos and company graphics, and enhancing presentations that may take place in pre-function areas. Manufacturers also offer interactive/touch-based options for such displays. Moreover, these digital signs can be remotely managed and updated, making it convenient for event organizers to adapt content in real-time.

Digital signage can enhance placemaking. High-resolution displays with vibrant colors capture attention and create a visually engaging environment. The San Diego Convention Center invested significantly in LED technology in 2019 and is now a leader in the field. Large displays spread throughout the building now deliver real-time event updates, social media content, wayfinding information, sponsorship messaging, and live streams of presentations occurring throughout the building.

FACILITY TRENDS

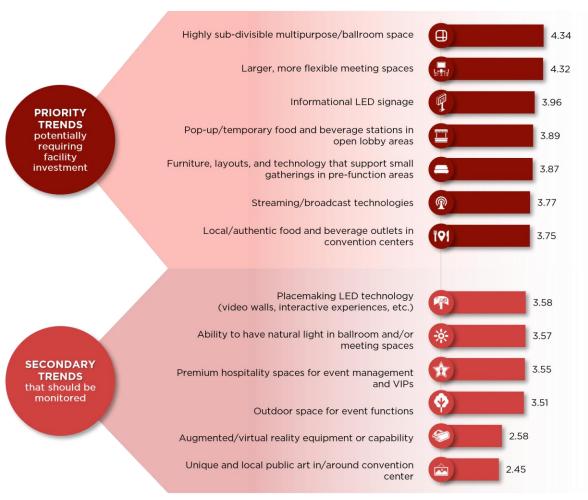
To assess the current demand for specific facility concepts and amenities that can impact future event venue competitiveness, CSL recently collected survey input from over 110 planners of major national and regional conventions. Participating planners were asked to rate the importance and appeal of several different event facility trends on a scale of "1" to "5", with "5" being the highest score. Their feedback is summarized in the chart to the right.

As shown, venue preferences viewed as a priority among planners include highly sub-divisible multipurpose ballroom space; larger, more flexible meeting spaces; informational LED signage; popup/temporary food and beverage stations in open lobby areas; furniture, layouts, and technology that support gatherings and programming in pre-function areas; streaming/broadcast technologies; and local/authentic food and beverage outlets.

It will be important to consider each of these trends as part of any HBGCC investment.

Trends that scored lower are less of a near-term priority but should still be considered important as part of any convention center development or expansion project. These include placemaking LED technology, natural light in ballroom/meeting spaces, premium hospitality areas for event management and VIPs, outdoor event space, AR/VR equipment or capability, and unique/local public art at the Center.

Facility Preferences (Surveyed National Convention Planners)



DISTRICT TRENDS

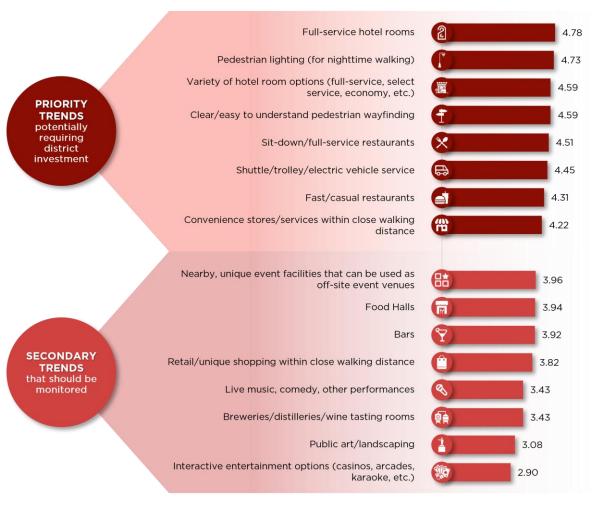
CSL also asked national and regional convention planners to rate the importance and appeal of various surrounding event center district amenities for their events. This question was similarly scaled from "1" to "5", with "5" as the highest score. Notably, many amenities received significantly higher levels of importance relative to previously presented conference or convention facility features.

Surrounding district trends that should be considered a high priority garnered scores of 4.00 or higher. Access to full-service hotel rooms represents the most important convention district amenity among surveyed event planners. This is followed by pedestrian lighting for nighttime walkability, a variety of hotel offerings, and full-service restaurant options.

Each of these factors will be considered later in this report when defining needed hotel and hospitality connectivity in support of the HBGCC.

Trends that scored lower are less important to planners but should still be considered as part of a convention district development. These amenities include nearby food halls, bars, retail/unique shopping, access to live entertainment, breweries and/or distilleries, public art/landscaping design, and interactive entertainment options.

District Preferences (Surveyed National Convention Planners)

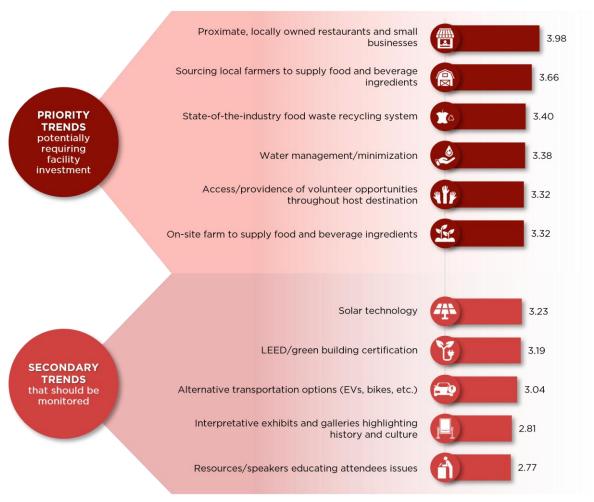


SUSTAINABILITY TRENDS

National and regional planners were also asked to indicate the importance of sustainability trends that are increasingly present in the convention industry. The question was scaled from "1" to "5", with "5" as the highest importance level. On average, these trends scored lower in importance compared to previously highlighted district- and facility-specific trends, with none rating above 4.00.

Trends that yielded a score of 3.30 or higher are considered to be higher-importance, priority trends related to sustainability in the convention industry. Proximate, locally owned restaurants and small businesses received the highest score of 3.98, while sourcing from local farmers to supply food and beverage ingredients scored 3.66. These dining preferences are followed in importance by food waste recycling systems (score of 3.40), water minimization (3.38), access to volunteer opportunities during events (3.32), and on-site farm to supply food and beverage offerings (3.32). Each of these trends. while scoring lower than that of facility or district trends, are important to consider for future development at the HBGCC. Less important sustainability characteristics among surveyed event planners include solar technology (3.23), LEED certification (3.19), alternative transportation (3.04), history and culture-based exhibits and galleries (2.81), and educational resources and speakers related to sustainability (2.77). While these trends are of lower importance to planners, each will be important to consider for long-term development at the HBGCC.

Sustainability Preferences (Surveyed National Convention Planners)



industry trends

MACRO-ECONOMIC TRENDS

Many indicators, including employment, consumer purchases and wages, suggest that the national economy rebounded sharply from the downturn caused by the Pandemic. Current conditions suggest a modest growth plateau in the economy, potentially avoiding a recessionary period, while hiring and wage growth remains consistent.

A large collection of data suggests that the health of the convention industry, like nearly all industries, has historically been linked to the strength and fluctuations of the overall U.S. economy. This "linkage" is a fundamental premise of any analysis of future convention industry performance. To address the question of future industry trends, it is important to consider how the future performance of the economy and the convention industry will respond in the post COVID period.

The Center for Exhibition Industry Research (CEIR) is a nonprofit organization whose mission is to advance the growth, awareness and value of exhibitions in the United States. The annual CEIR Index Report is developed to provide an objective measure of the annual performance of the exhibition industry.

The CEIR Index Report measures year-over-year changes in three key metrics of industry performance:

- Square Feet of Exhibit Space Sold
- Number of Exhibiting Companies
- Professional Attendance

The industry's performance within these three metrics was calculated from data provided by more than 13,000 industry conferences, conventions, and tradeshows that utilize more than 3,000 net square feet of exhibit space in off-site public and private event facilities. The CEIR Index Report displays and analyzes actual and projected event-specific data through 2022, though the COVID-19 Pandemic has significantly impacted these projections. As such, the analysis on the next page analyzes actual exhibition industry performance, with a focus on historical exhibition industry rebounds following substantial downturns in the U.S. economy.



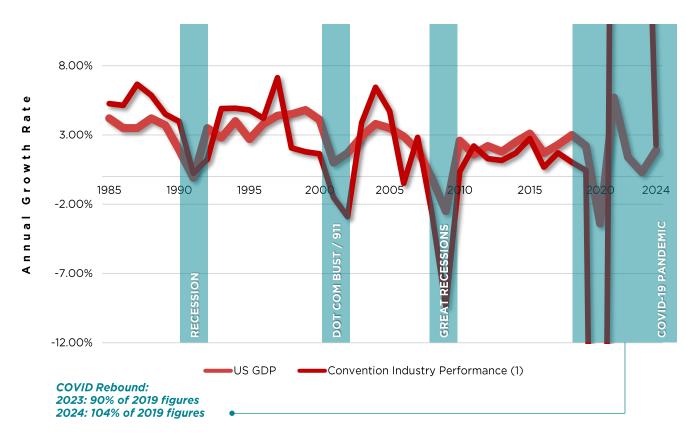
MACRO-ECONOMIC TRENDS

The U.S. economy appeared to be on solid footing prior to the COVID-19 outbreak and resultant pandemic. An historical perspective focusing on changes to GDP growth relative to the national convention industry can be useful in assessing the longer-term impact of the pandemic. Broad industry changes, characterized by retraction and expansion in exhibition, convention, tradeshow and meeting demand have taken place during the past 40 years.

Given the parallels between GDP changes and changes in various measures of the convention industry, we would expect future industry growth to continue to mirror the overall health of the economy. In recent pre-COVID years (2010 to 2019), a modest and steady growth pattern was seen with both real GDP and various convention industry metrics. With uncertainty as to the state of the economy over the next 24 months, trends in convention industry demand are also uncertain. However, over the longer term, and as economic growth is re-established, the convention industry is likely to match pace with overall economic growth.

The pandemic took a significant toll on the U.S. exhibition industry. As U.S. GDP decreased by over three percent in 2020, the exhibition industry's total attendance, square footage, and revenues decreased by nearly 80 percent due to the COVID-19 pandemic. Beginning in 2021, measures of industry performance increased dramatically from the 2020 lows. Projections for 2025 and beyond point to overall convention industry measures completing a recovery and exceeding pre-COVID levels recorded in 2019.

Annual Percentage Change – US Real GDP and Various Convention Industry Measures 1985 to 2024



(1) Measures growth in exhibition attendance, exhibit space demand and exhibitor attendance metrics. Source: CSL survey of national meeting and event planners, 2025.

EVOLVING SPACE NEEDS OF CONVENTIONS

CSL periodically surveys convention planners regarding their expectations regarding future industry growth and retraction. The data from surveys conducted in 2018, 2022, and 2024 are summarized in the exhibit to the right. Event planners were asked to indicate the direction they felt the event industry was moving in terms of event space demand in the subsequent two and five years. In 2018, a significant majority of planners predicted a significant increase in demand for additional meeting and exhibit space, with a limited number predicting a decrease in space needs.

However, in 2022, planners had a more tempered view of future event space demand growth due to the impacts of the Pandemic on the convention industry. In the two years following 2022, over 50 percent of planners predicted a slight or significant decrease in exhibit space needs throughout the industry. However, fewer planners predicted decreases in meeting and ballroom space demands during this near-term time period. Over five years, planners had a much more optimistic view of event space demand growth.

Planner feedback in 2024 indicates strong optimism about the convention industry's growth in both the near and long term. More than half (53%) of planners anticipate increased demand for exhibit space within the next two years, while 18% expect a significant expansion over the next five years. Similar growth trends are expected for meeting and ballroom space. Given HBGCC's already-high occupancy levels, retaining events with increasing event space demands will become more challenging without expansion.

Convention Planner Expectations of Future Space Needs (2018, 2022 & 2024 Surveys)



Note: Figures represent convention planner expectations of convention facility space needs over the next two and five years, respectively, across three surveys (2018, 2022 and 2024).

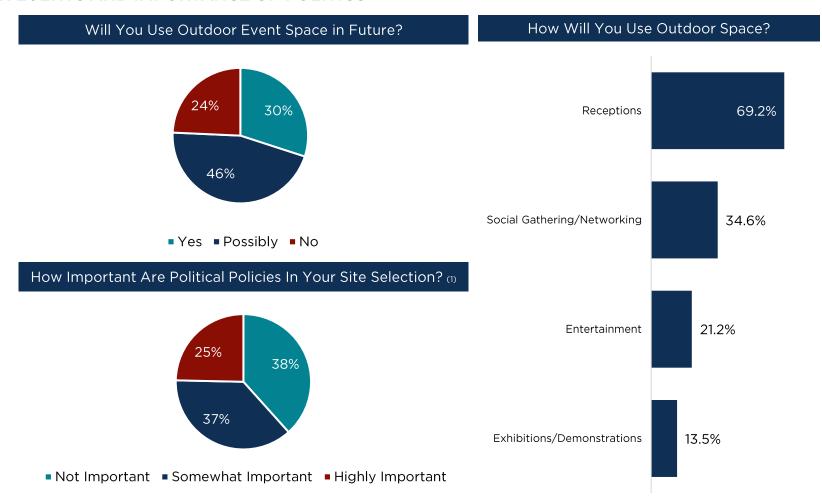
Source: CSL survey of national meeting and event planners, 2025.

NATIONAL PLANNER SURVEY - OUTDOOR EVENTS AND IMPORTANCE OF POLITICS

Factors such as outdoor event spaces and political policies of markets are growing considerations for event planners.

Based on recent CSL research, 30 percent of event planners responding to a recent survey indicated that they would definitely utilize outdoor space for their future events, if available. An additional 46 percent would possibly consider this space. Common uses for outdoor areas included receptions, social gatherings / networking, entertainment functions, and small exhibits and demonstrations. Ideal outdoor space is adjacent/connected to the Center with the ability to create a securable event area.

A growing number of event planners are taking political policies of event markets into consideration. Nearly two-thirds of surveyed event planners indicated that political policies of an event market are at least 'somewhat important' in their site selection process, with 25 percent suggesting political policies to be 'highly important' in site selection.



industry trends

PEER FACILITY INVESTEMENTS



The Kay Bailey Hutchison Convention Center Dallas (KBHCCD) is undergoing a transformative \$3.7 billion expansion to enhance its role as a leading event destination. Approved by Dallas voters in November 2022, the project is financed through hotel tax revenue, ensuring no impact on local taxpayers. The expanded Convention Center will offer approximately 750,000 square feet of contiguous exhibit space, 180,000 square feet of breakout meeting space, and 170,300 square feet of ballroom space across four individual ballrooms, including a new, state-of-the-industry 105,000-square-foot ballroom.

Renovations are also planned for the existing arena and theater. Construction commenced in June 2024, with completion anticipated between 2028 and 2029. The project includes reorienting the convention center to free up 21 acres for potential development of hotels, apartments, and amenities, fostering a more walkable environment. This initiative aims to double Dallas's convention business by attracting larger events and increasing annual attendance, thereby boosting economic impact and solidifying the city's status as a top-tier convention hub.





The George R. Brown Convention Center (GRB) in Houston is set for a \$2 billion expansion, enhancing its facilities and the surrounding convention district. Approved in August 2024, construction will begin in early 2025 and is expected to be completed by summer 2028. The project includes a new multi-level building spanning two city blocks between GRB and the Toyota Center, adding state-of-the-art exhibition halls, grand ballrooms, expanded meeting spaces, and additional parking facilities. The expanded facility will offer 900,000 square feet of exhibit space (700,000 contiguous on street level, 200,000 elevated), 120,000 square feet of breakout meeting space and 90,000 square feet of ballroom space (two ballrooms).

This expansion is part of a larger effort to create a more interconnected and pedestrian-friendly convention and entertainment district, integrating new hotels, dining, and green spaces. Hines, a global real estate firm, is leading the development, ensuring alignment with Houston's broader infrastructure projects, including the rerouting of I-45. Once completed, this project will reinforce Houston's position as a premier convention destination, attracting larger events, increasing annual attendance, and driving substantial economic impact for the city.

Source: Populous, 2025.

industry trends

PEER FACILITY INVESTEMENTS





The Austin Convention Center is moving forward an planned \$1.6 billion redevelopment known as Unconventional ATX, designed by LMN Architects and Page Southerland Page. Funding will be sourced from the city's Hotel Occupancy Tax and convention center revenues. Construction is scheduled to commence in April 2025 with the new facility expected to open in early spring 2029. During the four-year closure, efforts will be made to accommodate events at alternative venues throughout the city. The redesigned convention center will offer 336,000 square feet of contiguous exhibit space, a 92,500 square foot flex hall, 63,900 square feet of ballroom space, and 77,500 square feet of breakout meeting space. It will also feature open-air terraces, public plazas, and seamless indoor-outdoor connections. A high focus is placed on sustainability, with the facility aiming to become the world's first zero-carbon-certified convention center. The new center aspires to be a cultural hub. showcasing dynamic installations and interactive exhibits that celebrate Austin's creative community. The project includes a \$17.7 million investment in public art, the largest in the city's history. This redevelopment is anticipated to generate an additional \$285 million in annual economic impact, provide nearly \$13 million in additional annual tax revenue to the city, and support over 1,600 additional jobs.



The Fort Worth Convention Center (FWCC) is undergoing an expansion to enhance its capacity and modernize its facilities. The project is divided into two phases to keep the center operational throughout the development. Phase I commenced in mid-2023 and focuses on infrastructure improvements. This \$95 million phase includes constructing a new Southeast entrance, state-of-the-art food and beverage facilities, demolishing the 1980s annex to expand loading docks, and realigning Commerce Street to create space for a future convention hotel. Completion of Phase I is anticipated in early 2026.

Phase II, estimated at \$606 million, is currently in the planning and design stages. Set to begin in 2026 with an expected completion by early 2030, this phase involves demolishing the 1968 arena to make way for approximately 75,000 square feet of net new exhibit hall space, 40,000 square feet of net new meeting space, and 40,000 square feet of net new ballroom space. Renovations to the existing facility are also planned to enhance overall functionality and aesthetics. By upgrading the convention center, the city seeks to attract larger events, increase annual attendance, and stimulate economic growth. Funding for the project is sourced from hotel occupancy taxes and federal American Rescue Plan Act (ARPA) funds.

Source: LMN, 2025.



PEER FACILITY INVESTEMENTS



The New Orleans Ernest N. Morial Convention Center is undergoing a \$557 million Capital Improvement Plan to modernize its facilities and enhance the surrounding district. Completed projects include a 7.5-acre pedestrian park, a new transportation hub, renovated public restrooms, and energy-efficient lighting upgrades. Ongoing work focuses on modernizing 140 meeting rooms, updating public spaces, and a \$40 million roof replacement to improve energy efficiency. Future developments include a 1,000-room Omni headquarters hotel, set to open in 2029, and the 39-acre River District, a mixed-use neighborhood designed to complement the Convention Center. Additional planned enhancements include grand staircases and extensive exterior makeovers for Lobbies C and G, aiming to create welcoming and visually striking entryways for attendees. These upgrades aim to enhance New Orleans' position as a premier convention destination, boosting economic impact and tourism appeal.



In December of 2023, the Colorado Convention Center in Denver completed a \$233 million expansion, enhancing its status as a premier convention venue. The centerpiece of this project is the 80,000-square-foot Bluebird Ballroom, the largest multifunction ballroom in Colorado, capable of accommodating over 7,500 attendees for general sessions or 4,600 guests for banquets. This space can be subdivided into 19 configurations to suit various event needs. Complementing the ballroom is a 35,000-square-foot pre-function concourse with floor-to-ceiling windows, offering panoramic views of the Rocky Mountains and Denver's skyline. Additionally, a 20,000-square-foot outdoor rooftop terrace provides a unique setting for events, connecting indoor and outdoor spaces. These enhancements are expected to generate an additional \$85 million in annual economic impact for Denver, attracting new events and bolstering the city's position in the competitive meetings and conventions industry.

Source: Published articles, 2025.

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PEER FACILITY INVESTEMENTS



The Indiana Convention Center in Indianapolis is undergoing an expansion to enhance its capacity and facilities. The project includes the addition of 143,500 square feet of space, including a 50,000-square-foot ballroom, positioning it among the top ten largest convention center ballrooms in the U.S. The expansion is designed to enable the hosting of two large conventions concurrently and is connected to the existing center via a skywalk. Also being developed is an 800-room, headquarters hotel, slated to open in late 2026. This property will connect directly to the convention center, increasing the number of hotel rooms linked by climate-controlled skywalks to over 5,500. The hotel will offer approximately 90,000 square feet of flexible meeting space, including the 50,000-sf ballroom, and will feature seven distinct dining options, such as a speakeasy bar, a rooftop sky bar with panoramic city views, and a signature chefdriven restaurant. The project aims to retain nearly \$300 million in annual economic impact from existing conventions and attract up to \$232 million in new convention business, solidifying Indianapolis's status as a premier convention destination. The project is on track for completion in fall 2026.



The BMO Centre in Calgary, Alberta, recently underwent a \$500 million expansion, officially reopening in June 2024. Designed by Populous, Stantec, and S2 Architecture, this project has transformed the facility into Western Canada's largest convention center. The expansion introduced 565,000 square feet of building footprint, including more than 100,000 square feet of exhibition areas, 38 additional meeting rooms, and two ballrooms totaling 70,000 square feet. The Champions Ballroom is a 50,000square-foot column-free space capable of accommodating up to 5,000 attendees. The BMO Centre's design draws inspiration from Calgary's natural landscape and cultural heritage. The building highlights a sweeping composite metal panel façade in copper tones, reminiscent of the region's prairies and riverbanks. A 170-foot curved canopy extends into a 100,000-square-foot outdoor plaza, connecting indoor and outdoor event spaces. Inside, the central gathering area, known as The Exchange, includes Canada's largest indoor fireplace, a 70-foot-tall structure crafted from blackened steel and copper. This expansion enhances Calgary's capacity to host largescale events and positions the city as a premier destination in the global meetings and conventions market.

Source: Published articles, 2025.













MARKET DEMAND

SURVEYS & PRIMARY MARKET RESEARCH

The purpose of this chapter is to provide an analysis of market demand for an expanded and improved Henry B. Gonzalez Convention Center and surrounding district. The data generated as part of this market analysis have been derived from the following:

- CSL experience gained from over 1,000 convention, conference, exhibition, hospitality and event facility projects throughout North America.
- Research and analysis of local San Antonio conditions including hotel inventory, walkability, commercial development, hospitality assets, attractions and other components of a successful convention and visitor destination.
- Review of existing Henry B. Gonzalez Convention Center operations and event space offerings.
- Analysis of competitive and comparable facilities and host destinations.
- Email survey of 113 state, regional, and national event planners, representing over 300 annually recurring convention, tradeshow and other events.
- Email survey of 34 current and/or past users of the Henry B. Gonzalez Convention Center, 12 of which are on the HBGCC Client Advisory Board.

The remainder of this Chapter presents results of the survey research, including interest levels for hosting an event in San Antonio, space and hotel needs, seasonality, attendance levels and related demand-oriented data. These data are used in the following section of the report to develop specific recommendations regarding future HBGCC space program and hotel development parameters.

We begin with feedback provided by the 34 current/past users of the HBGCC on the subsequent page, followed by analysis of the broader sample of 113 planners.



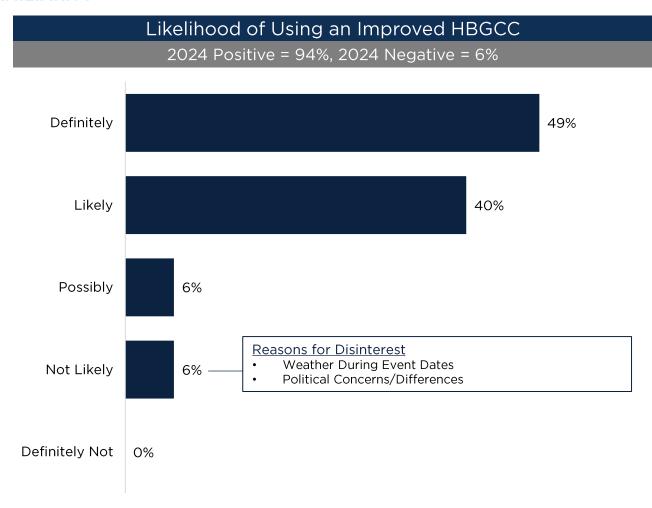




CURRENT AND PAST USERS SURVEY - FAVORABILITY AND FAMILIARITY

When current and past HBGCC customers were asked to indicate the likelihood that they would rotate one or more events to the Center again in the future, over 90 percent of respondents reported that they would at least "possibly" use the facility.

This includes 49 percent that indicated that they would "definitely", and 40 percent that would "likely" host an event at the HBGCC. These totals reflect a high satisfaction rate with both the Center and the San Antonio destination. Only six percent indicated a low interest level in utilizing an improved HBGCC, citing weather and political issues as primary concerns.



Source: CSL survey, 2025.

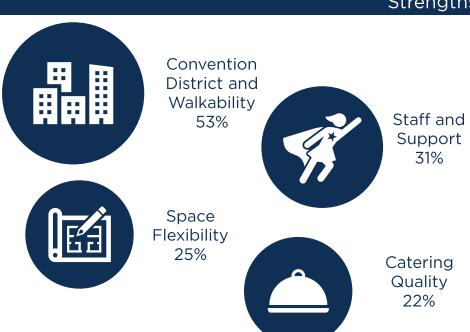


CURRENT AND PAST USERS SURVEY - STRENGTHS OF THE HBGCC

CSL asked current and past users of the HBGCC to comment on the strengths of the existing HBGCC and San Antonio market. Downtown San Antonio and the walkable district surrounding the facility registered as the leading destination strength. Planners frequently highlighted the access to various amenities including the Riverwalk, dining, retail, cultural assets and attractions as key selling points of the destination. The quality of the staff was the second most frequently mentioned strength, followed by the flexibility of the Center's event spaces and the quality of catering offered.

Specific comments shared by these planners are highlighted below.

Strengths of the Current HBGCC



Highlighted Comments:

- "Great location within the City. The Convention Center is very walkable to nearby restaurants, hotels, and entertainment. Easily accessible."
- "Great venue with many attractions for an outsider to explore. A choice for everyone to enjoy the city."
- "Proximity to the Riverwalk gives attendees a lot of options."
- "Consistently I hear that the staff are some of the best and great to work with."
- "Great function space with adaptable exhibit halls, meeting space and convenient downtown location right on Riverwalk."
- "Incredible staff and location come to mind."
- "Location in downtown and staff's support to activate the event space in new, innovative ways."
- "The facility is modern, boasting exceptional customer service, alongside high-quality food and beverage offerings."

Source: CSL survey, 2025.

CURRENT AND PAST USERS SURVEY - SUGGESTED IMPROVEMENTS FOR THE HBGCC

Current and past users of the HBGCC were also asked to share perceived challenges and opportunities for the HBGCC and San Antonio market. Nearly a third of interviewed planners referenced challenges with attendee flow within the Convention Center. Thirty (30) percent of respondents also indicated a desire for increased food and beverage options and improvements to amenities within the facility, including technology and aesthetic elements. Other commonly cited suggestions included an expansion of HBGCC event space, updates to older areas of the building, increased and more convenient access to parking, and improved signage and wayfinding in the Center. Many of these suggestions should be addressed as part of any future HBGCC expansion. Specific comments from planners are highlighted below.

Suggested Improvements for the HBGCC



Highlighted Suggestions:

- "We need to change our programming to group similar sessions with one another, so our attendees don't ping pong from one side of the Center to another."
- "I would increase certain signage in "crossroad" areas to help attendees get to where they need to go more efficiently."
- "Having larger halls with ease of connecting spaces would be a great change."
- "Space is always the premium desire, and we never seem to have enough. An indoor/outdoor combination with the Riverwalk accessibility would help our continued growth."
- "The main challenge is that it needs a technological overhaul. With a technological overhaul, hosts would be able to bring more state-of-the-art technology to their event.
- "Update the rest of the Convention Center to match the newer areas." "Upgrade the older section of Center to match look of the new section."
- "Parking is a concern. Being located downtown presents both opportunities and challenges. A key challenge is adequate parking. Perhaps a secondary parking garage would be beneficial."
- "More parking for the organization and core team."
- "Streamline both digital and physical signage across the venue to facilitate easier navigation for attendees, particularly those visiting for the first time."
- "Wayfinding is not great understanding escalators and where they go is next to impossible. I had to go to the space four times before I understood it."

CSL

Source: CSL survey, 2025



NATIONAL PLANNER SURVEY - PLANNER INTEREST

In addition to surveying the 34 current/past users of the HBGCC, CSL asked a broader sample of 113 national event planners to rate their likelihood of using an improved HBGCC for future events on a scale of one (definitely) to five (definitely not). The exhibit to the right presents a summary of their responses.

We note that our survey process relies on planner interest in responding, and planners with an interest and/or familiarity with the destination are more likely to participate, impacting positive response rates. At the same time, we use a similar process for other projects, allowing for a useful comparison among studies.

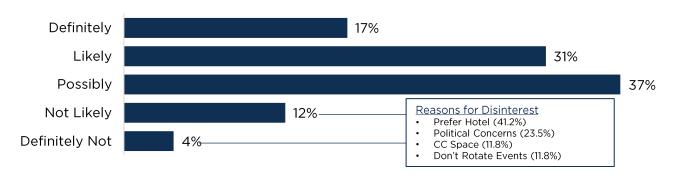
Of surveyed planners, 84 percent indicated they would at least "possibly" utilize an improved HBGCC. This includes 17 percent responding "definitely," and 31 percent responding "likely."

This rate of positive response is high relative to other major market convention center studies conducted by CSL, reflecting the strength of San Antonio in the convention and tradeshow sector. San Antonio ranks third for total positive response rate among seven markets CSL has recently conducted studies for; however, its 'definitely' response rate is somewhat low compared to similar markets, being the second lowest of comparable markets.

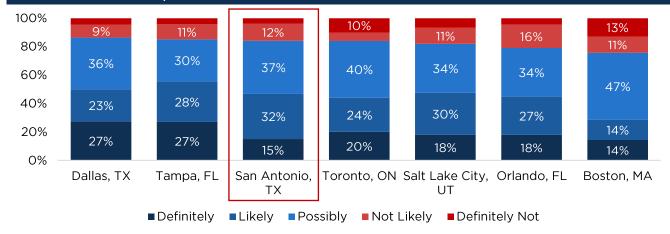
Leading reasons for disinterest among surveyed planners include the preference for hosting at a self-contained hotel/conference center (41.2 percent), perception of political issues among planners and attendees (23.5 percent), and geographic event rotation commitments (11.8 percent). CSL notes that cost concerns are to be expected as there is always a segment of the event market that trend towards price sensitivity.

Likelihood of Using an Improved HBGCC

2024 Positive = 84%, 2024 Negative = 16%



Comparison of Interest with Recent CSL Studies





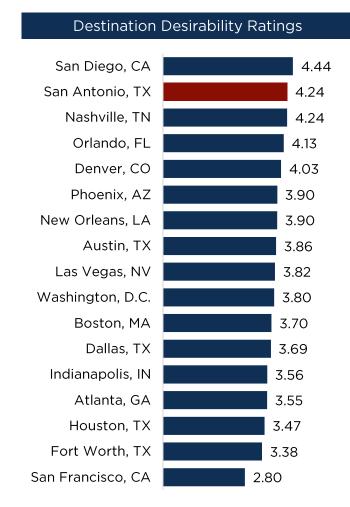
Source: CSL surveys, 2025. 59

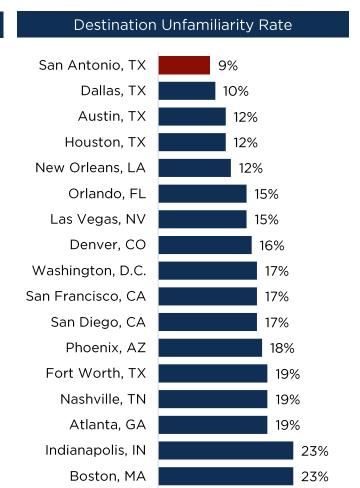


NATIONAL PLANNER SURVEY - DESIRABILITY AND FAMILIARITY

Planners were also asked to score various destinations in terms of their "overall appeal", considering elements such as event facilities, hotel inventory, hospitality assets, attractions/entertainment, geographical location and other destination criteria. Surveyed planners rated San Antonio second among peer destinations for destination desirability, and first with respect to awareness of the market as a convention destination.

As previously mentioned, planners taking this survey likely have some level of pre-existing interest in or familiarity with San Antonio, potentially enhancing favorability for the San Antonio market in these responses. Still, the significant favorable perception of these results suggest a notably positive impression of San Antonio among convention/event planners who are familiar with San Antonio.





Source: CSL survey, 2025.

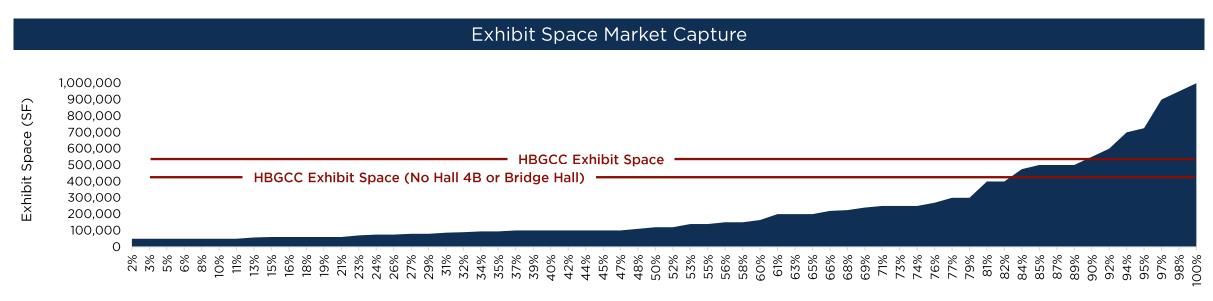


NATIONAL PLANNER SURVEY - EXHIBIT SPACE MARKET CAPTURE

National planners expressing interest in an improved and expanded HBGCC were asked to indicate the exhibit space requirements of their largest event(s). The chart below presents these needs, ordered from smallest to largest, enabling segmentation by percentile to assess how different exhibit hall sizes align with market demand.

For example, a 120,000 square foot hall could accommodate approximately 50 percent of the potential event market unique to San Antonio. When sizing an exhibit hall, it is important to target a high market capture, ideally at or near 90 percent for a single large event, while also maximizing a facility's ability to host two or more large overlapping events. Today, the 513,900 square feet of contiguous exhibit space at the HBGCC can accommodate approximately 89 percent of the convention and tradeshow market showing interest in San Antonio. However, we note that the Bridge Hall and an adjacent portion of Hall 4B may not reflect an ideal convention layout due to low ceiling heights and support columns that interrupt clear span space. Removing these spaces from the facility's exhibit space total lowers the market capture to approximately 83 percent.

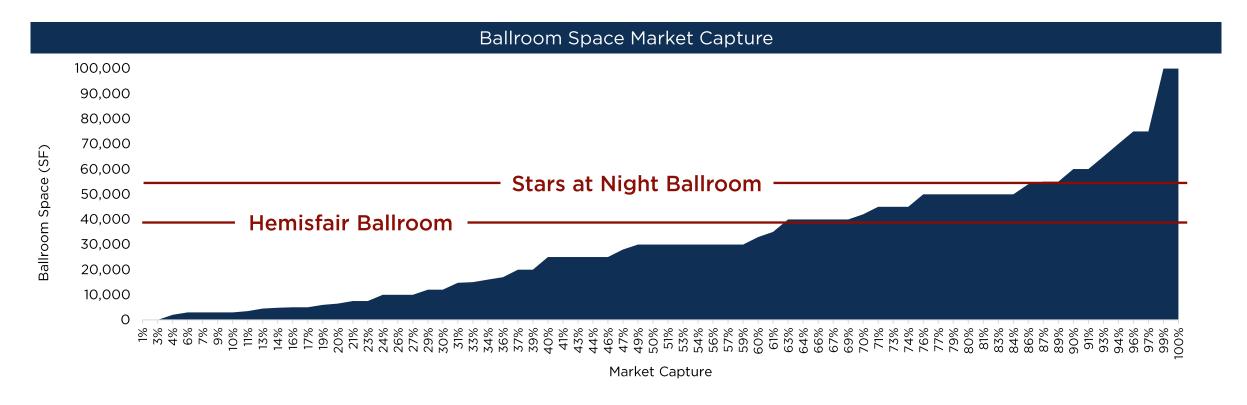
A 700,000 square foot contiguous space would allow for a market capture of approximately 94 percent, and the ability to host two overlapping events each at the 80th percentile of the market (350,000 square feet per event).





NATIONAL PLANNER SURVEY - BALLROOM SPACE MARKET CAPTURE BY DEVELOPMENT OPTION

Ballrooms at modern convention centers globally have evolved into highly multi-use spaces that can host food functions, general sessions, large meetings, light exhibits, poster sessions and entertainment events. The existing Stars at Night Ballroom and the Hemisfair Ballroom offer a combined 94,300 square feet of ballroom space. Based on event planner research, the Stars at Night Ballroom can accommodate 87 percent of the potential market for the HBGCC, while the Hemisfair Ballroom can accommodate 67 percent of the potential event market. Both existing ballrooms are located to the east of the HBGCC, limiting the ability of an event using west exhibit halls to conveniently access ballroom space. Future HBGCC development options discussed later in this report are designed to address these conditions.



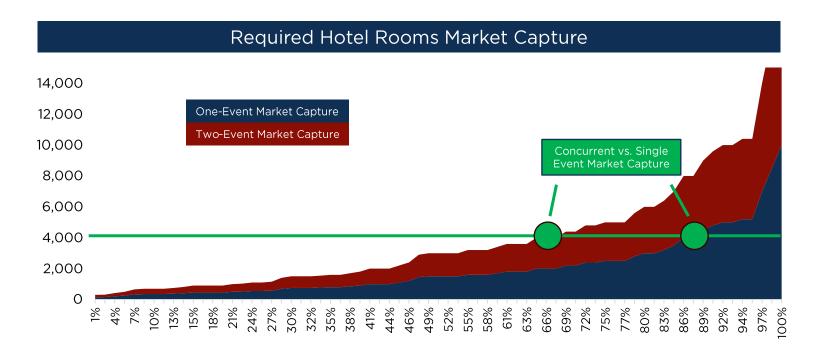
Source: CSL survey, 2025.



NATIONAL PLANNER SURVEY - HOTEL REQUIREMENTS

National planners were also asked to indicate the peak hotel inventory required to accommodate their events and the number of rooms they prefer to have housed within a headquarter hotel package. Existing hotel rooms within 1/2-mile of the HBGCC, assuming a 60 percent committable rate, total 5,135 rooms across 37 properties. Realistically, a room block of up to 4,000 rooms could be assembled in eight to ten properties assuming 80 percent committability. At an average of 60 percent committability, approximately 15 of the largest downtown hotels by room count would be needed to assemble a 4,000 room block, including the LaQuinta Inn & Suites, the Red Roof+, and the Hampton Inn Riverwalk.

Considering the room block requirements detailed in our event planner surveys, a block of 4,000 rooms could accommodate approximately 87 percent of the potential market for San Antonio. If two equally sized overlapping events require room blocks during the same period, market capture drops to 68 percent. The ability to support the room block needs of multiple overlapping events will be important for increasing event activity at an expanded HBGCC.





Source: CSL survey, 2025.















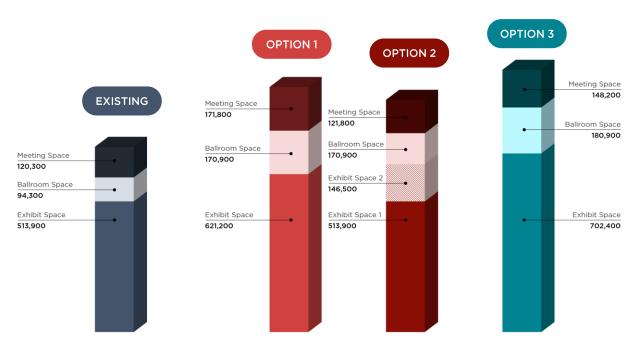
OVERVIEW OF DEVELOPMENT OPTIONS

In coordination with CSL, HBGCC staff, Visit San Antonio staff, and other project stakeholders, Populous (the architectural team for the concept stage of the project) has prepared conceptual Development Options for future HBGCC investment. The purpose of this section is to review these Options from the perspective of maximizing convention industry market capture. Ultimately, three primary Development Options emerged from the Populous planning and design work:

- Option 1 would replace the current Bridge Hall and 4B with contiguous exhibit hall addition, meetings rooms, and a ballroom on the west end of the HBGCC. Under this Option, new Riverwalk-level meeting rooms would be situated beneath the extended exhibit hall, and a new multi-use ballroom, and additional meeting rooms, would be developed above the exhibit hall addition.
- Option 2 would add an exhibit hall, meeting rooms, and a new ballroom to the east side of the HBGCC above existing exhibit halls 1 and 2. Notably, this added exhibit space would not be contiguous with the existing halls.
- Option 3 replaces the Bridge Hall and 4B with an approximately 188,500-square-foot extension of the exhibit hall on the west side of the HBGCC, directly connected to the existing halls. This expansion would create a single-level exhibit footprint of about 702,400 square feet. Above the new hall, additional meeting space and an 86,600-square-foot ballroom would be constructed.

Options 1 and 3 share a similar layout, with Option 3 essentially serving as a larger-scale version of Option 1. Both provide new contiguous exhibit space; however, Option 3 delivers a greater contiguous footprint and a larger ballroom, while offering less total new meeting space than Option 1. Option 2 increases total exhibit space but does not add any new contiguous space. These three program options will be explored in further detail throughout the remainder of this section.

Market-Derived Development Options for HBGCC



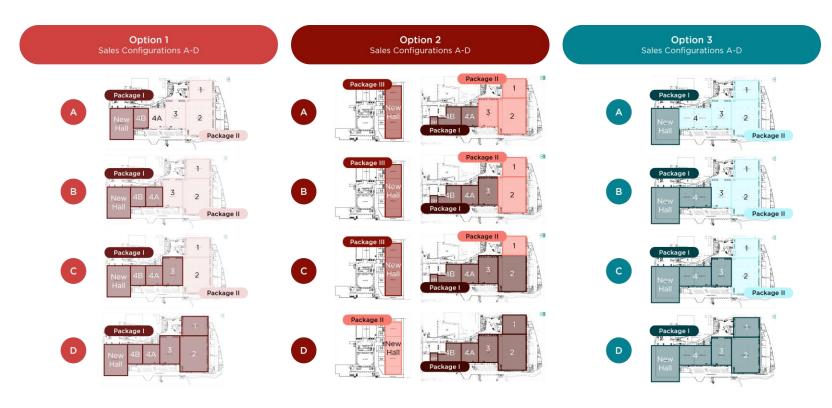
	Existing	Option 1		Option 2		Option 3	
Program	Area (sf)	Area (sf)	Net Area Increase (sf)	Area (sf)	Net Area Increase (sf)	Area (sf)	Net Area Increase (sf)
Exhibit Space (Total)	513,900	621,200	107,300	659,400	146,500	702,400	188,500
Exhibit Space (Contiguous)	513,900	621,200	107,300	513,900	0	702,400	188,500
Ballroom Space	94,300	170,900	76,600	121,800	27,500	180,900	86,600
Meeting Space	120,300	171,800	51,500	131,200	11,000	148,200	27,900
Totals	728,500	963,900	235,400	912,400	185,000	1,031,500	303,000

Source: Populous, 2025.



DEVELOPMENT OPTION SALES CONFIGURATIONS

It is important to analyze the potential subdivisibility of the expanded HBGCC exhibit hall under all three Development Options, as this helps illustrate how an expanded HBGCC could support multiple overlapping or simultaneous events—a key consideration in driving year-round utilization, attracting a broader range of bookings, and maximizing operational flexibility. To explore the operational flexibility of each Development Option, the visualizations below highlight potential exhibit hall Sales Configurations A through D under each Option. These layouts demonstrate examples as to how a future HBGCC could accommodate multiple overlapping events of varying size by subdividing exhibit space into distinct Packages, each shown in a separate color.



Each Configuration shows how contiguous hall groupings can be scaled to support events ranging from mid-sized exhibitions to large conventions. For example, Sales Configuration A under Option 1 packages the New Hall and modified Hall 4B (Package I) separately from Halls 4A, 3, 2, and 1 (Package II), allowing the center to host two concurrent events. Option 3's subdivisibility functions similarly to Option 1, where packages comprise various combinations of the New Hall and existing Halls 1 through 4.

Program Option 2, by contrast, introduces a new exhibit hall above existing Halls 1 and 2 that is not contiguous with the HBGCC's existing exhibit halls. As a result, most configurations under Option 2 require the facility to operate as three separate sales Packages, limiting its ability to accommodate simultaneous or overlapping events. The following page quantifies the usable exhibit square footage associated with each Package under all Configurations.

Source: Populous, 2025.



DEVELOPMENT OPTION SALES CONFIGURATIONS (continued)

The horizontal stacked bar chart below shows the total exhibit space (in square feet) provided by each Package within Sales Configurations A through D under all three Development Options. This analysis allows for a side-by-side comparison of the range of space sizes the HBGCC could offer event organizers based on how its halls are segmented.

For Expansion Option 1, Configuration A supports two sales packages, one at 243,200 square feet and a second at 432,300 square feet. Similarly, Configuration B allows for sales packages of 254,700 and 366,500 square feet. For Expansion Option 3, the four configurations (A through D) are similar to those in Option 1 but offer consistently larger square footage packages. For example, under Configuration D, both Option 1 and Option 3 include 270,600 square feet in their second package; however, Option 3's first package offers 431,800 square feet compared to 350,600 square feet in Option 1.

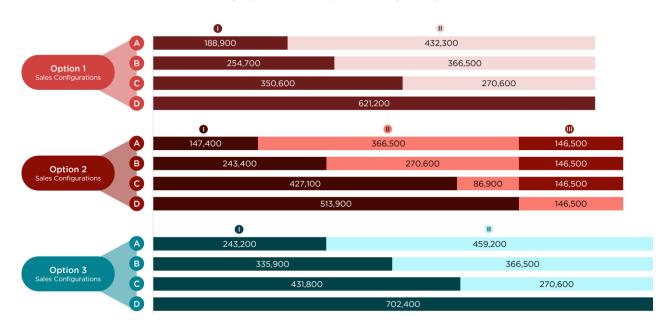
Option 2, as previously noted, provides added exhibit space above current Halls 1 and 2. As a result, there is no expansion of contiguous space. Based on market research, we view the added space under this option as, effectively, a separate exhibit hall. Therefore, under Option 2, three of four configurations offer three Packages each, and the remaining configuration (D) offers two Packages. These Packages offer consistently smaller amounts of square footage compared to Options 1 and 2.

In all three options, Configuration D represents the maximum contiguous exhibit space achievable under that program. Here, Option 3 provides 702,400 square feet in a single package, compared to 621,200 square feet for Option 1 and 513,900 under the multi-level exhibit hall Option 2.

These Sales Configurations and Packages can also be analyzed in terms of their ability to accommodate convention industry market share specific to demand for San Antonio, as summarized on the following page.

Exhibit Space Build Up by Sales Package and Configuration -

Total exhibit space available for each package within Sales Configurations A–D, illustrating differences in scale, contiguity, and flexibility across Program Options.



Source: CSL survey, Populous, 2025.



DEVELOPMENT OPTION SALES CONFIGURATIONS (continued)

The chart to the right links the exhibit space offerings from each Sales Configuration to modeled market capture rates based on survey responses from national convention planners. The percentages represent the share of the national event market that could be accommodated by each Package given its square footage relative to planner space needs.

As noted in the adjacent exhibit, we have highlighted a range of target market capture beginning at 70 percent. Effectively, the ability for an individual sales package to accommodate 70 percent of market demand unique to San Antonio is considered desirable.

Considering the four Sales Configurations and resulting seven sales packages offered under Option 1, the 70 percent market capture threshold is reached for all but one sales package.

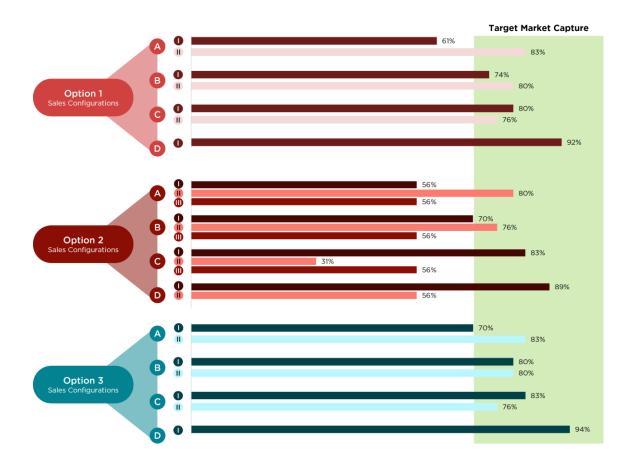
Under Option 3, which provides a material increase in exhibit space over Option 1, the seven individual sales packages all achieve at least 70 percent market capture, and five of seven meet or exceed 80 percent.

Option 2, which places expanded exhibit space on a non-contiguous elevated level, offers Sales Packages with less square footage than Options 1 or 3, creating a distinct challenge in achieving a 70 percent capture rate for individual Packages—in particular, the stand alone exhibit hall addition results in a Package under each Configuration capturing only 56 percent of market demand.

This analysis demonstrates a market-capture advantage for Option 3. Future architectural study with respect to project costs and financing capacity will have to be taken into consideration when finalizing the HBGCC expansion program.

Market Capture by Sales Package and Configuration -

Modeled share of national convention demand accommodated by each package within Sales Configurations A-D, based on exhibit hall size and planner space requirements

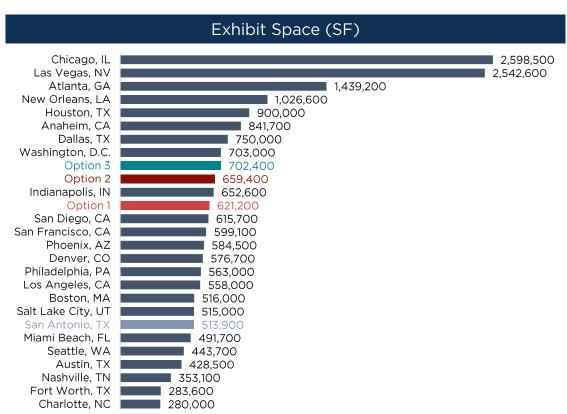


Source: CSL survey, Populous, 2025.



COMPARABLE FACILITY SIZING - EXHIBIT SPACE

This slide revisits the earlier comparable facilities rankings, now with Program Options 1, 2, and 3 inserted to further evaluate their potential impact. In total exhibit space, the existing HBGCC ranks 18th among 23 comparable facilities. Option 1 would improve this position to 10th, while Options 2 and 3 would move the center to 9th. In terms of largest contiguous exhibit space, the HBGCC currently ranks 14th. Option 1 would improve to this ranking to 9th, Option 3 to 7th, and Option 2 would yield no improvement due to its non-contiguous design. While Options 1 and 3 produce similar ranking gains in total exhibit space, Option 3 achieves a greater improvement in largest contiguous space. Option 2's lack of additional contiguous space limits its competitive positioning in both analyses.

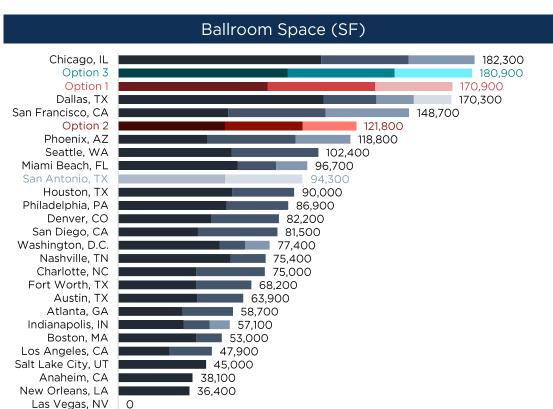


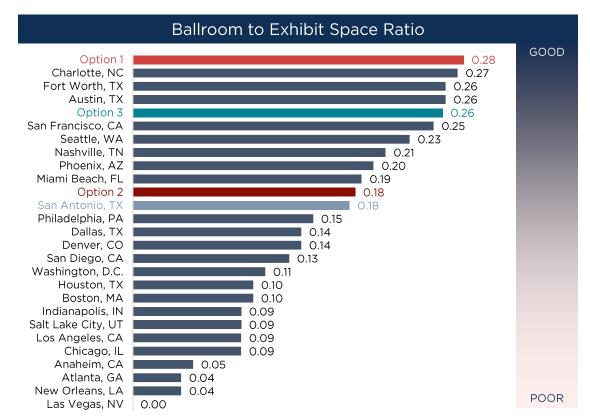




COMPARABLE FACILITY SIZING - BALLROOM SPACE

This page revisits the earlier analysis of comparable facilities, now focusing on total ballroom space and the ratio of ballroom to exhibit space. In total ballroom space, the existing HBGCC ranks 7th among the 23 comparable facilities. Both Option 1 and Option 3 would move the HBGCC to 2nd, behind only McCormick Place in Chicago. Option 2 would also result in a still substantial improvement to 4th in the comparison set. In terms of ballroom-to-exhibit space ratio, the HBGCC currently ranks 9th. Option 1 would give the HBGCC the highest ratio in the set (0.28). Option 3 would also represent a significant improvement, moving the HBGCC to 4th highest in the comparison set in this metric. Option 2's ratio of ballroom to exhibit space matches the existing HBGCC (0.18) while still providing a larger overall ballroom footprint than the current program.

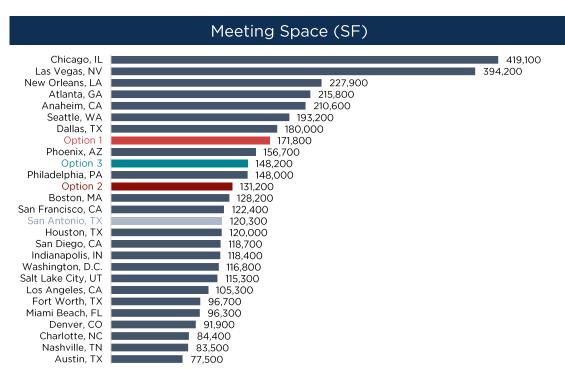


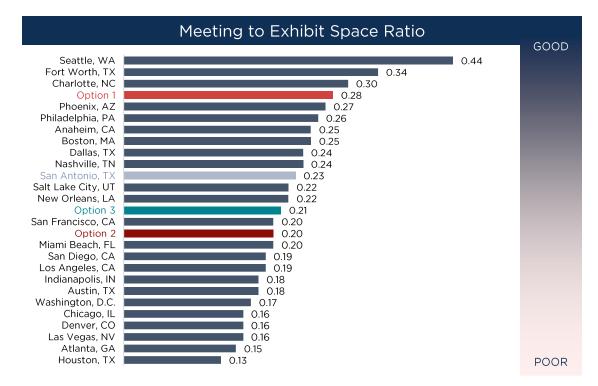




COMPARABLE FACILITY SIZING - MEETING SPACE

The exhibits below highlight total meeting space and the ratio of meeting to exhibit space for the comparable facility set. In total meeting space, the existing HBGCC ranks 12th among the 23 comparable facilities. Option 1 would move the facility to 8th, Option 3 to 9th, and Option 2 to 10th. Option 1 offers a significant jump in meeting-to-exhibit space ratio, moving from 10th to 4th in the comparison set, while Option 3 and Option 2 decline to 13th and 14th in the comparison set, respectively. This dynamic reflects the fact that Options 2 and 3 add sellable space with a greater proportion of exhibit space relative to meeting space compared to Option 1. Future space planning for HBGCC expansion should focus on balance between added ballroom and meeting space. For example, Option 1 provides for the highest ballroom to exhibit space ratio within the competitive set, and a very high meeting to exhibit space ratio. This suggests opportunity to moderate project costs with slightly lower space totals. For Option 3, the relative high ratio of ballroom to exhibit space and low ratio of meeting to exhibit space suggests opportunities to create a multi-use element within the new ballroom, allowing for accommodation of meetings in portions of this space.







171.800

170,900

621,200

Ballroom Space

HBGCC DEVELOPMENT PROGRAM ASSESSMENT

PREFERRED PROGRAM

The following summarizes the primary strengths and weaknesses of each Development Option, drawing on the preceding analyses of exhibit hall capacity, ballroom and meeting space rankings, space ratios, and modeled market capture. These points distill the key competitive advantages and tradeoffs associated with each program.

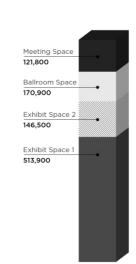
Option 1

Strengths

- Expands largest contiguous exhibit footprint from 513,900 SF to 621,200 SF.
- Significant meeting space gain moves HBGCC from 12th to eighth in total meeting space among 23 peer facilities.
- Delivers highest meeting-to-exhibit space ratio in the comparison set, strengthening appeal for medical, technical, and professional conventions that require high breakout capacity.
- Improves total ballroom space and ballroom-to-exhibit space ratio to second highest and highest in the comparison set, respectively.

Weaknesses

- Contiguous exhibit space gain is smaller than Option 3.
- Smaller ballroom footprint compared to Option 3 (74,000 SF vs. 86,600 SF).
- Market capture in subdivided configurations is generally lower than Option 3 (e.g., Configuration A Package I: 61% vs. 70% for Option 3).



Option 2

Strengths

- Increases total exhibit space from 513,900 SF to ~660,400 SF (ranking improvement from 18th to ninth in total exhibit space).
- Improves total ballroom space to fourth largest among national peer convention centers (currently at seventh).
- Maintains existing meeting-to-exhibit ratio (0.18) while increasing total meeting space.

Weaknesses

- New exhibit hall is non-contiguous, limiting flexibility. No improvement in largest contiguous footprint (remains at 513,900 SF).
- Subdivided configurations underperform isolated second level exhibit hall (146,500 SF) consistently captures only 56% of market.
- Several key packages fall below competitive thresholds, e.g., Configuration C Package II: 31% capture.
- Servicing an upper level exhibit hall can provide logistic challenges with respect to moving exhibit freight and equipment.



Meeting Space

Ballroom Space

Exhibit Space

Strengths

- Delivers largest contiguous exhibit space of all three Options.
- Outperforms Option 1 in nearly all subdivided sales package configurations.
- Like Option 1, improves total ballroom space to second most among national facility sample.
- Overall, offers strongest competitive positioning for hosting multiple large-scale events with higher capture rates across multiple packages.

Weaknesses

- Adds proportionally more exhibit than meeting space, resulting in decline in meeting-to-exhibit ratio (0.19) from current 0.23.
- Meeting space gain smaller than Option 1.
- Ballroom-to-exhibit ratio improvement (0.23) is but lower than Option 1 (0.28).

Based on the comparative analysis, Option 3 emerges as a Preferred Development Option, offering the largest contiguous exhibit footprint, consistently higher market capture in subdivided configurations, and a competitive ballroom program. For the remainder of this report, Option 3 will be referred to as the Preferred Program. Note that very significant project design work will have to take place prior to development, reflecting project costs and available budget. As with most major convention center projects, the possibility of reductions to a preferred program exists, and changes to space program and configuration may be made during the design process. Continuing to study market capture and comparable space ratios for any future program changes should be undertaken.



Source: Populous, 2025.



PREFERRED PROGRAM - BALLROOM/MEETING ROOM OPTIMIZATION

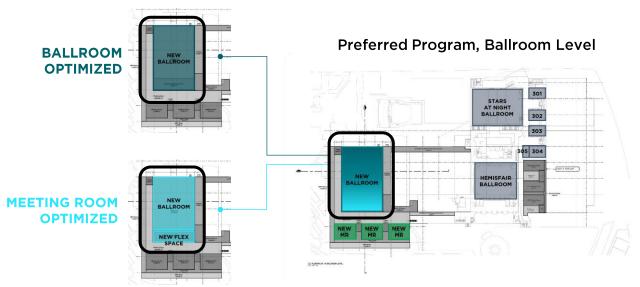
Following the comparative assessment, Option 3 has been selected as the Preferred Program for the future HBGCC. This program delivers the largest contiguous exhibit hall in the comparison set, a competitive ballroom footprint, and strong performance in subdivided configurations.

As previously noted, Option 3 provides for meeting to exhibit space ratios that fall below target benchmarks. To address this, the Preferred Program can be delivered in two variations: Ballroom Optimized and Meeting Room Optimized. Both versions provide the same total expansion—approximately 303,000 square feet of net new sellable space, including 188,500 square feet of contiguous exhibit hall expansion on the west side. The difference lies in the configuration of the new 86,600-square-foot west-side ballroom at the ballroom level:

- The Ballroom Optimized Preferred Program retains the full 86,600 square feet as ballroom space.
- The Meeting Room Optimized Preferred Program reconfigures 16,400 square feet of that ballroom as flexible breakout meeting rooms, yielding 70,300 square feet of ballroom space and an equivalent increase in meeting room inventory.

These two variations provide distinct options for balancing large-scale banquet/general session capability with increased breakout meeting flexibility. The floor plan to the right illustrates the ballroom level area where these variations occur.

This multi-use flexibility in the new ballroom will be important when we consider how event space is balanced on an east/west basis. This flexibility can help to address any imbalances in exhibit, meeting and ballroom space totals from such an east/west perspective. This issues is analyzed in more detail over the following several pages.



	Existing	Ballroom Optimized		Meeting Room Optimized	
	Area (SF)	Area (SF)	Net Area Increase (SF)	Area (SF)	Net Area Increase (SF)
Exhibit Space	513,900	702,400	+188,500	702,400	+188,500
Ballroom Space	94,300	180,900	+86,600	164,500	+70,200
Meeting Space	120,300	148,200	+27,900	164,600	+44,300
Total Sellable Space	728,500	1,031,500	+303,000	1,031,500	+303,000

Source: Populous, 2025.



PREFERRED PROGRAM - EAST/WEST

Maintaining a competitive meeting-to-exhibit space ratio with both the east and west side of the Center is critical to attracting and accommodating a broad range of simultaneous and overlapping events.

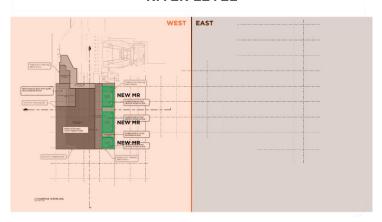
The exhibit to the right illustrates all four levels of the HBGCC (River, Street, Meeting and Ballroom) under the Preferred Program, with new space shown in green and existing halls, ballrooms, and meeting rooms shown in grey. The diagrams also depict which spaces belong to both the east and west sections of the building.

The following page examines how the east and west wings of the HBGCC, as standalone sales packages, compare with competitive and comparable facilities nationwide in terms of meeting-to-exhibit space ratio, under both variations of the Preferred Program.

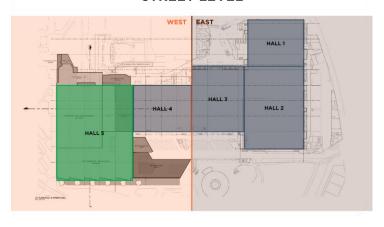
Preferred Program - East/West Space Distribution

Floor-by-floor view of the Preferred Program showing new exhibit, ballroom, and meeting space to support flexible, concurrent operations.

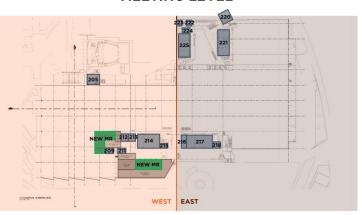
RIVER LEVEL



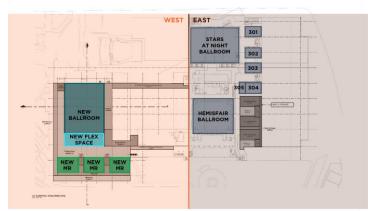
STREET LEVEL



MEETING LEVEL



BALLROOM LEVEL

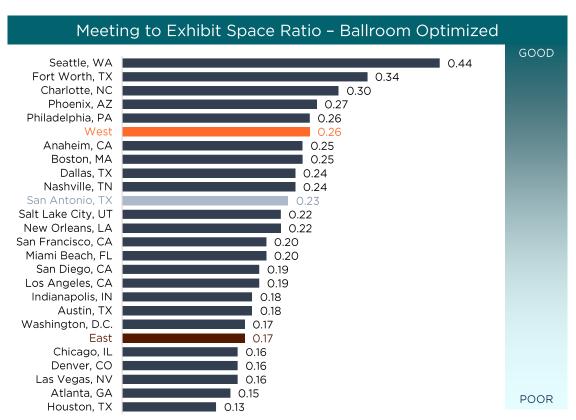


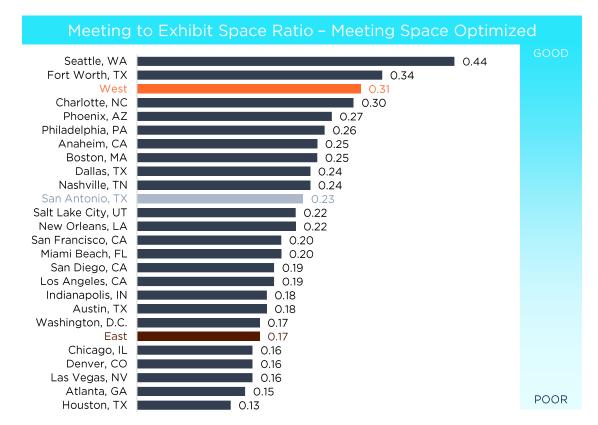
Source: Populous, 2025.



PREFERRED PROGRAM - EAST/WEST (continued)

The bar charts below re-present the HBGCC's ratio of meeting space to exhibit space compared to national peer convention centers. When the new ballroom is considered only as ballroom space (Ballroom Optimized scenario), the west side of the Center enjoys a relatively high meeting to exhibit space ratio of 0.26, while the east side of the building is somewhat deficient with a ratio of 0.17. When a portion of the new ballroom is considered as meeting space (Meeting Space Optimized scenario), the east side of the Center maintains this low meeting to exhibit space ratio (0.17), while the space ratio to the west improves significantly to 0.31. This high West ratio opens several options for addressing the low ratio on the east side of the Center, as described on the following page.





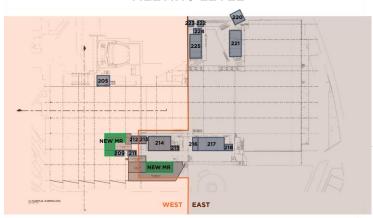


PREFERRED PROGRAM - EAST/WEST LINE ADJUSTMENT

As illustrated in the exhibit below, if the east/west divisional line is slightly adjusted to include existing meeting rooms 213, 214, and 215 and one new meeting room in the east package, the meeting-to-exhibit space ratios on both sides of the HBGCC—under either the Ballroom Optimized Preferred Program or the Meeting Room Optimized Preferred Program—would become more balanced. These meeting rooms are connected by a shared hallway, so this adjustment represents only a reclassification of space, not a physical change to the program.

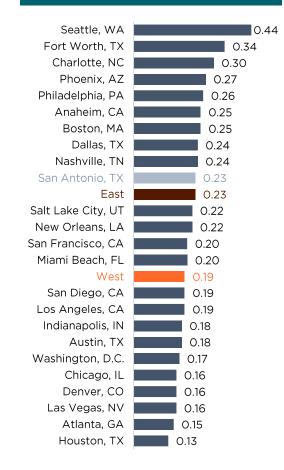
Following this minor modification, the east side's meeting-to-exhibit ratio improves from 0.17 to 0.23 under both variations. When we consider a portion of the new ballroom as meeting space under the Meeting Room Optimized scenario, we also maintain a strong west ratio of meeting-to-exhibit space (0.24). The rebalancing of meeting space, particularly under the Meeting Room Optimized scenario, results in a more equitable distribution of space across the complex, enhancing the Center's ability to host multiple overlapping events.

MEETING LEVEL



East/West divisional line adjusted to include Meeting Rooms 213, 214, 215 and New MR

Meeting to Exhibit Space Ratio – Ballroom Optimized



Meeting to Exhibit Space Ratio – Meeting Room Optimized





OTHER VENUE FEATURES

As the attendee and event planner population continues to evolve in terms of demographics and approach to hosting conventions, various investment in other HBGCC venue features should be prioritized. This include the following:



Signature Outdoor Space - The adjacent Hemisfair Park and the new City Park represent unique opportunities to create industry-leading, outdoor event spaces for hosting convention functions. These could include more formal and creative meeting environments, as well as informal entertainment, reception and networking functions. Connecting to the park areas will also help create desired public connections between the Center and outdoor space.



Connectivity to Surrounding Walkable Districts - Pedestrian connections to Hemisfair and City Park should be developed. In addition, planning for pedestrian flow from the HBGCC through City Park into La Villita should be planned for, embracing the connection across South Alamo Street connecting into Villita Street.



Engaging Pre-Function and Network Areas - Planning should consider all lobby and prefunction areas as informal event spaces. Layouts, lighting, technology and furniture that allow for large and small informal and formal gatherings of attendees and exhibitors should be considered.



Unique and Authentic Food & Beverage - Event attendees increasingly seek elements that are unique and authentic to the host destination, including food and beverage. Any "standard" food and beverage outlets should be repositioned to allow for local vendor participation, both in a sit-down environment and in a grab-and-go format.



Sustainability - Planners increasingly include sustainable practices as part of their site selection criteria. Efforts to maximize credible waste diversion, recycling, green roof, solar, runoff water reclamation and other approaches should be included in the project.



Dynamic & Interactive Meeting Spaces - Natural light, outdoor access, robust wireless capabilities, and digital projection should be included in select meeting areas. These spaces can be marketed as "next generation" in terms of where meeting events may be transitioning to in the future.



Digital Placemaking – External and internal convention center spaces are being used for large-scale digital installations. These can be used for sponsorships during events, signage and wayfinding, rotating and flexible public art instillations and can have an interactive component. Large lobby areas should be designed to allow for these types of installations. Added ballroom space could include 2, 3 or 4 walls of digital projection technology that can virtually "place" an event in a unique setting. Imagine, for example, a banquet that is placed in a park in Paris using projection technology.











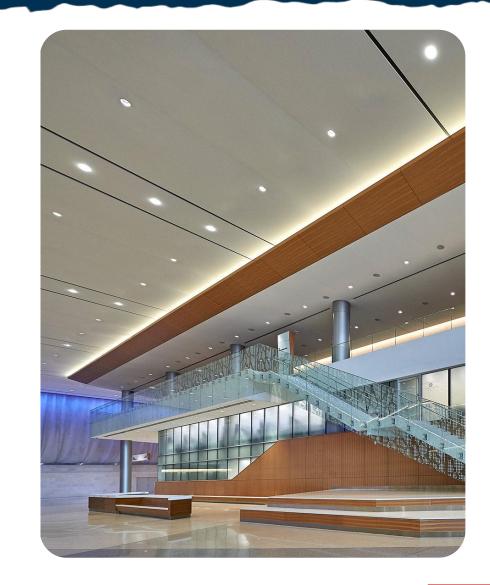


ECONOMIC IMPACT OVERVIEW

This chapter presents an analysis of estimated utilization and economic/fiscal impacts associated with the preferred investment scenario for the HBGCC. Working with HBGCC and Visit San Antonio sales staff, key assumptions were developed to generate estimates related to potential future HBGCC event activity.

All impact estimates are represented in terms of constant 2025 dollars, and all data are presented on a calendar year basis. Key assumptions used in the analysis and estimates of impacts associated with HBGCC investment scenarios include, but are not limited to the following.

- 1. This analysis is designed to assist project representatives in assessing the potential event, economic and fiscal impacts associated with HBGCC investment. Because events and circumstances frequently do not occur as expected, there usually will be differences between estimated and actual results and these differences may be material.
- 2. It is assumed that there are no significant or material changes in the supply or quality of existing competitive venues in the regional and national marketplace beyond those referenced in this report, nor are there any significant or material changes to regional and national event industry trends beyond those described herein.
- 3. Stabilization of operations is assumed to occur by the fifth full year of operation, at which time annual event levels, attendance and operating performance are projected at consistent year-over-year levels.
- 4. For exhibits herein, comparisons to historic HBGCC operations are illustrated. Historic averages are presented for the period between 2017 and 2024, excluding Pandemic-affected years 2020 and 2021.



HBGCC DEVELOPMENT SCENARIOS

The analysis herein presents HBGCC event and attendance levels, associated economic and fiscal/tax impacts, and hospitality industry profit analyses for two potential future scenarios. These are described below:

- 1. Do Nothing: The HBGCC product continues to operate as is. The HBGCC has maintained a relatively high occupancy level post-Covid, and we expect any future losses of event activity to competitive markets that are making significant investment would be limited for the next five to seven years. Over time, a continued lack of investment could lead to deterioration of market share, as planners of rotating conventions select convention facilities and destinations with more updated amenities, walkable districts and greater hotel room support.
- 2. Preferred Development Option replaces the Bridge Hall and 4B with an approximately 188,500-square-foot extension of the exhibit hall on the west side of the HBGCC, directly connected to the existing halls. This expansion would create a single-level exhibit footprint of about 702,400 square feet. Above the new hall, additional meeting space and an 86,600-square-foot ballroom would be constructed.

The remainder of this section presents analysis of and takeaways regarding the various economic, fiscal and hospitality industry impacts associated with each of these scenarios.



ESTIMATED EVENT LEVELS

As noted in the table to the right, historical HBGCC event data are presented for various convention, trade, corporate, sports, consumer and other event categories. Other events – meeting, banquet, consumer and other event activity typically draw attendance from the local area and provide limited economic impact.

In generating estimates of future event activity, we consider a variety of factors including event planner perceptions of the market, past HBGCC occupancy data and lost business levels, the significant investments being made in competitive convention destinations, particularly in Texas, and the modest annual growth rates typical for the convention and tradeshow industry. While competitive market investment has been significant, event planner survey research highlights the relative strength of the San Antonio market in the region and nationally for large conventions and tradeshows.

HBGCC convention/tradeshow activity is enhanced with the planned expansion and improvement project. The increase in large conventions/tradeshows is modest given the limited number of these events currently rotating nationally. The ability to host overlapping smaller conventions and tradeshows is enhanced with the added exhibit, meeting and ballroom space. We note that while the historic average for small convention is 31, the events in this category averaged 39 over the 2016-2018 period.

The large ballroom addition could help accommodate added conventions/tradeshows without exhibits, and modest increases to large corporate tradeshows are assumed. Increases to events in other categories such as banquets, small meetings, entertainment event and local seminars are assumed, none of which contributes significantly to economic impact generation.

HBGCC Historic and Estimated Future Annual Event Levels

	ANNUAL EVENT LEVELS		
	Historical Average	Incremental Demand	
Conventions (Large)	37	39 (+2)	
Conventions (Small)	31	47 (+16)	
Conventions (without exhibits)	7	12 (+5)	
Corporate Tradeshows	4	5 (+1)	
Sports	19	19 (+0)	
Public/Consumer Shows	13	14 (+1)	
Other	157	192 (+35)	
Total	268	328 (+60)	

NON-LOCAL EVENT ATTENDANCE& ATTENDEE DAY LEVELS

We have also analyzed past and potential HBGCC non-local event attendee days (the number of registered event attendees multiplied by the number of days they are in the San Antonio market for the event). Non-local attendees are those originating from outside the San Antonio area that travel to the market specifically for an event.

Combined annual convention/tradeshow and corporate event attendee days hosted at the HBGCC averaged 1.32 million between 2017 and 2024 (excluding 2020 and 2021). Post expansion, attendee days for these event sectors are estimated at 1.53 million annually.

The share of attendee days that are considered non-local, or that contribute to new economic impact is also presented in the table below. Between 18 and 37 percent of all convention/tradeshow and corporate event attendee days are eliminated from the impact analysis. These attendee days are assumed to be generated by San Antonio area residents and their spending would generally be considered displaced from other sectors of the local economy. A large majority of attendee days for other event categories (up to 99 percent in certain categories) are also eliminated form the impact analysis to reflect displaced versus new spending.

The resulting non-local convention/tradeshow and corporate event attendee days for the historical period is 926,000, and increases to 1.07 million under the Preferred Development Option for the HBGCC. The potential increase in total non-local attendees associated with the Preferred Development Option approximates 15 percent.

HBGCC Historic and Estimated Non-Local Attendee Data

	ATTENDEE DAYS		NON-LOCAL ATTENDEE SHARE	NON-LOCAL ATTENDEES	
	Historic Average	Expansion	Historic Average	Historic Average	Expansion
Conventions (Large)	1,107,366	1,199,150	71%	782,915	849,398
Conventions (Small)	136,845	210,924	68%	91,587	142,374
Conventions (without exhibits)	66,677	105,549	63%	43,583	66,848
Corporate Tradeshows	9,777	13,691	82%	7,943	11,181
Sports	89,555	38,316	53%	32,865	22,989
Public/Consumer Shows	169,413	128,907	5%	8,471	6,445
Other	188,912	214,402	1% - 10%	9,525	10,484
Total	1,768,545	1,910,938	-	976,888	1,109,719

OTHER KEY IMPACT ASSUMPTIONS

In order to focus on net new impacts generated by the HBGCC versus impacts that are simply displaced or redirected from other areas of the local economy, we make several important assumptions, as described below.

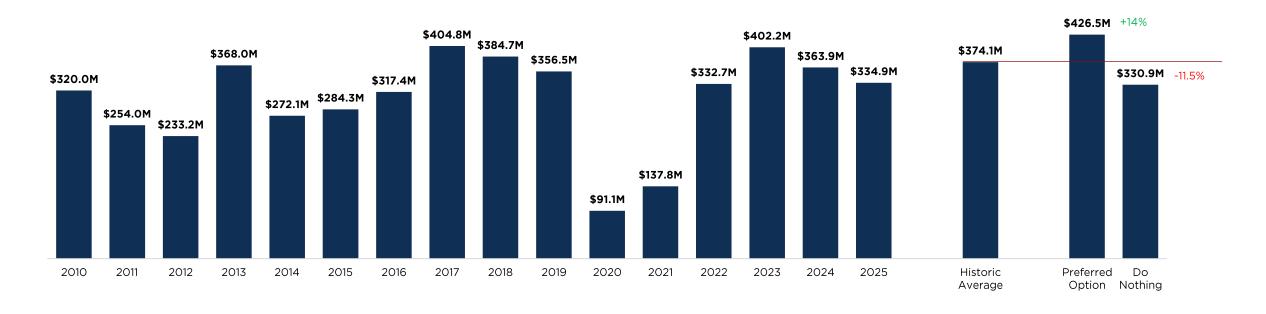
- We assume that not all attendees stay in San Antonio for the entire duration of the event. For convention, tradeshow and corporate events we take an approximate 10 percent reduction to the official event day total when calculating impact.
- No upward adjustment to attendee stay. It is highly likely that a share of event attendees arrive early and/or stay late with family or friends for leisure activities, particularly given that San Antonio is an internationally recognized and unique leisure destination. Although conservative with respect to estimates, we include no increases to attendee stay as part of this analysis.
- We assume that 5 percent of convention, tradeshow and corporate event attendees are staying in non-taxable lodgings such as with family or friends. This increases to between 10 percent and 30 percent for consumer show, social event, meeting, entertainment and sporting and other event attendees.
- We assume 5 percent of convention, tradeshow and corporate event spending is non-taxable, largely due to the potential for hosting events organized by tax-exempt organizations.
- We only count hotel and sales taxes generated by the project. No property taxes are assumed as part of this analysis. Although it is likely that various hospitality businesses in the downtown area will benefit from added convention activity, it is difficult to specifically define businesses that may be developed or sustained due to increased convention activity over time.
- Spending per day for non-local convention, tradeshow and corporate event attendees is assumed to range between \$380 and \$395. This spending average includes all spending by the attendee, the exhibitors and event producers, measured on a per-attendee basis.

These and other assumptions presented herein are used to calculate the net new economic and fiscal impacts associated with future investment in the HBGCC.

DIRECT SPENDING BY EVENT ATTENDEES, EXHIBITORS & PRODUCERS

CSL has developed models that incorporate HBGCC event, attendance, attendee origin and other data presented on previous pages in order to measure the amount of net new direct spending generated in the San Antonio market. These estimates include spending from event attendees, exhibitors and the event sponsor (typically and association or corporation). The sponsor spending includes costs for HBGCC rental, contractor services and other purchases made in the local economy. A summary of these data is presented on the following page.

HBGCC Generated Direct Spending



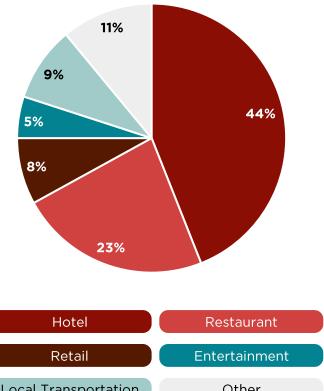
DIRECT SPENDING BY EVENT ATTENDEES, EXHIBITORS & PRODUCERS

As shown on the previous page, the HBGCC-generated direct attendee spending ranged between \$233.2 million and \$404.2 million during the pre-Covid period 2010 to 2019. Direct spending during the six year period prior to the 2016 expansion project averaged \$288.6 million. During the three year period post-expansion (and prior to the Pandemic), HBGCC-generated direct spending averaged \$382.0 million or a 32 percent increase over the pre-expansion period.

The historic average direct spending approximated \$374.1 million. Under a Do-Nothing scenario, we estimate a drop in spending by approximately 11.5 percent to \$330.9 million as competitive industry pressures and aging venue infrastructure negatively impact event levels. With the preferred investment scenario, direct spending is estimated to increase by approximately 14 percent to \$426.5 million.

A breakdown of spending levels by industry is presented in the exhibit to the right. As noted, a significant share of attendee, exhibitor and event producer spending takes place in the hotel and restaurant sectors.

HBGCC Generated Economic Impact Industry Breakdown

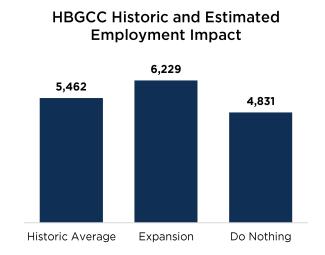


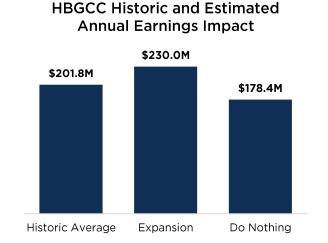


HBGCC-GENERATED EMPLOYMENT AND EARNINGS

The economic impact generated by HBGCC events includes a very important employment effect. Jobs are generated within the hospitality sector, creating opportunities for entry level staff, invaluable training opportunities, and high-wage jobs in various management positions. Employment impacts also flow through the economy in many other sectors, as earnings are spent locally. HBGCC event activity supported an average of 5,462 jobs during the historical period analyzed. Employment impacts increase to an estimated 6,229 under the Preferred Expansion scenario, with an employment impact decrease to an estimated 4,831 under the Do-Nothing scenario. Overall, there is a 1,398 annual difference in employment between the Preferred Scenario and the Do Nothing Scenario.

Employee earnings are a key component of the total output generated by HBGCC events. These earning impacts take place throughout the economy, certainly in the hospitality sector, but also within a wide variety of other sectors which encompass the entire San Antonio area economy. HBGCC-generated earnings averaged \$201.8 million for the historical period considered in this analysis. Expansion options are estimated to result in increases in HBGCC-generated earing's to approximately \$230.0 million, with a drop in earnings under a Do Nothing scenario to \$178.4 million. Overall, there is a \$51.6 million annual difference in earnings between the Preferred Scenario and the Do Nothing Scenario.





HBGCC-GENERATED TOTAL OUTPUT AND TAX REVENUES

The net new direct spending generated by events held at the HBGCC circulates throughout the local economy, creating indirect and induced spending. Combined, the direct, indirect and induced spending is termed total output. The estimated total output generated by HBGCC events averaged \$711.5 million during historical period studied. Modeling suggests that this impact could increase to \$811.1 million under the Preferred Scenario. Without these investments, output is estimated to drop by 11.6 percent from the historic average to \$629.3 million annually. Overall, there is a \$181.8 million annual difference in economic output between the Preferred Scenario and the Do Nothing Scenario.

Direct spending, total output and earnings will all help to support the generation of new tax revenues to various public sector entities. The exhibit below presents estimates of sales and hotel tax revenues associated with historical HBGCC event activity and Preferred Scenario. The HBGCC event activity has generated an estimated \$18.0 million in combined annual City hotel and sales tax. With the Preferred Scenario, combined City hotel and sales tax generation increase to \$20.5 million annually. With no HBGCC investment, combined sales and hotel tax revenues are estimated to drop over time to approximately \$15.9 annually. Overall, there is a \$4.6 million annual difference in City tax impact the Preferred Scenario and the Do Nothing Scenario.

These estimates include only hotel and sales tax revenue to the City, and do not include future property tax generation associated with the added spending generated by new convention attendees to the market

