[ms-0234.006.008.006]

Suite 601
Spreckels Building
121 Broadway
San Diego, California 92101
714 236-7101

Centre City Development Corporation

Dean R. Dunphy
PRESIDENT
W. Daniel Larsen
VICE PRESIDENT
Peter Q. Davis
SECRETARY
Howard A. Busby
TREASURER

DIRECTORS
William Hillyer
Jack H. McDonald
Lucille F. Mortimer

Gerald M. Trimble
EXECUTIVE VICE PRESIDENT

November 10, 1980

Dear San Diegan:

It is my pleasure to enclose the latest fact sheet on the proposed new Convention Center for your review. I think the details will be helpful in understanding the strong economic benefit the center will bring to the city.

The fact sheet is essentially a distillation of a longer report on the center and we would be pleased to provide a copy of that document for your further consideration. Should you decide a copy of the report would be helpful, please contact Donna Alm, Public Information Officer, at 236-7101.

In reviewing the fact sheet, I would like to call your attention to the fact that financing of the center does not present a general obligation of the city's taxpayers; and that the funding will come from hotel-motel room taxes, other taxes generated by the redevelopment project and payments by developers of the adjacent headquarters hotel.

Thank you in advance for your consideration of these facts.

Sincerely,

Dean Dunphy

DEAN DUNPHY
PRESIDENT

SAN DIEGO CONVENTION CENTER

Fact Sheet

DESCRIPTION: The San Diego Convention Center will be a 535,000 square-foot facility within the Columbia Redevelopment Project. Plans include 227,000 square feet of exhibition space on the ground floor and 90,000 square feet of meeting room space on the three floors above. The balance of the 535,000 square feet will be devoted to kitchen, storage, loading and support space. Parking for 1,200 vehicles will be beneath the Center. Initially, three major new downtown hotels will also be built to serve the Center. The new center will be 13 times as large as Golden Hall, the city's existing convention center.

NEED: Currently, there are an estimated 1,152 conventions and trade shows attracting 5,000 delegates or more. San Diego cannot now generally accommodate these events. In fact, while San Diego is the nation's eighth largest city, it is not even in the top 100 in municipal convention facilities. It even rates behind Bozeman, Montana! The new Convention Center will give the city the ability to draw major conventions.

COST:

Land Acquisition and Preparation	$ 26,000,000
Planning and Design	7,000,000
Program Administration	2,000,000
Construction	109,000,000
Financing and Interest Costs	82,000,000
Total	$226,000,000

FINANCING: Lease revenue bonds to be repaid from hotel-motel room taxes; developer payments from the adjacent hotel and lease of meeting room space; property taxes to come from increased land values within the Columbia Redevelopment project; and revenues from parking and operation of the Center. The bonds do not require redemption by tax payers.

ECONOMIC BENEFIT: (1984-1992) *Benefit to the economy:

Increased spending by delegates	$1,200,000,000
Other new development triggered by Convention Center	209,100,000
Total	$1,409,100,000

*Higher government revenues:

Increased hotel-motel room taxes	$41,558,000
Increased sales taxes to city	4,730,000
Increased property tax revenues from redevelopment projects	18,000,000
Total	$64,288,000

In other words, the initial investment of $226 million will return more than $1.4 billion to the economy in a nine-year period, a six-fold return.

EMPLOYMENT BENEFIT: (including hotels and other development)

Construction Jobs	8,000
Permanent Jobs	2,440

The payroll for constructions jobs will total more than $65 million and $40 million to $50 million per year for permanent jobs.

###