



MONONA  
TERRACE

# MONONA TERRACE COMMUNITY AND CONVENTION CENTER

ONE JOHN NOLEN DRIVE MADISON, WI 53703 TEL 608 261-4000 FAX 608 261-4049

**Date:** February 21, 2011  
**To:** Mayor Dave Cieslewicz and Madison Common Council  
**From:** Gregg McManners, Monona Terrace Director  
**Subject:** 2010 Monona Terrace Year-End Performance Report

We are pleased to submit the Monona Terrace Community and Convention Center 2010 Year-End Performance summary. This report compares our 2010 performance in contrast to 2008 and 2009. As it indicates, 2010 was a successful year for Monona Terrace in fulfilling our mission to be a community gathering place, tourism destination, and catalyst for economic activity. While continuing to battle a prolonged economic slump, Monona Terrace revenues were up 7% in 2010 over 2009 results. It was still well below our record year in 2008 but was the third best in the facility's history. We are seeing positive signs for an even greater recovery in 2011.

2010 saw the beginning of recovery for the Hotel Room Tax Fund as well, with year-end forecasts expecting at least 10% growth in this fund. While Monona Terrace did not experience the same level of cancelled events in 2010, we continued to see reduced size events; less money spent per event and perhaps more notably a continued trend of events not booking at all. Through a collective team effort we were able to reduce our budgeted expenditures by almost \$250,000 to offset a continued sluggish business year.

### Catalyst for Economic Activity

Monona Terrace hosted 26 conventions and 36 conferences in 2010. The economic impact from these conventions and conferences, as calculated by Baker Tilly was \$37,630,656. Baker Tilly has been independently calculating our economic impact from conventions and conferences since 2005. During this five-year period, our total economic impact has been \$233,598,018 or an average of \$38,933,003 per year. This represents new money brought to Madison by the attendees of these conventions and conferences, money that was spent with our area businesses.

### Need for a New Downtown Hotel

Our biggest challenge in getting more conventions to Madison continues to be the lack of committable hotel rooms in the downtown area near Monona Terrace. The Downtown Madison Hotel Feasibility Study, prepared by Hunden Strategic Partners out of Chicago in 2008, confirmed that "...a downtown convention hotel is not only recommended, it is necessary if Madison is to optimize the investment in Monona Terrace, retain and expand its position as an event destination, and continue the success of the downtown area." The convention and conference market for Monona Terrace has plateaued over the past couple of years. It is not because of a lack of

space at Monona Terrace or a lack of interest in Madison as a conference location but a lack of hotel rooms within close proximity to the facility. Monona Terrace has a growth potential that can only be realized with the building of infrastructure that will help to maximize our convention business. Conferences and conventions produce 50% of the revenues generated at Monona Terrace on an annual basis but represent only 10% of the events hosted. More conferences and conventions will have a significant impact on both Monona Terrace finances and the economic impact in the downtown.

### First Class Service

Monona Terrace's vision is to be a premier state-of-the-art public venue, which provides first class service for the benefit of our convention attendees, visitors, and all Monona Terrace stakeholders. Our commitment to fulfill this vision is reflected by our year-end 96% Overall Customer Satisfaction Rating and 98% Willingness to Return Rating, as determined by our Guest Surveys, which had a 54% survey return rate. In fulfilling our vision to be a state-of-the-art facility, we received the following awards in 2010:

- The **2010 Prime Site Award** by *Facilities & Destinations* magazine, a national publication. This was the ninth straight year for Monona Terrace to receive this award.
- The 2010 Readers' Choice Award at the Platinum level for **Best Conference Center** in Wisconsin by *Corporate Report Wisconsin*.
- In Business Magazine Executive Choice Awards 2010 (First Place) Preferred Local Venue for Business Meetings/Events.
- 2010 Governor's Tourism Stewardship Award for sustainable business practices.
- Finalist as **Best Reception Venue** for the Best of 2010 issue of *Wisconsin Bride Magazine*.
- **Best Convention Center in Wisconsin** by readers of *Wisconsin Meetings Magazine*.
- Recertification with a score of 92 points from Travel Green Wisconsin.
- The Star of Madison Award – Voted Best Wedding Reception location by the Wisconsin State Journal and Madison.com readers, as published in the 2010 Answer Book.
- **2010 Wisconsin Federation of Museums** "Award of Institutional Excellence" in programming for the Wright Lecture Series, Froebel Block Workshops, and Terrace Town programs which are produced by Monona Terrace.

### Community Outreach & Tourism

Monona Terrace's role as a community gathering place was well served by the wide variety of free educational programs, tours, wellness events, concerts, and lectures that were offered by the facility. We produced 112 community events and workshops, and co-sponsored another 7 events in 2010. Total attendance in 2010 at these events was 38,455 people or 19% higher than in 2009! Approximately 65% of these patrons were from Madison. In addition to offering free Hall of Fame use for non-profit organizations, Monona Terrace serves as a community gathering place for key Madison events such

as the Winter Farmers' Market, the Wisconsin Film Festival, Ironman, Celebrating Youth, and Dane Dances.

Monona Terrace welcomes school and travel groups on a regular basis as a tourist destination. Approximately 3,300 people took the official Monona Terrace tour, guided by one of our volunteer docents. Our loyal volunteer corps logged nearly 1,200 volunteer hours in leading these tours, and supporting other activities at the building. Our volunteers also assisted with Froebel block workshops which were offered in local schools to inspire budding architects. Frank Lloyd Wright played with these wooden blocks as a child, and acknowledged them as a fundamental influence on his architecture.

Terrace Town deserves special recognition. This event, which is in its seventh year, aims to teach Dane County K-5 students the elements of a quality, sustainable community and the role they can play in shaping their environments. In 2010 this program engaged 1,275 students and 70 teachers from the Madison and Middleton-Cross Plains districts.

This multi-phase program begins with teacher training about green construction, sustainable neighborhood development and a variety of other building topics. Local planners and architects (called volunteer "mentors") are assigned to classrooms and share their expertise and real world perspective throughout the process. Forty-eight Volunteer Mentors and 20 Monona Terrace volunteers helped to plan, organize and coordinate the event.

#### Lake Vista Café – Rooftop

Despite the tough economy, we were extremely pleased with the continued success of the Lake Vista Café on our rooftop, which opened in 2009. As long as the weather cooperated, the Café continued to perform at a high level, receiving great reviews by the general public and the media. The Café concluded its second successful year generating approximately \$125,000 in revenues. The Café will re-open sometime in early May 2011. The biggest challenge in 2010 was the weather and we are hopeful this year will be more conducive to outside activities.

#### Looking Ahead to 2011

We are cautiously optimistic as we look towards to 2011. While our convention and conference business has stagnated, we project that our banquet and meeting business will be stronger however it will take some time to get this business loaded back into our event pipeline.

cc: Ann Kovich, Monona Terrace Board Chair  
Monona Terrace Board of Directors  
Kathleen M. Falk, Dane County Executive

**MONONA TERRACE COMMUNITY & CONVENTION CENTER  
2010 YEAR-END PERFORMANCE REPORT**

Activity Measure	2008 Actual	2009 Actual	2010 Actual
Conventions*	33	28	26
Conferences*	49	40	36
Banquets	274	232	231
Meetings	237	195	206
Consumer Shows	15	12	19
Free Non-Profit Meetings	24	23	13
Free Community Programming Events	69	76	61
Entertainment Events	27	26	30
<b>Total Events</b>	<b>728</b>	<b>632</b>	<b>622</b>
Total Attendance at Events	217,946	189,100	213,451
Total Visitors (not including event attendees)	159,000	142,000	139,500
<b>Total Attendees &amp; Visitors</b>	<b>376,946</b>	<b>331,100</b>	<b>352,951</b>
Number of Attendees & Visitors per Day	1,033	907	967
Number of Event Days	974	841	844
Average Attendance per Event	299	299	343
Number of Events in Building per Day	2	1.7	1.7
Number of International Events	14	4	3
Number of National Events	28	27	30
Number of Regional Events	19	12	16
Number of State Events	88	92	77
Number of Local Events	579	497	496
Number of Meals Served	136,911	112,031	111,178
Number of Guests Served at Receptions	88,693	57,757	57,749
Number of Guests Served at all Catered Functions	457,210	396,794	403,653
Pounds of Food Donated to Charity	7,500	4,100	6,507
Total Attendance of Tours	2,963	3,192	3,260
Volunteer Hours	1,324 hours	1,155 hours	1,193 hours
Interior Square Footage of Space Rented	13,794,041 sq. ft.	11,753,588 sq. ft.	12,710,782 sq. ft.
Exterior Square Footage of Space Rented	2,992,110 sq. ft.	3,061,140 sq. ft.	2,811,470 sq. ft.
Total Square Footage of Space Rented	16,786,151 sq. ft.	14,814,728 sq. ft.	15,522,252 sq. ft.
Percentage of Repeat Business	62%	69%	65%
Willingness to Return	98%	99%	98%
Overall Customer Satisfaction Rating	97%	97%	96%
Attendance at Conventions & Conferences	42,090	32,309	40,901
Economic Impact from Conventions and Conferences	\$38,525,000**	\$33,314,662**	\$37,630,656**

**Note:**

\* Conventions are multi-space/multi-day business with peak room nights of 151 or greater, and/or total room nights of 500 or greater. Conferences have peak room nights of between 50 and 150 and total room nights of 499 or less.

\*\* As calculated by Baker Tilly (formerly Virchow, Krause & Company, LLP) using the average spending per convention delegate, based on both peak room nights and attendance, as determined by the Destination Marketing Association International, and adjusted for the Madison area.