

MONONA TERRACE 2016 ANNUAL REPORT



MONONA TERRACE EXECUTIVE DIRECTOR. GREGG MCMANNERS

For Monona Terrace Community and Convention Center, 2016 was a year that set a new standard for event revenue, community events and tourism opportunities. As Monona Terrace nears its 20th birthday in July, this strong performance reaffirms our belief that if given the proper support this community asset can consistently produce significant economic, cultural and social benefits for the community.

From a business perspective we hosted 7 international, 28 national and 13 regional conventions. Our convention and conference business alone resulted in an estimated 48 million dollar impact on Madison's economy over the course of the year. In all, we hosted 680 events, which resulted in more than 15,000,000 square feet of space rented and over 500,000 people served at catered functions.

Community Events staff introduced exciting new programs including Madison Mini Maker Faire and in partnership with WI Public Television, premieres of *Hamilton's America* and *Wisconsin Winter from the Air*. Programs and concerts drew almost 50,000 local residents despite an uncooperative weather pattern at times for the outdoor concerts. More and more Madison area residents are being drawn to Monona Terrace by our variety of public offerings.

Our tourism promotion efforts got a boost with the addition of the Frank Lloyd Wright Trail, introduced by the Wisconsin Department of Tourism in 2016. Monona Terrace is a site to visit on the trail along with other famous Wright buildings in Wisconsin. Visitors from all over the world continue to tour Monona Terrace to learn more about Wright and his principles of architecture.

2016 was also a year of unprecedented growth in the infrastructure of competitive destination markets across the state. From LaCrosse to Brookfield to the Fox River Valley, more and more communities are investing in the meeting and convention market as they see the true benefits this industry provides. Madison will not be lost in the competitive conversation and our appearance on many "Top 10" lists helps to publicize the city's status as a must-see destination.

It is important to note in many instances our city is considered "Top 10" as a result of investments made. Over the last 19 years the downtown has been transformed into its own destination within the destination of Madison. We need to continue investing in our future, and Judge Doyle Square—with a hotel as a component—is the next big project that will add to our appeal as a convention location.

Monona Terrace is an exceptional facility that Madisonians have seen flourish since opening in 1997. This annual report provides a snapshot of our efforts, activities, programming and the results. We are proud of our accomplishments, but not complacent; and we are confident that with community investment and support, our contributions to the city will grow over the next 20 years.

Sincerely,

A handwritten signature in black ink that reads "Gregg McManners". The signature is stylized, with a large, sweeping initial "G" and a cursive "McManners".

Gregg McManners, Executive Director

Monona Terrace Community and Convention Center
Madison, Wisconsin

MONONA TERRACE BOARD OF DIRECTORS CHAIR. GLENN KRIEG

I am honored to have again served as the Chair of the Monona Terrace Community and Convention Center Board for 2016. As a member of the board for the past 10 years, I can attest that this was a truly remarkable year. The sales growth and economic impact of Monona Terrace provides a glimpse of what this organization's capabilities are if given the right circumstances and the proper support.

During this past year, Monona Terrace's customers booked almost 48,000 room nights in Madison and generated over \$48,240,000 in economic impact from their conferences and conventions. While hosting 680 events, Monona Terrace achieved a 17% sales increase over 2015, which is extraordinary considering Monona Terrace will celebrate its 20th year of operations in July of 2017.

The Board and staff of Monona Terrace have long stated that the facility has been held back from performing at a level of optimum efficiency in hosting conventions and conferences. That in fact, Monona Terrace is constrained by the lack of hotel rooms in close proximity which limits the volume of business it can host.

Madison is a truly great destination and its excellent reputation is growing more widespread. Business, group and leisure travelers are coming to Madison in record numbers. This is reflected in the growth of room tax collections and the strong financial performance of hotels not only downtown, but at almost every hotel within city limits. Developers and business owners are recognizing the market's potential and consequently we are experiencing more investment both in Madison's attractions and its lodging accommodations.

The board is encouraged by the progress of development around Monona Terrace as well. The Judge Doyle Square (JDS) project with its hotel rooms is paramount for the continued success of Monona Terrace. In the meantime, until the JDS hotel opens, we applaud the investment made at the Park Hotel and Concourse Hotel to upgrade their properties for our visitors. Finally, we welcome the Marriott AC to the list of available downtown hotels; it is scheduled to open in spring of 2017 and will add quality guest room inventory to the market.

Given the right support and investment by the community and our partners, we are confident Monona Terrace will deliver economic impact and community enhancement equal to and surpassing past results. We look forward to 2017 invigorated by our 2016 accomplishments yet realizing we compete locally, regionally, nationally and internationally for clients that are being courted by many all over the world. Madison has proven it can compete, and as a board we stand ready to work hand-in-hand with local leaders, businesses and organizations to realize the full potential of Madison and Monona Terrace as a nationally renowned meeting facility, community gathering place, and tourist destination.

Sincerely,



Glenn Krieg, Chair
Monona Terrace Board of Directors
Madison, Wisconsin

Glenn Krieg, Chair

Chief Financial Officer,

Morgan Murphy Media

Alice O'Connor, Vice-Chair

Principal, Constituency Services Inc.

Judy Karofsky, Secretary

Principal, Real Estate Insights, LLC

Mark Clarke

Executive Director, Alliant Energy Center

Chet Gerlach

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Independent, Nonprofit Organization

Management Professional

Mark Richardson

President, Unfinished Business, LLC

Jim Ring

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Dairy-Deli-Bakery Association

Tom Solheim

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Mike Verveer

Alderman, City of Madison

Thomas J. Ziarnik

General Manager,

DoubleTree By Hilton, Madison

GREATER MADISON CONVENTION & VISITORS BUREAU

The travel industry has always been a place where people invest their money to expand their horizons through new experiences. Our industry is not focused on consumption of material things, but rather the creation of memories.

Today visitors' expectations for tailored, fresh, new experiences and personal service far and above exceed any expectations of the past. The growth of social media has exponentially elevated our need and expectations for personal attention.

In searching for and securing business for Madison and Monona Terrace, today our job goes far beyond the assurance that we can deliver on the hard specifications of specific event needs. What is equally important today is understanding a group's interests and desires and the presentation of the specific experiences their event attendees will expect when they are here. These expectations stretch far beyond the beautiful walls of Monona Terrace and our guests' hotels. They rest in our great restaurants, interesting attractions, our lakes, bike paths and more.

Curating and delivering these experiences is exciting—but daunting.

To assist us in the curation and delivery of these destination experiences, we must collaborate with and support our partners: hotels, restaurants, attractions, recreation outfitters, municipalities, etc. These partners are our ultimate salespersons and where and with whom our visitors' expectations will be fulfilled. The support we provide our partners, focuses on the tools and knowledge they need to understand and anticipate their guests' demands.

In 2017, we will be expanding our efforts to identify and explore the possibility of creating new visitor experiences. We also will continue our efforts to advocate for infrastructure needed to carry the destination into the future, including a hotel on Judge Doyle Square, the conversations surrounding improvements along John Nolen Drive to further celebrate our great lake fronts, reimagining the Alliant Energy Center campus and more. We also will be supporting efforts to bolster our industry's workforce, and we will be adopting a new destination brand that will reflect the unique character of Madison and what guests can expect when they make the investment to visit our great city.

Our industry is highly competitive and we must strive to stay ahead of the curve and our competition. We are extremely grateful for the high quality service and attention Monona Terrace, Monona Catering and our partners bestow on our clients. And while we cannot control the overall trajectory of the economy, we have confidence in our partners and in our ability to have continued success in attracting visitors and groups to this great destination.



Deb Archer, CDME, President & CEO

Greater Madison Convention & Visitors Bureau
and Madison Area Sports Commission

MADISON
GOING > BEYOND > VISIT™
GREATER MADISON CONVENTION & VISITORS BUREAU



MONONA TERRACE COMMUNITY PROGRAMS

ATTENDANCE

- 2016 programs served 46,000 people.
- Programs showing most growth:
 - Funky Dance 88%
 - Lakeside Kids 34%
 - Tunes 19%
- Based on survey feedback, the highest attendance drivers for events are email, Monona Terrace website, and word of mouth.
- 44% of the 981 people who answered our surveys had never attended a Monona Terrace community event before, and 97% said they'd recommend our programs to a friend.

GRANTS & SPONSORSHIPS

- Many new sponsors joined us in 2016 due to Maker Faire. The list of supporting grantors and sponsors include Festival Foods, Dean/St. Mary's, Monona Terrace Community Programs, Inc., Great Dane, MGE, Frank Lloyd Wright Wisconsin, AIA Wisconsin, Wisconsin Architects Foundation, Group Health Cooperative of SCW, Dr. Sarah Moore, the Evjue Foundation, Oakwood Foundation, Oak Park Place, Dane Arts, Zendesk, Glassroots Arts Show, Tormach, Design Concepts, Lakeview Research. Total value in 2016 was \$59,442, all of which went to support specific programs in 2016.

DIVERSITY

- 105 events presented, 100 free
- Many of our programs serve low-income children and students as a percent of total audience served:
 - Lakeside Kids 32%
 - Terrace Town 29%
 - Student Programs 22% (Froebels and discs)

How do we reach a diverse audience?

- General marketing: patron mail to 8,500, mailings to 2,000, and posters, web, social media
- 25 area Dane County senior centers, 20 out of Dane County
- We create targeted email lists—dance studios for Tunes, astronomy buffs for Moon, etc.
- Posters distributed to businesses around town and event schedule sent to all hotels in the area
- 65 local neighborhood associations and 30 local community centers
- Robust press release distribution system
- Ads, budget permitting: WSJ, Isthmus, La Comunidad, Brava, Madison Times
- Radio: Midwest Family and Entercom partnerships
- TV: FOX Health & Wellness partnership
- Boosted social posts, targeting audiences specific to each event/series



FRANK LLOYD WRIGHT TRAIL

In 2016, legislation was passed to designate and post signage directing travelers to the following nine Frank Lloyd Wright sites: SC Johnson Administration Building, SC Johnson Research Tower and Wingspread in Racine, Burnham American System Built Homes in Milwaukee, Monona Terrace Community and Convention Center and First Unitarian Society Meeting House in Madison, Taliesin and the Frank Lloyd Wright Visitor Center and Wyoming Valley School Cultural Arts Center in Spring Green, and AD German Warehouse in Richland Center.

Born and raised in Wisconsin, Frank Lloyd Wright is widely regarded as America's greatest architect. Wisconsin is home to 41 Wright-designed buildings throughout the state—the greatest collection of Frank Lloyd Wright sites anywhere in the world. The trail takes travelers on a self-guided architectural tour of nine buildings spread across nine counties, from private houses to public buildings. The signage plan includes large freeway guide signs, route marker signs, and directional and trailblazer signs. By the end of 2016, 115 route marker signs will be installed as part of the Phase 1 signage. Signs are located in Richland, Sauk, Iowa, Dane, Jefferson, Milwaukee, Racine and Kenosha counties. Phase 2 will be underway in 2017 and includes site-specific and directional signs.



MAKER FAIRE

The first Madison Mini Maker Faire was held on May 14, 2016

- Supported by City
- 14 Sponsors
- 2,563 Attendees
- 75 Makers

PBS PARTNERSHIP EVENTS

- *Hamilton's America* PBS Documentary Public Airing
- *Wisconsin Winter from the Air* Premiere Screening



COMMUNITY PROGRAM AND EVENT TESTIMONIALS

CONCERTS ON THE ROOFTOP

"I thought the variety of bands was excellent. The selection provided something for all music lovers. I cannot believe the bands play for an audience where there is no admission fee charged." Bea B., Madison, WI

"I've enjoyed every concert on Monona Terrace's rooftop that I've been to. It's an excellent setting, has terrific bands, and provides the kind of fun event that makes Madison such a wonderful place to live." Tom T., Madison, WI

ADDITIONAL COMMUNITY EVENTS

"This was a great event. The focus on family and kids was great." Josh S., Madison, WI

"Monona Terrace meditation is a tremendous community resource, and a major contributor to the mental well-being of many Madison residents!" Bill L., Madison, WI

"Excellent tour...uncovered information about Monona Terrace that was new to us." Richard B., Sun Prairie, WI

TRIP ADVISOR

"Anyone into architecture must see this incredible creation filled with Frank Lloyd Wright's emphasis. The location makes it easy to access and parking on site is available for a reasonable cost. The views are spectacular and events are prominent." Kelly M., Madison, WI

"One of the nicest places in Madison. Wish every city had a place like this." Cynthia F., Fair Lawn, NJ

"This place is amazing. It is definitely a place to stop if you are in Madison. You have an amazing view of the lake and you can see people fishing, kayaking, jet skiing, etc. It is great for all ages and is very close to the downtown area." Jules S., Indianapolis, IN



MONONA TERRACE 2016 AWARDS AND RECOGNITIONS

Monona Terrace Community and Convention Center is pleased to announce that it was the recipient of numerous awards and certifications both regionally and nationally in 2016.

- *In Business* Executive Choice Award winner for Best Venue for Business Meetings/Events, as selected by members of the IB Executive Register.
- The 2016 Prime Site Award by *Facilities & Destinations* magazine, a national publication. This was the fourteenth straight year for Monona Terrace to receive this award.
- *Wisconsin Meetings* 2016 Best of Wisconsin winner for Best Large Convention Center.
- MGE 2016 Focus on Energy Award for participation in the On Demand Savings Program.
- Monona Terrace Event Services Manager, Meg Statz, received the Greater Madison Convention & Visitors Bureau Spirit of Hospitality Lifetime Spirit Award for having made an indelible mark in Madison through her exceptional service in the industry.
- Monona Terrace Director of Sales, Laura MacIsaac, received the Meeting Industry Advocate Award from the Wisconsin Chapter of Meeting Professionals International. The award recognized her consistent promotion of the meetings industry in Wisconsin.



MONONA CATERING VISION: BE THE BEST. NO LESS.

Monona Catering's vision to "Be the Best, No Less," continues to guide its commitment to providing the highest quality food, beverage and service possible to all guests of Monona Terrace Community and Convention Center. Their dedication to tailoring services that fit every client's needs, while delivering an exceptional and inspirational experience, is highlighted by their guest satisfaction average for all areas of catered services of 96% for the year.

ANNUAL REVENUES

Total revenues for 2016 were just over \$8 million, which was 12.2% up from 2015. Food and beverage purchases continue to be stable and are consistently at pre-recession levels.

SUSTAINABILITY

Monona Catering continues to apply environmentally sustainable practices and is particularly proud of the partnership with the composting program run through the University of Wisconsin. In 2016, 19 tons of pre-consumer composting was diverted from the waste stream through this program. Since the inception of this partnership in 2012, approximately 119 tons of compost has been diverted from landfills. Additionally, their food donation program resulted in over 3 tons of food being given to the Salvation Army and like organizations during 2016.

LAKE VISTA CAFÉ - ROOFTOP

The Lake Vista Café, located in the William T. Evjue Rooftop Gardens, which is open seasonally from the second Tuesday in May through the end of September, experienced a slightly slower year than 2015 due to bad weather with sales just over \$183,000. The café features hand-crafted artisanal foods with daily specialties from the Dane County Farmers' Market. Once again, end-of-season customer survey averages for staff service, value and food quality were exceptionally high at over 97%. The café continues to be a "must do" during summertime in Madison.



Monona Terrace Community and Convention Center 2014-2016 Year-End Performance Measures	2014*** ACTUAL	2015 ACTUAL	2016 ACTUAL
Conventions and Conferences*	54	63	67
Economic Impact from Conventions & Conferences	\$36.5M**	\$38.8M**	\$48.2M**
Average Attendance at Conventions or Conferences	802	743	737
As a Percentage of Total Events	8.5%	9.5%	9.8%
As a Percentage of Building Revenue	48.3%	51.8%	54%
Room Nights Generated	33,162	31,779	44,969
Local Events	529	544	557
Average Attendance at Local Events	287	393	427
As a Percentage of Total Events	84%	82%	82%
As a Percentage of Building Revenue	44%	40%	41%
Community Events	105	112	113
Average Attendance at Community Events	476	381	382
As a Percentage of Total Events	17%	17%	17%
Total Attendance of Tours	2,449	2,622	1,943
Volunteer Hours	1,221	1,334	1,541
Building Activity			
Number of National or International Events	29	28	35
Number of State and Regional Events	74	88	88
Average Number of Events in Building per Day	2	1.8	1.9
Total Square Footage of Space Rented	15.4M SQ. FT.	16.4M SQ. FT.	18.7M SQ. FT.
Total Number of Room Nights Generated	36,316	34,679	47,719
Total Number of Events	632	660	680
Catering Activity			
Number of Meals Served	110,913	111,364	127,578
Number of Guests Served at all Catered Functions	447,452	447,643	518,620
Pounds of Food Donated to Charity	7,500	5,500	6,500
Pounds of Pre-consumer Food Waste Composted	42,000	39,000	38,000
Customer Service			
Percentage of Repeat Business	67%	66%	68%
Willingness to Return	100%	100%	99%
Overall Customer Satisfaction Rating	97%	97%	98%

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 50-150 and total room nights of 499 or less.

**Starting in 2014 the Destination Marketing Association International (DMAI) Event Impact Calculator was used to estimate the economic impact of Monona Terrace. The DMAI and Tourism Economics created the calculator in 2011 and it has become the industry standard for measuring the value of conventions and conferences. Prior years' numbers were calculated by Baker Tilly accounting and consulting firm.

***Monona Terrace was closed to the public for 21 days in January 2014 due to building renovations.





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