



To: City Council

From: Convention and Visitors Bureau Advisory Board

Date: August 30, 2021

Re: Recommendation for use of Tourism Development Funds to construct the second phase of the Columbia Sports Fieldhouse

Mayor and City Council,

The Convention and Visitors Bureau Advisory Board met Monday, August 30, 2021 and voted to approve the use of \$1,000,000 of Tourism Development Funds for the construction of the second phase of the Columbia Sports Fieldhouse, located at 4251 Phillips Farm Road at A. Perry Philips Park.

The first phase of the sports fieldhouse has shown a return on investment to lodging tax funds and the advisory board has every belief that the second phase will do the same. At this time there are available funds in the Tourism Development Program (1% of the lodging tax) to support this, as well as future commitments.

The investment of tourism funds for the expansion of the fieldhouse will allow construction to begin much sooner and would allow the CVB and Parks & Recreation to attract much larger sporting tournaments to Columbia. This would help replenish not only the tourism fund but would bring a large economic impact to the community as a whole.

As you know, visitation to Columbia has slowed down due to the pandemic which has had a great impact on our area hotels. Hotel tax revenues are approximately 30% behind 2019 revenues with an overall economic impact loss of more than \$30 million. Although hotel occupancy is beginning to trend upwards, and lodging tax is increasing somewhat, revenues aren't expected to reach 2019 numbers until mid-year 2022. With the approval to move \$1m from the Tourism Development Fund to construct the second phase of the sports fieldhouse, the CVB Board is confident in the ability to continue to fund recurring events such as Missouri State High School Activities Association (MSHSAA) state championship events, Missouri Basketball Coaches Showcase & Clinic, NCAA and NAIA collegiate events, Roots & Blues Festival, True False Film Fest, Art in the Park and a variety of arts related tourism events. Therefore, replenishment of tourism funds will take longer than in the past to assist with funding any other future large investments for the planning, promotion and construction of tourist attractions that have potential to generate overnight visitation in Columbia.