



## Future Hotel Development Fact Sheet

### **Background**

In 2004, the Capital Improvement Board (CIB) and Visit Indy (then the ICVA) studied the market demand of expanding the Indiana Convention Center (ICC) and building a new stadium. Findings showed Indy was in jeopardy of losing its largest conventions as groups were outgrowing the city and that the city also had an opportunity for significant business growth if the ICC added exhibit space. Research also showed that a 1,000-room headquarter hotel should be opened simultaneously, now the JW Marriott. This investment has paid off, with visitor spending soaring by \$1.6 billion (44 percent) since the ICC expansion and JW Marriott opening. As a key part of Indianapolis' Regional Tourism Master Plan, Visit Indy, working closely with the CIB and Mayor's Office, continues to analyze hotel room demand of existing and potential group customers, space optimization of the ICC (exhibit, ballroom, meeting room and public space), and the convention product in competitive markets, with the most recent study taking place in 2017.

### **Key Findings**

Analysis of multiple research studies shows that in addition to current smaller hotel projects already in the pipeline, Indianapolis' convention district needs a second 1,000+ room HQ hotel connected to the Indiana Convention Center as its current largest conventions (such as Gen Con, PRI, FFA, and FDIC) continue to grow. In addition, the analysis shows that, while the ICC currently offers sufficient exhibit space, it needs an additional 50,000+ sf ballroom to meet future demand and to more effectively host multiple groups in the ICC at the same time.

### **Timeline**

Based on two years of research and analysis, in December 2017, a request for expedited information (RFEI) was issued by the CIB to over 40 national and local hotel developers to gauge interest in building a new 1,000 + room hotel that included the needed ballroom square footage.

### **Tourism & Hotel Growth**

Indy's overall tourism growth has made it one of healthiest hotel markets in the U.S, while generating more revenue for the city and state and creating more tourism-related jobs.

<u>Year</u>	<u>Visitors</u>	<u>Tourism FTE Jobs</u>	<u>Visitor Spending</u>	<u>CIB 5% Hotel Tax</u>
2000	18.4 million	n/a	\$2.8 billion	\$16.6 million
2005	21.7	65,200	\$3.2	\$17.2
2010	23.7	69,500	\$3.6	\$16.9
2012	26.0	74,100	\$4.4	\$22.6
2015	28.2	77,800	\$4.9	\$25.8
2016	28.6	80,600	\$5.2	\$28.0