

Daytona Beach Ocean Center Economic Impact Analysis Fiscal Year 2014-15



Outline of Study

- Study Purpose
- Methodology, Major Assumptions & Comparative Assessments
- Impact Results
 - Quarter 1 (October- December)
 - Quarter 2 (January – March)
 - Quarter 3 (April – June)
 - Quarter 4 (July – September)

Study Purpose

- FEA commissioned by Volusia County in October, 2014 to conduct economic impact analyses for DBOC
- Fiscal Year 2014-2015 (Oct. 2014 – Sep. 2015) is the period of study
- Purpose: To estimate total economic impacts to Volusia County from scheduled events at DBOC during FY 14-15, and create a “return on investment” metric for the County

Study Purpose

- An analysis and report was conducted for each of the 4 quarters, plus a year-end summary
- The analyses consider direct and spinoff impacts to the Volusia County economy from DBOC activities, in terms of local sales revenue (output), job creation (employment), and employee wages/benefits (earnings)

Methodology, Major Assumptions & Comparative Assessments

- The economic impact modeling process used to create impact estimates is called RIMS-II (Regional Input-Output Modeling System), developed by U.S. Department of Commerce
- RIMS-II is a “multiplier”-based analysis, that projects total economic impact to a community from a single project, such as a development project, a business; or, in this case, DBOC economic activity

Methodology, Major Assumptions & Comparative Assessments

- In order for this method of analysis to be useful, the modeler must have relevant information on the “primary” source of economic activity; in this case, the activity of attendees at DBOC events
- Of utmost importance is determining the volume of local spending (output) created by DBOC event attendees

Methodology, Major Assumptions & Comparative Assessments

- DBOC staff provided information on the number of event attendees and length for each of the year's 111 events
- Local v. out-of-area splits are a major distinction. Out-of area attendees will spend much more on a daily basis than local attendees (e.g. hotel rooms, retail items, food)

Methodology, Major Assumptions & Comparative Assessments

- FEA imputed estimates of per-diem spending for “local” attendees (\$45/day) and “out-of-area” attendees (\$215/day)
- Imputations are based on previous analyses in the region, and the fact that event attendees from outside of Volusia County will spend money on numerous items that local attendees will not

Methodology, Major Assumptions & Comparative Assessments

- The RIMS-II multipliers estimate total output, employment, and earnings within the local economy, based on “direct” local spending
- In this case, “direct” local spending is the spending from event attendees
- Additional economic activity includes that provided by local firms who are suppliers for the direct spending (indirect impacts) and the local spending by those employees who work at these supplying firms (induced impacts)

Methodology, Major Assumptions & Comparative Assessments

**Table 1: RIMS-II Type II Economic Impact Multipliers
Output, Earnings, and Employment
Volusia, County Florida
Industry Group 57: Performing Arts, Spectator Sports,
Museums, and Zoos**

Output	Earnings	Employment
1.7661	0.6901	21.4701

Methodology, Major Assumptions & Comparative Assessments

- Facilities similar in size to DBOC were studied for economic impact, relative to the amount of direct financial contribution provided by local government to support those centers. This helped to provide a comparative ROI metric
- Similarly sized and attended facilities in the Southeastern U.S. include:
 - Palm Beach County Convention Center
 - Shreveport (LA) Convention Center
 - Raleigh (NC) Convention Center
 - Memphis (TN) Convention Center

Impact Results

**TABLE 1: DAYTONA BEACH OCEAN CENTER
ECONOMIC IMPACTS TO VOLUSIA COUNTY OF SCHEDULED EVENTS
FISCAL YEAR 2014-2015 (SUMMARY)**

	Quarter 1 (Oct.-Dec.)	Quarter 2 (Jan.-Mar.)	Quarter 3 (Apr.-Jun.)	Quarter 4 (Jul.-Sept.)	TOTAL FY 2014-15
Total Number of Events	20	28	34	29	111
Total Event Attendees	36,188	69,284	96,581	33,072	235,125
Total Event Days [1]	46	93	85	52	276
Average Days Per Event	2.30	3.32	2.50	1.79	2.49
Average Attendees Per Event	1,809	2,474	2,841	1,140	2,118
Average Event Attendance Per Day [2]	787	745	1,136	636	852
Total Economic Output (Sales)	\$ 13,825,239	\$ 31,809,404	\$ 30,715,701	\$ 15,613,168	\$ 91,963,512
Total Earnings (Employee Wages/Benefits)	\$ 5,402,184	\$ 12,429,460	\$ 12,002,098	\$ 6,100,814	\$ 35,934,556
Total Employment Created/Supported					
Annualized Full-Time Equivalent [3]	168.1	386.7	373.4	189.8	1,118
FTE Job Periods Supported During Events [4]	13,524	27,556	31,143	21,122	93,345

- [1] "Event Days" represents the sum of all event days for the individual events held throughout the year; it does not reflect the total number of days in which the Ocean Center held events
- [2] "Average Event Attendance Per Day" is calculated by dividing the total number of event attendees by the total number of event days for each of the individual events held throughout the year; therefore it reflects an average attendance per day for an individual event within the specified periods of time; it does not represent overall Ocean Center average daily attendance
- [3] "Annualized Full Time Equivalent Employment" represents the total number of year-round full-time equivalent jobs generated in Volusia County (calculated as 1 full-time employee working a 250-day work year)
- [4] "FTE Job Periods Supported During Events" represents the total number of full-time equivalent jobs supported for each event during the days in which that event is held. Readers must be strongly cautioned when interpreting this statistic. An "FTE Job Period" is not the same as a year-round full-time equivalent job. A single full-time equivalent year-round job is generally supported by numerous FTE job periods throughout the year. For estimates of year-round full-time equivalent employment supported in Volusia County as a result of Ocean Center Events, please refer to the Annualized Full-Time Equivalent employment estimate.

Impact Results

TABLE 2: DAYTONA BEACH OCEAN CENTER ESTIMATION OF "RETURN ON INVESTMENT" METRIC LOCAL CONTRIBUTION V. ECONOMIC IMPACT FY 2014-15 (11/19/2015 UPDATE)

A. Total FY 2014-15 Attendance	235,125
B. Total FY 2014-15 Economic Impact - Output	\$91,963,512
C. Total FY 2014-15 Operating Contributions - Transfers In	\$4,944,063
D. Return on Investment - Economic Output (B divided by C)	18.60 x