

HOTEL, CULTURE, AND ENTERTAINMENT

STATE OF
DOWNTOWN
PITTSBURGH

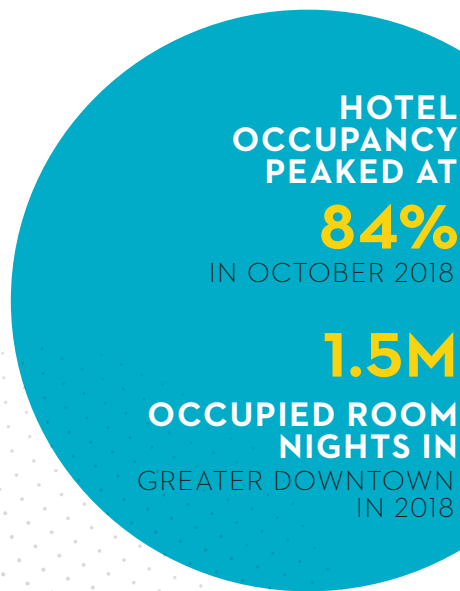


PITTSBURGH
DOWNTOWN
PARTNERSHIP

2019

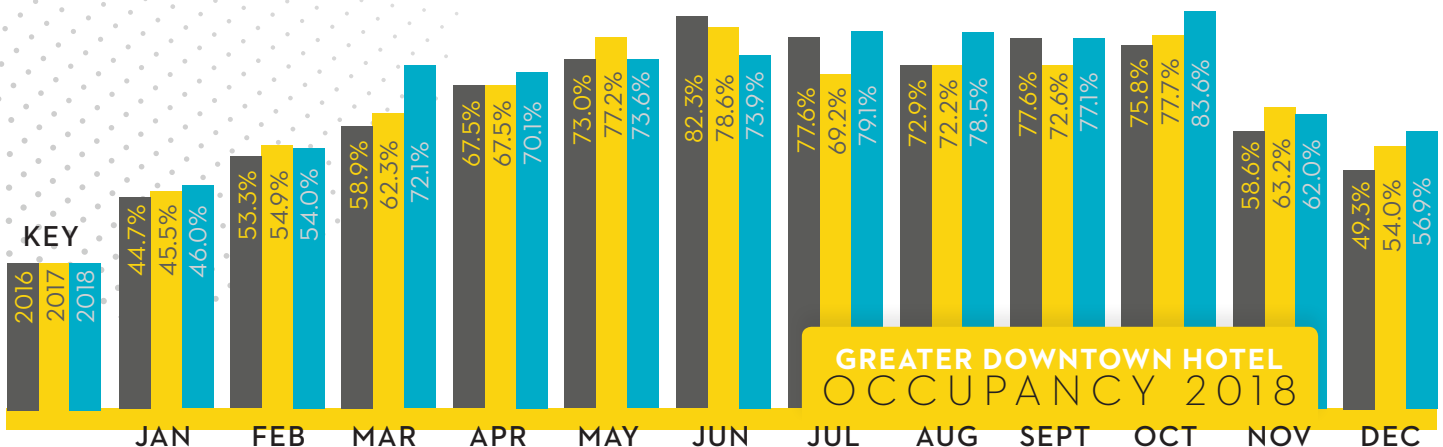
HOTEL, CULTURE, AND ENTERTAINMENT

GREATER DOWNTOWN HOTEL MARKET



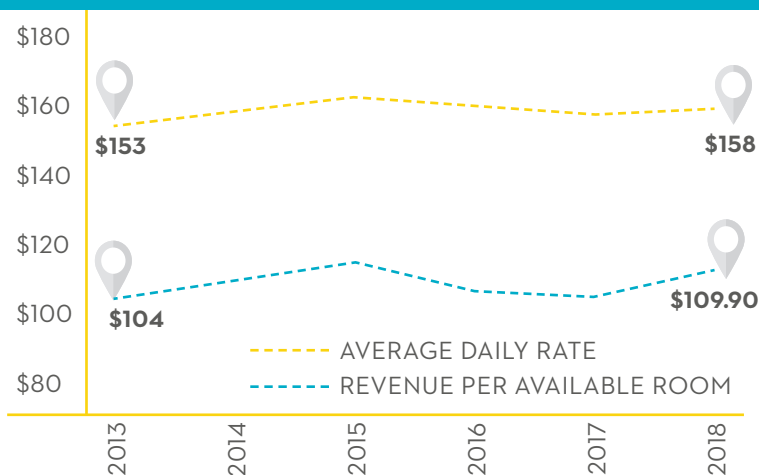
Greater Downtown offers more than 6,000 guest rooms to visitors and business professionals with more than 1,100 rooms in the pipeline. 377 rooms are currently under construction in the Golden Triangle and are expected to deliver by the end of 2019 from the following projects: 160-room EVEN Hotel Pittsburgh Downtown in Kaufmann's Grand on Fifth, 97-room Fairfield Inn & Suites on Fort Pitt Boulevard, and the Arrott Building Conversion at 401 Wood Street which will be an Autograph hotel. The 18-story conversion is estimated to cost \$19M and will completely renovate the 78,000 square foot interior as well as the ground floor retail. As for 2018, one hotel project was delivered, the Strip District welcomed the 186-room AC Hotel by Marriott.

Greater Downtown Hotel occupancy in 2018 was 68% on average, the highest occupancy levels since 2015. Average daily rate (\$158) and revenue per available room (\$110) were also up from last year, by 2% and 6% respectively.



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AVERAGE DAILY ROOM RATE & REVENUE PER AVAILABLE ROOM 2018



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6,052
EXISTING
HOTEL ROOMS

1,122
ROOMS IN
THE PIPELINE

13.2M
TOTAL VISITORS



AC Hotel

GREATER DOWNTOWN HOTEL ROOM INVENTORY

4,393	GOLDEN △
691	NORTH SHORE
427	STRIP DISTRICT
399	SOUTH SHORE
142	LOWER HILL

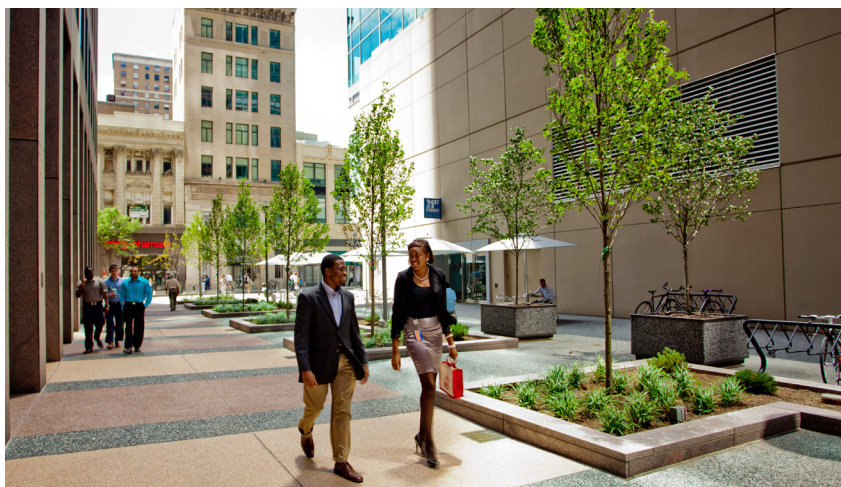
CONVENTION CENTER

The David L. Lawrence Convention Center increased overall visitor count by 13% compared to 2017 numbers. While the Convention Center had fewer events in 2018, visitor count was maximized at large public shows (+30%), sporting events (+27%), and nearly doubled attendance at conventions/conferences (+46%) compared to 2017. Pittsburgh had only 18 months to prepare for the Professional Convention Management Association's (PCMA) Convening Leaders annual meeting, which took place in January, 2019. VisitPITTSBURGH and SMG staff at the Convention Center, in addition to dozens of partners throughout the region, worked tirelessly to prepare for what is commonly referred to as the "Super-Bowl of Conventions," bringing together meeting planning leaders from around the world to discuss the latest trends while also showing off the venues and amenities offered in the Pittsburgh region. PCMA had an economic impact of \$4.9M in direct spending during the four-day convention and welcomed 3,704 attendees representing 39 countries. As of March 2019, 27 new leads in future meetings are anticipated to contribute \$39.4M in direct spending as a result of hosting the conference in Pittsburgh.

CONVENTION CENTER VISITS BY EVENT TYPE 2018

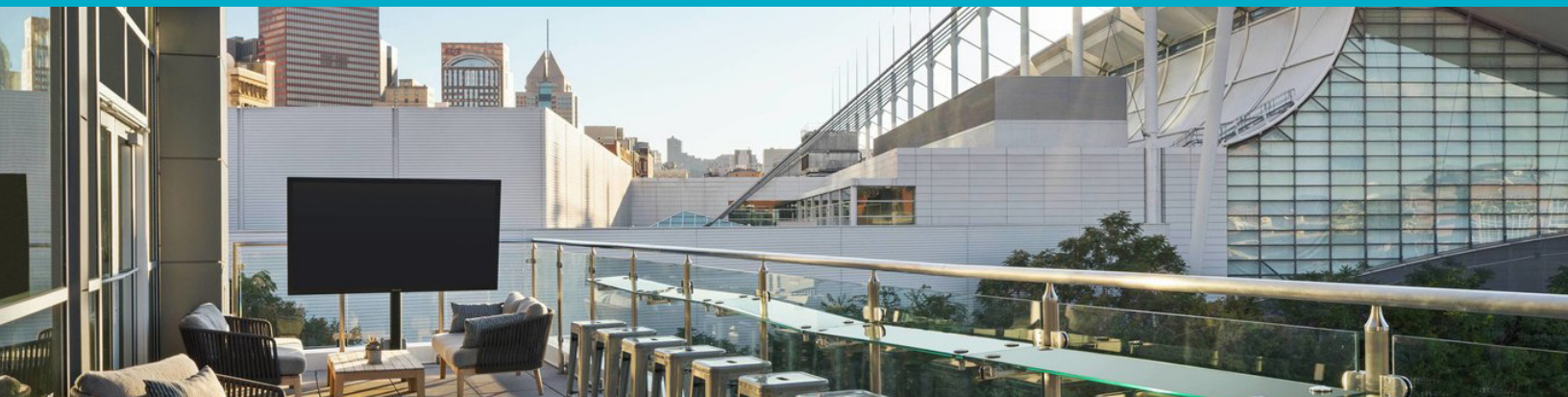
CONVENTION/CONFERENCES	40.2%
PUBLIC SHOWS	39.2 %
SPORTING EVENTS	10.3%
TRADESHOWS	3.2%
MEETINGS	3.1%
SPECIAL EVENTS	3.0%
FOOD & BEVERAGE EVENTS	1.0%

Source: David L. Lawrence Convention Center

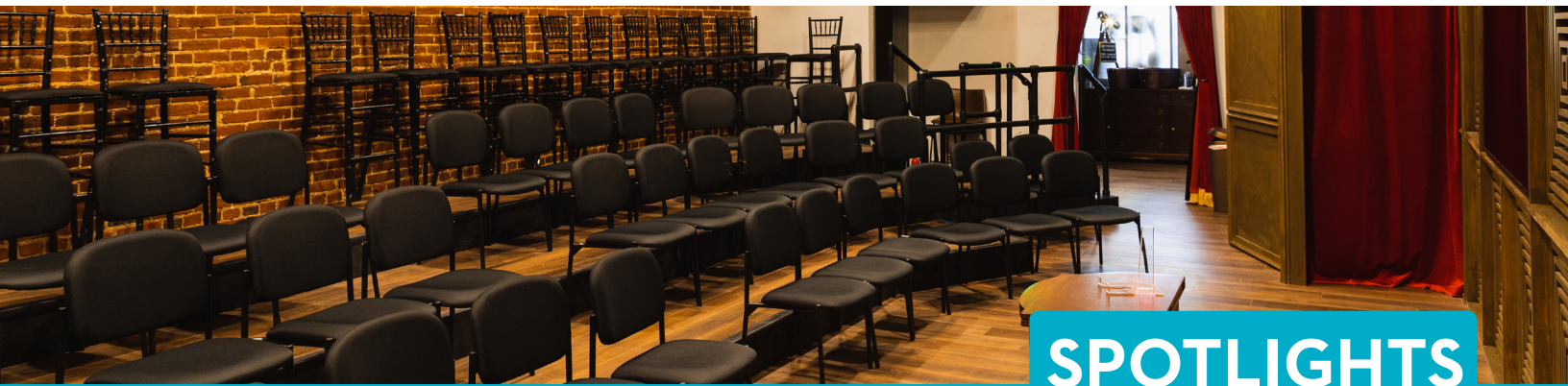


**GREATER DOWNTOWN
ENTERTAINMENT,
CONVENTION, MUSEUM,
ARTS, AND SPORTS
VENUES COLLECTIVELY
ATTRACTED**

9.2M
VISITORS IN 2018



AC Hotel



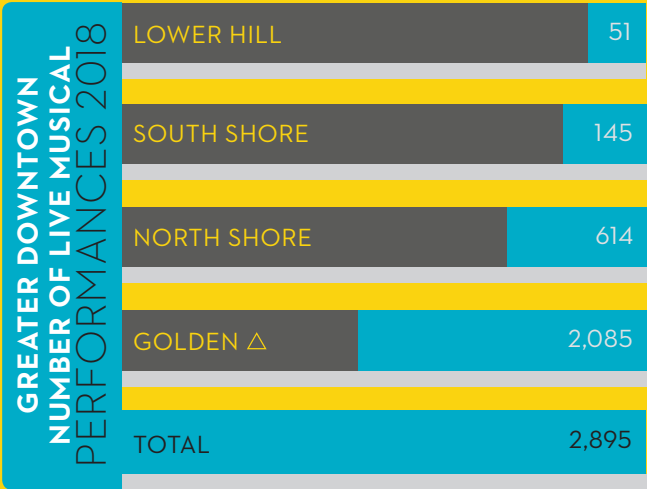
LIBERTY MAGIC

Abracadabra! Before our very eyes, the intimate theater that previously housed Arcade Comedy Theater transformed into Liberty Magic in February 2019. With a sleight of hand, the Pittsburgh Cultural Trust brought to Downtown one of the country's first spaces dedicated to presenting acts of magic in a cozy space. With only 66 seats in four rows, the audience has the chance to become immersed in the show. The theater, located at 811 Liberty Avenue, will host limited engagements by national and local magicians.

DOWNTOWN SOUND INITIATIVE

Did you know that there is more live music in Downtown Pittsburgh than any other neighborhood in the City?

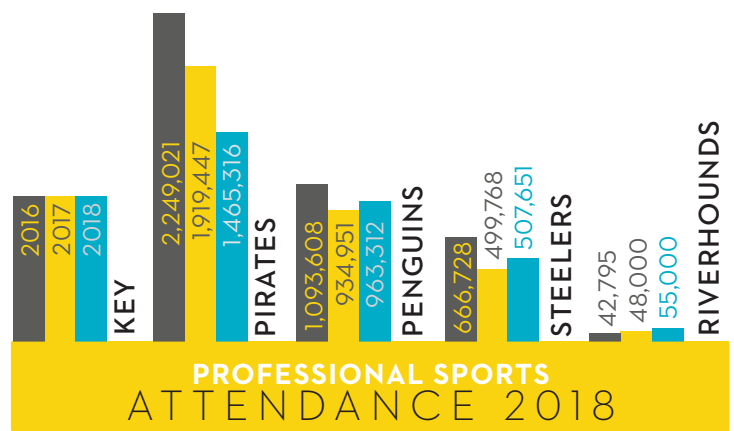
A thriving music scene is an economic engine and cultural platform, bringing people together, creating a sense of community, and enlivening the texture of any district. As part of the PDP's Downtown Sound Initiative, efforts have been dedicated to cultivating a more vibrant music scene in Downtown. As a key partner in the City-wide Music Ecosystem project, the PDP has tracked 2,895 live performances across Greater Downtown in 2018. Acknowledging the number of live musical performances not only provides a fuller picture of the work being done to promote a vibrant music scene but also provides a baseline to track progress as the PDP and other organizations expand their musical offerings across Pittsburgh's urban center. Live concerts/music was cited as the most popular event type that residents would like to see more of in Downtown (67% of respondents, 2018 Downtown Resident Survey).





PITTSBURGH SPORTS MAKING AN IMPACT

The Pittsburgh Steelers and Pittsburgh Penguins both had increases in fan attendance in 2018, hosting a combined total of 1.5M visitors. According to SportsPITTSBURGH, the sports division of VisitPITTSBURGH, the Penguins versus Washington Capitals two-game series in the second round of the NHL playoffs at PPG Paints Arena was expected to pull in \$4.4M in spending in Pittsburgh on lodging, food/beverage sales, and merchandise, up .5% from the second-round playoffs in 2017. Unfortunately, the Pittsburgh Pirates experienced their lowest attendance in 20 years, decreasing nearly 24% from 2017. Interestingly, nearly 35% of fans who attended Pirate home-games came from outside of Pennsylvania, according to the Sports & Exhibition Authority. Part of this can be explained by the vast numbers of out-of-state fans coming to the ballpark to root for opposing teams such as the Boston Red Sox, Chicago Cubs, and St. Louis Cardinals. Relative to other ballparks, attending a game at PNC park is very affordable with an average ticket cost of \$23 compared \$57 to attend a game at Fenway Park in Boston, according to Statista. The Riverhounds continue to increase their fan base, growing by more than 12% for the second year in a row. Non-soccer events held at Highmark Stadium also increased 150% from 2017 and served 345,000 attendees.



Source: Pittsburgh Penguins; Pittsburgh Pirates; Pittsburgh Riverhounds SC; Pittsburgh Steelers

**PITTSBURGH
IS #1**
**BEST FOOTBALL
CITY FOR FANS**
WALLETHUB, 2019



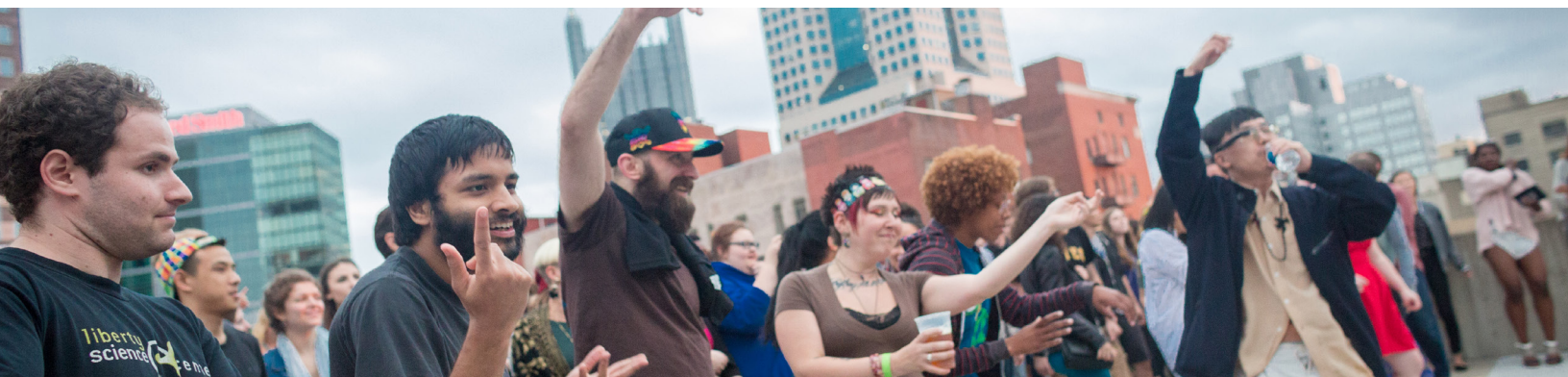
Pittsburgh CLO's production of Disney's *Beauty and the Beast*

**THE ALLEGHENY
REGIONAL ASSET
DISTRICT (RAD) WILL
ALLOCATE **\$33.9M** OF
ANNUAL OPERATING
AND CAPITAL GRANTS
TO GREATER DOWNTOWN
ASSETS IN 2019***

ARTS AND CULTURE VENUES

Increases in attendance were seen across Downtown's performing arts venues, museums, and art galleries in 2018. Overall attendance at performing arts centers increased 9.5%. Contributing to this increase were double-digit increases at both the Benedum Center and the August Wilson African American Cultural Center. The majority of Downtown museums increased their number of visitors with the Fort Pitt Museum experiencing the largest percentage of growth, 17%, and the Heinz History Center increasing growth by 9%, buoyed by *Destination Moon: The Apollo 11 Mission* which debuted in September 2018. Large capital investments were completed in 2018 at the Carnegie Science Center (\$33M) and National Aviary (\$1.2M). Both museums experienced increases in visitors in 2018 of 7% and 5% respectively. Overall museum attendance increased 6% in 2018 while art gallery patronage increased 16%.

The Pittsburgh Cultural Trust received approval to begin construction of the Golden Triangle's first cinema of its size in decades. The future first-run multiplex will take shape in the former Bally's Fitness Club on 6th Street, next to the Renaissance Hotel. There will be at least six screens and lounge chair seating among other modern amenities. The estimated \$11M project is expected to be delivered in 2021. A Downtown movie theater is an amenity that 56% of residents would like to see Downtown, according to 2018 Downtown Resident survey results.



*Excludes \$25.6M in funding to the Carnegie Library of Pittsburgh (CLP) which has several locations outside of Greater Downtown. Funding for the Greater Downtown branches is not included in figure above. Greater Downtown locations include: CLP Downtown & Business Branch and CLP Allegheny Branch.