

Business

Conventions and tourism mean big bucks for the region

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It has been praised for being the missing piece of the downtown Baltimore puzzle and for spurring Greater Baltimore's convention business to new heights. One thing is for certain — the opening of the new \$301 million Hilton Convention Center Hotel across from Oriole Park finally gives Baltimore the convention headquarters hotel that meeting planners have been demanding for so long.

In sheer numbers alone, the new hotel will have a major impact on Greater Baltimore's convention business. With 757 rooms, it increases by a third the number of hotel rooms immediately adjacent to the Baltimore Convention Center.

The hotel also has brought more than 400 new jobs to the area, while its arrival on the scene has prompted hotels in the surrounding area to spend more than \$100 million in renovations to be more competitive.

But that's just the tip of the iceberg. According to the Baltimore Area Convention and Visitors Association (BACVA), the region is experiencing a marked increase in room nights — a fact it attributes, at least in part, to the new Hilton. Through June 30, BACVA reports 451,608 room nights in city hotels, an 18 percent jump from where bookings stood just a year ago.

Major conventions coming to town

The Convention Center is also experiencing a boost from major associations which have bypassed Baltimore in the past because it did not have a convention center hotel. The U.S. Conference of Mayors, for example, is planning a five-day event in Baltimore for June 2011. This would be the first time that this organization has visited Baltimore.

The same holds true for the Industrial Fabric Association International, which booked 5,520 room nights for its convention in Baltimore in October 2011. Other major conventions undoubtedly will follow.

Even smaller conventions, such as Tradeshow Week's Fastest 50, will have a huge impact. The convention, dubbed the "Academy Awards" of the tradeshow industry, will expose industry executives who plan hundreds, if not thousands, of tradeshows annually to Baltimore for four days this November. In the words of BACVA CEO Tom Noonan, "The impact of this one event could be felt for years to come in future business."

And that is precisely the point. The new Hilton opens the door for large conventions which, in the past, would have passed on Baltimore. Bringing those kinds of conventions here obviously can give a tremendous boost to the regional economy. According to a recent study by The Sage Policy Group, the Convention Center has an annual economic impact of nearly \$1 billion on Maryland, and that's before the addition of the new Hilton.

Increased hotel development

Beyond the Hilton and the renovations to nearby hotels in the city, though, the region as a whole is seeing a marked increase in hotel development in response to rising demand. Anne Arundel County, for example, has 13 hotels in the proposal or permitting phase that will add some 2,153 rooms to the county's inventory. Since 2006, eight hotels have opened there, adding another 1,460 rooms.