



SANTA CLARA

CONVENTION CENTER

FY 2024/25 QUARTERLY REPORT – 3rd Quarter Ended March 31, 2025

April 25, 2025

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Santa Clara Convention Center is strategically located in the heart of Silicon Valley. The Convention Center offers a prime setting for conventions, trade shows, and exhibitions. The venue is just minutes from hotels, restaurants, Levi's® Stadium, California's Great America, and some of the world's leading technology companies. With convenient access to major freeways and the Norman Y. Mineta San José International Airport, it is also only 45 miles south of San Francisco.

The Convention Center features 100,000 square feet of exhibit space, a 22,400-square-foot ballroom, 31 breakout rooms, and a 607-seat theater, attracting over 300,000 visitors annually. As a key economic driver for the region, it contributes significantly to the local economy through attendee spending and supports over 500 local jobs.

For more information, visit www.santaclaraconventioncenter.com.

3rd Quarter Highlights

This quarterly report covers fiscal operations of the Santa Clara Convention Center for the third quarter ended March 31, 2025. This report is unaudited and, therefore, subject to change.



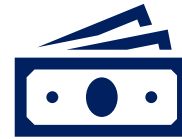
100,120

Total Attendance



59

Total Events



\$4,333,873


Total Revenue

Strategic Highlights

During the third quarter of FY 2024/25, the Santa Clara Convention Center (the Center) continued executing key strategic initiatives that focused on preparing for major upcoming events, supporting capital project delivery, and refining internal operations. In February, the General Manager (GM) and Director of Events attended the Future Host City Conference in New Orleans to support Santa Clara's planning efforts for Super Bowl LX (SBLX) in 2026. OVG also continued collaboration with the Bay Area Host Committee (BAHC), including follow-up discussions and submission of a draft contract related to FIFA World Cup use of the facility. In March, the GM submitted presentation materials and summary bullet points to the Assistant City Manager in support of a City Council update on SBLX-related activity.

Throughout the quarter, OVG maintained regular coordination with key stakeholders through weekly meetings with Levy, Discover Santa Clara® (the DMO), Smart City, and Pinnacle Live, focused on addressing rebooking, cancellations, prospect management, and event operations. The GM participated in multiple planning sessions with OVG Global Partnerships, including a walkthrough of the facility and follow-up meetings to evaluate branding and venue opportunities. These meetings were fact-based and centered on existing projects or operational updates.

Capital improvement planning remained active. The Grand Ballroom Airwall Replacement Project was completed, with final punch list items reviewed and processed for payment. The digital signage project continued moving forward, with the Director of Operations updating the installation calendar and coordinating ceiling hatch access and infrastructure. The Kitchen Refresh, Tech Café, and Stand B project advanced through a final page-turn meeting and was prepared for Request for Bid (RFB) posting. Additionally, roofing, and electrical assessments were forwarded to the Assistant City Manager for



review. In March, OVG and the City began exploring the feasibility of a roof top solar project for the facility.

Operationally, several internal priorities were addressed. In February, OVG finalized a three-year agreement with Teamsters Local 2785, following several months of negotiations. Safety planning continued through regularly scheduled Safety Committee meetings and walkthroughs, with staff participation noted across all three months of the quarter. New or revised Standard Operating Procedures (SOP) were developed for Event Manager authority during events and for outside/after-hours security procedures, and these were distributed internally. Additionally, the GM and operations staff participated in training and testing for new financial software and reviewed options for upgrading the Center's event management systems.

Marketing and outreach strategies also progressed. The GM and the DMO's Director of Marketing met with Visiting Media to discuss a virtual tour shot list for the Center. This effort is intended to support online marketing and help promote the Center to prospective clients. The Sales Coordinator, under the oversight of the Senior Director of Sales, continued maintaining the Center's website calendar, and social media activity remained steady, with event-related content shared throughout the quarter, including promotional posts for events like Hype Con, the Travel & Adventure Show, and the Silicon Valley Auto Show.


Financial Highlights

The quarter started slowly with losses in January and February, however both months did reflect a positive variance to the budgeted losses. However, March showed a significant turnaround, generating a net income of \$528,141, which exceeded the monthly budget projection by \$198,635. Gross revenue for Q3 reached \$4,333,873 or 112.2% of the budgeted \$3,861,620, reflecting a positive variance of \$472,253. Event expenses were slightly over budget, but indirect expenses were under budget. The overall total expenses were \$3,917,717, \$70,120 less than the budgeted amount of \$3,987,837. Overall, the net income for Q3 was a profit of \$416,156, surpassing the projected loss of \$126,217 by \$542,373.

Event Highlights

A total of 59 events were hosted during the third quarter of FY 2024/25, five fewer than the budgeted 64. In total, 51 potential events across January, February, and March opted not to move forward and are not holding future dates. Despite the reduced volume, the Center's event mix remained strong, and attendance exceeded expectations due to several high-profile public and industry events.

January included 14 events, with a notable concentration in trade and corporate events. The month's total attendance was estimated at 24,750, exceeding the budgeted forecast



by more than 7,000 attendees. The featured event was DesignCon, a well-established technology and engineering conference that brought together industry leaders, engineers, and designers focused on high-speed communications and system-level design. The multi-day event featured technical sessions, networking opportunities, and an expansive exhibit floor, drawing professionals from across the semiconductor and hardware sectors.

In February, the Center experienced a notable spike in attendance, largely due to the Silicon Valley Auto Show—one of the highest-traffic consumer events of the fiscal year. The show drew strong public interest, filling the facility with vehicle displays and vendor exhibits. As highlighted in the Event Services summary, this single event helped drive total monthly attendance to 44,700, far surpassing the budgeted projection of 11,232. The month's event lineup also included conventions, banquets, and corporate gatherings, with 16 events in total.

March was the busiest month of the quarter, with 29 events that showcased the Center's versatility and broad appeal. A standout was SNUG Silicon Valley, held March 19–20, celebrating its 35th year. This high-profile conference brought together Synopsys users and global partners including AWS, Microsoft, Samsung, TSMC, and GlobalFoundries. With more than 100 technical sessions covering AI, 3D-chip packaging, software-defined systems, and semiconductor innovation, SNUG remains one of the Center's largest and most technically sophisticated gatherings reinforcing Santa Clara's status as a premier destination for innovation-focused events. The month also featured a mix of industry conferences, consumer shows and local community events, driving strong attendance and sustained visibility

Sales activity and client engagement remained steady across the quarter. The sales team conducted 15 site visits, including with prospective clients such as IBTTA, Women in Product, Rocketship Schools, and Shor Media. Event proposals remained active, with 93 proposals issued during the three-month period.

Throughout the recent quarter, the Center has observed a notable shift in client behavior as event organizers are finalizing ancillary services such as AV, IT, and Food and Beverage (F&B) much closer to their event dates. According to industry publications, this is not an anomaly as tighter budgets and rising costs have led clients to delay final decisions on ancillary services to better manage expenses and to adapt to changing financial circumstances, thus making decisions later than in previous fiscal years.

Although the total number of events for the quarter fell short of budget, strong performance in electrical, rental, audiovisual, and overall service revenue contributed to a positive variance in event revenue. Conventions and trade shows were the top revenue drivers for the quarter, with sporting events following closely bolstered by 10 events in March alone.

Operational Highlights

- ➡ As mentioned above, 59 events were hosted during the third quarter: 14 in January, 16 in February, and 29 in March, supported by coordinated staffing and operations meetings conducted weekly across departments.
- ➡ OVG finalized and submitted the proposed two-year Operating Budget for FY 2025/26 and FY 2026/27 to the City, including revenue and expense projections across departments and partner services.
- ➡ A three-year agreement with Teamsters Local 2785 was finalized in February 2025 following a series of internal and external meetings. The agreement ensures stable labor relations through the end of the contract term.
- ➡ The Safety Committee met monthly throughout the quarter, holding planning meetings, walkthroughs, and compliance reviews in alignment with California safety requirements.
- ➡ Two new SOPs were issued: one clarifying Event Manager authority during events, and another outlining protocol for after-hours and external security operations.
- ➡ As of March 2025, OVG employed 35 total staff members, including 26 full-time and 9 part-time employees. Recruitment was active for several open positions, including Sales Manager, Sales Coordinator, Event Manager, Utility Engineer, and part-time Security Guards.

Other Noteworthy Highlights

- ➡ OVG held multiple planning and review meetings with Smart City and Pinnacle Live to prepare capital budgets, discuss FY 2025/26 performance targets, and review departmental service expectations.
- ➡ GM attended internal meetings with OVG Global Partnerships, including hosting facility walkthroughs and discussing assessments related to digital signage, branding, and sponsorship opportunities with the onsite Director.
- ➡ In March, OVG submitted Amendment #3 to the Verizon DAS Agreement to the OVG legal team for review. The amendment includes updated language related to Verizon's 5G hardware installation to prepare the Center for SBLX and the FIFA World Cup.
- ➡ Upon request, the GM submitted a three-year sales performance report to the City, documenting event trends, bookings, and event type breakdowns.
- ➡ OVG submitted its anticipated year end performance measures for FY 2024/25 KPIs.

Financial Summary

Financial Results

The financial performance for the period shows several positive trends in both revenue generation and expense management. Gross revenue totaled \$4,333,873, coming in \$472,253 above the budgeted \$3,861,620. Net operating income landed at \$416,156, which outperformed the budgeted loss of \$126,217 by \$542,373. Indirect expenses were also favorable, totaling \$1,458,651, \$201,639 under the budgeted \$1,660,290. January 2025 posted a modest loss, but still delivered a positive budget variance of \$324,471, despite hosting five fewer events than projected. Expenses were kept in check as well, coming in \$78,137 below the budgeted \$552,430. February also showed an overall loss but again beat the budget with a \$19,267 positive variance. Indirect expenses for the month were \$43,760 below the budgeted \$552,430, reflecting continued cost awareness.

March 2025 delivered a strong performance, exceeding revenue projections by \$198,635. This was driven by solid rental income and strong returns from AV and IT services. On the expense side, strategic cost control efforts including overtime reductions, staffing adjustments, and lower facility and admin costs played a key role in maintaining financial stability throughout the month.

Financial Summary – 3rd Quarter Ended March 31, 2025

	Projected in Budget	Actual	Difference
Gross Revenue	\$3,861,620	\$4,333,873	\$472,253
Total Expense	3,987,837	3,917,717	70,120
Net Income	(\$126,217)	\$416,156	\$542,373

Total expenses for the quarter were \$3,917,717 or \$70,120 less than the budgeted amount of \$3,987,837. There was \$66,754 of other revenue recognized in Q3 primarily from cancellation fees and interest income.

Income Statement

SANTA CLARA CONVENTION CENTER
QUARTERLY GROSS INCOME STATEMENT
For the Nine Months Ending March 31, 2025

	QUARTER 3			YEAR TO DATE		
	AMENDED BUDGET	ACTUAL	VARIANCE	AMENDED BUDGET	ACTUAL	VARIANCE
Number of Events	64	59	(5)	187	148	(39)
Number of Event Days	142	149	7	407	363	(44)
Attendance	56,786	100,120	43,334	187,521	216,810	29,289
Event Revenue						
Rental	984,951	1,083,326	98,375	3,154,194	2,752,280	(401,914)
Services	38,314	118,583	80,269	121,045	296,823	175,778
IT/Telecom	354,767	333,134	(21,633)	889,602	807,697	(81,905)
Food & Beverage	1,939,781	1,553,702	(386,079)	6,368,347	4,956,151	(1,412,196)
Audio Visual	60,362	656,902	596,540	1,140,566	1,135,794	(4,772)
Electrical	435,121	521,472	86,351	481,120	1,227,877	746,757
Total Event Revenue	3,813,296	4,267,119	453,823	12,154,874	11,176,622	(978,252)
Event Expenses						
Services	-	8,915	(8,915)	-	34,681	(34,681)
IT/Telecom	262,527	226,531	35,996	658,305	549,234	109,071
Food & Beverage	1,732,025	1,399,584	332,441	5,487,664	4,355,766	1,131,898
Audio Visual	43,968	488,060	(444,092)	761,675	742,388	19,287
Electrical	289,027	335,976	(46,949)	341,082	889,743	(548,661)
Total Event Expenses	2,327,547	2,459,066	(131,519)	7,248,726	6,571,812	676,914
Net Event Income (Loss)	1,485,749	1,808,053	322,304	4,906,148	4,604,810	(301,338)
Other Revenue	48,324	66,754	18,430	144,690	283,945	139,255
Total Net Event & Other Revenue	1,534,073	1,874,807	340,734	5,050,838	4,888,755	(162,083)
Indirect Expenses						
Executive	131,020	98,620	32,400	406,893	284,323	122,570
Finance	134,966	95,860	39,106	421,281	302,394	118,887
Event Services	137,684	102,329	35,355	417,438	316,538	100,900
Sales/Marketing	130,558	107,870	22,688	410,756	337,195	73,561
Operations	832,834	831,635	1,199	2,582,037	2,208,440	373,597
Overhead	293,228	222,337	70,891	879,685	728,586	151,099
Transition Costs	-	-	-	-	-	-
Total Indirect Expenses	1,660,290	1,458,651	201,639	5,118,090	4,177,476	940,614
Net Operating Income	(126,217)	416,156	542,373	(67,252)	711,279	778,531
Other Income/(Expense)						
Net Income	(126,217)	416,156	542,373	(67,252)	711,279	778,531

Event Statistics

A total of 59 events were hosted during the third quarter, slightly below the 64 budgeted but performance was strong across key sectors including conventions, trade shows, and sporting events. Events generated \$4,267,119 in revenue and \$2,459,066 in expenses.

‘Trade Shows’ and ‘Conventions’ generated the largest amount of revenue in the quarter.

Event Revenue

Event Net Revenue – 3rd Quarter Ended March 31, 2025

Event Types	Gross Revenue	Cost of Sales	Net Revenue
Banquets	\$104,128	\$78,347	\$25,781
Meetings	407,984	266,700	141,284
Consumer Shows	190,303	57,867	132,436
Trade Shows	1,210,582	841,251	369,331
Conventions	1,666,443	1,076,505	589,938
Special Events	90,124	33,871	56,253
Miscellaneous Events	-	-	-
Sporting Events	597,555	104,525	493,030
Totals	\$4,267,119	\$2,459,066	\$1,808,053

This quarter, there was a profit of \$1,808,053. Revenues generated were higher than anticipated due to increased rental, services, audio-visual and electrical activity. Event expenses were lower in F&B and IT during the quarter.

Partners

Partner Revenue – 3rd Quarter Ended March 31, 2025

Partner	Gross Revenue	Cost of Sales	Net Revenue
Levy Restaurants	\$1,553,702	\$1,399,584	\$154,118
Smart City (IT services)	333,134	226,531	106,603
Pinnacle (AV services)	521,472	335,976	185,496
Electrical	656,902	488,060	168,842
Totals	\$3,065,210	\$2,450,151	\$615,059

Partner revenue for Q3 was \$3,065,210. The cost of sales was \$2,450,151, for a net profit of \$615,059.

Indirect Expenses

OVG effectively managed costs, resulting in indirect expenses totaling \$1,458,651 for the quarter, with significant savings achieved in Executive, Finance, Event Services and Overhead.

Departments	Expense Description	Indirect Cost
Executive	Senior personnel	\$98,620
Marketing	Sales and marketing related	107,870
Finance	Finance and Human Resources	95,860
Events	Staff to manage events	102,329
Operations	Engineering, building services, security, and all other related expenses to operate the building	831,635
Overhead	Non-departmental expenses	222,337
Totals		\$1,458,651

Previous Fiscal Year Comparison

Gross revenue for Q3 of FY 2024/25 totaled \$4,333,873 reflecting an increase of \$135,559 from the \$4,198,314 reported in the same quarter of FY 2023/24. This variance is primarily due to seven more events in FY 2024/25, including one additional P4 during the same time. The largest contributor to the increase was electrical, which saw an increase of \$218,600 in gross revenue over FY 23/24. Total expenses for Q3 of FY 2024/25 were \$3,917,717, an increase of \$96,530 from the \$3,821,187 reported during the same period in FY 2023/24. This expense growth was due to the increase in events, especially electrical revenue. Consequently, net income for Q3 of FY 2024/25 was \$416,156, which was higher than FY 2023/24 net income of \$377,127 by \$39,029. This variance underscores the impact of the increased rental and electrical numbers recorded during the quarter.

Through three quarters year to date, the Center has hosted 148 events compared to 165 events during the same period in FY 2023/24. While event volume is down year-over-year, attendance has remained resilient, with 216,810 guests so far this fiscal year, only about 16% below last year's total of 256,707, despite hosting 17 fewer events. Gross revenue for FY 2024/25 has reached \$11.46 million, which is approximately \$1.83 million below the \$13.29 million earned by this point last year. However, it's important to note that FY 2023/24 included two unbudgeted events in October and November that generated \$1.6 million in unexpected revenue. Expenses this year have been tightly managed, totaling \$10.75 million compared to \$11.73 million last year. This has contributed to a positive net income of \$711,279, well above the budgeted projection of a \$67,252 loss. This sets a stable foundation heading into the final quarter.

Quarter 3 Comparison

	Quarter Ended March 31, 2025			Quarter Ended March 31, 2024		
	Projected in Budget	Actual	Budgeted Overage / (Underage)	Projected in Budget	Actual	Budgeted Overage / (Underage)
Number of Events	64	59	(5)	53	52	(1)
Number of Event Days	142	149	7	134	132	(2)
Attendance	56,786	100,120	43,334	55,049	123,606	68,557
Gross Revenue	\$3,861,620	\$4,333,873	\$472,253	\$3,511,801	\$4,198,314	\$686,513
Total Expense	3,987,837	3,917,717	70,120	3,638,745	3,821,187	(182,442)
Net Income	(\$126,217)	\$416,156	\$542,373	(126,944)	\$377,127	\$504,071

YTD Comparison

	YTD Ended March 31, 2025			YTD Ended March 31, 2024		
	Projected in Budget	Actual	Budgeted Overage / (Underage)	Projected in Budget	Actual	Budgeted Overage / (Underage)
Number of Events	187	148	(39)	162	165	3
Number of Event Days	407	363	(44)	401	396	(5)
Attendance	187,521	216,810	29,289	183,304	256,707	73,403
Gross Revenue	\$12,299,564	\$11,460,567	(\$838,997)	\$10,743,796	\$13,293,617	\$2,549,821
Total Expense	12,366,816	10,749,288	1,617,528	10,995,402	11,731,106	(735,704)
Net Income	(\$67,252)	\$711,279	\$778,531	(\$251,606)	\$1,562,511	\$1,814,117



Other Activities

In February, the GM and Director of Events traveled to New Orleans to attend the Future Host City Conference, a key industry gathering focused on operational planning and city coordination for large-scale events. Their participation was part of early-stage preparation for SBLX, and the trip provided valuable insights into transportation planning, public safety coordination, and civic engagement models successfully implemented by other host cities.

During the quarter, OVG submitted a draft contract for FIFA World Cup facility use to the Bay Area Host Committee. This preliminary document outlines proposed terms for venue access and operational coordination related to the global event.

In March, the GM also prepared and delivered presentation slides and supporting bullet points to the Assistant City Manager, contributing to a SBLX update for the Santa Clara City Council. These efforts reflect ongoing collaboration with City leadership to ensure readiness for both international events.

To support day-to-day operations and long-term planning, OVG conducted internal department head check-ins and budget review meetings throughout the quarter. These sessions focused on aligning staffing models, refining SOPs, and reviewing capital project timelines across the Operations, Sales, and Events departments.

Finally, OVG participated in preliminary training and platform demonstrations for new financial software and event booking systems currently under evaluation. These tools are being considered to improve efficiency, enhance reporting accuracy, and better integrate the Center's event planning lifecycle with financial tracking systems.

Key Performance Indicators (KPIs)

Gross revenue was \$4,333,873 and net income was \$416,156 for Q3. Through the third quarter, the event mix shows the Convention Center hosted six P3s, ten P4s and 43 P5s. The Center's sales team averaged 39 active prospects throughout the quarter. A decrease from an average of 97 in Q2. This is due to a large number of inactive prospects being removed from the Center's Customer Relations Management (CRM) System. With the clean-up of the system, OVG will see a decrease in the number of active prospects for the remainder of the year, however, the updated CRM system will provide more accurate reporting in the long term.

Sales activity remains strong through the third quarter of the fiscal year, with 114 leads generated through its online sales portal and website. The sales team also averaged 47.3 new prospects per month in the quarter. These "warm leads" represent the most promising business, as they demonstrate clear interest in the facility. In fact, the team was able to convert 33 pieces of business for this fiscal year from those prospects. However, we anticipate a slowdown in in-the-year-for-the-year bookings as we enter the fourth quarter, given that only three months remain in the fiscal year, and most groups typically secure their event dates further in advance.

OVG is unlikely to meet its top-line revenue target for FY 2024/25. While sales efforts will continue to pursue last-minute bookings, these opportunities naturally become more limited as the fourth quarter progresses. Nevertheless, we remain on track to exceed our amended net revenue goal for the year, thanks to disciplined management of indirect and overhead expenses. A reduction in the total number of events has also resulted in decreased event-related costs, further contributing to overall savings. As of the end of the third quarter, OVG has generated a profit of \$711,279. Even with modest losses projected in the final quarter, we anticipate closing the fiscal year with a budget surplus exceeding \$35,000.

Tracking room night consumption continues to be a challenge this year. The Center remains committed to working closely with the DMO and its hotel partners to improve accuracy in reporting. Updated training and contact lists are expected to enhance reporting in the fourth quarter with hopes of seeing higher room night pickups.

Economic impact figures remain ahead of pace and will exceed expectations for the year. The event mix presents an interesting trend. While specific targets may not be met, we are seeing an increase in larger events (P2s and P3s) and a reduction in smaller-scale events (P4s and P5s). This shift aligns with the long-term strategic goals of both the Center and the DMO.

The Center historically hosted two community events funded by the Center's corporate partners OVG and Levy. With the transition from Spectra to OVG, corporate funds are no longer available to support Frosty Fest or the spring/summer events. However, OVG and

Levy continue to work with multiple non-profit groups from throughout the City and County of Santa Clara.

KPI YTD results are reported below.

OVG Venue Management – Santa Clara Convention Center			
Performance Measures			
	2024/25 Target	YTD	NOTES
1. Convention Center Gross Revenue	\$18,193,013	\$11,460,566	
2. Net Income*	\$425,803	\$711,279	
3. Number of Room Nights Consumed	32,738	12,185	
4. Economic Impact	\$27,181,657	\$35,939,242	
5. Customer Service Survey Results (overall satisfaction)	85%	-	Reported at year-end. There is no survey mechanism in place as of May 2024.
6. Event Mix at the Convention Center (consumed)			
Percent of P1 Events	1.0%	0.00%	
Number of P1 Events	2	0	
Percent of P2 Events	2.0%	0.00%	
Number of P2 Events	4	2	
Percent of P3 Events	15.0%	11.49%	
Number of P3 Events	39	17	
Percent of P4 Events	20.0%	12.84%	
Number of P4 Events	50	19	
Percent of P5 Events	62.0%	74.32%	
Number of P5 Events	160	110	
Total Events	255	148	
7. Community Benefit			
Number of collaborative, community-based events hosted at the Center	2	0	
Percent of Center employees that volunteer in the community	60%	0%	Reported at year-end
Percent of small, local and M/WBE businesses/vendors	20%	0%	Reported at year-end
8. Number of Prospects (active) (non-cumulative)	220	86	Average for the year of P3, P4, P5

*City Council approved a budget amendment in June 2024. The net income target increased from \$425,803 to \$555,632

- **Priority 1 (P1) Event:** Large, multi-day convention or conference using the entire venue, extensive services (food & beverage, A/V, IT), and attracting significant out-of-town visitors staying across multiple hotels. Booking window: 18+ months.
- **Priority 2 (P2) Event:** Large, multi-day convention or conference utilizing most venue space and services with out-of-town visitors staying in multiple hotels. Booking window: 12–18 months.
- **Priority 3 (P3) Event:** Single or multi-day event with fewer attendees and visitors than P1 or P2 events (e.g., trade shows, smaller conferences). Booking window: 9–12 months.
- **Priority 4 (P4) Event:** One- or two-day event with mostly local attendees (e.g., graduations, smaller meetings). Booking window: 6–9 months.
- **Priority 5 (P5) Event:** Single-day event (e.g., banquets, galas, meetings). Booking window: 0-6 months.

Forecast

SANTA CLARA CONVENTION CENTER ROLLING FORECAST FY 2024/2025					
	ACTUAL YTD JUL - MAR FY 2025	PROJECTION APR - JUN FY 2025	TOTAL FINAL FYE 6/30/25	AMENDED BUDGET FYE 6/30/25	VARIANCE
# OF EVENTS	148	69	217	255	(38)
DIRECT EVENT INCOME	\$3,272,885	\$1,147,803	\$4,420,688	\$4,876,950	\$(456,262)
ANCILLARY INCOME	1,331,925	683,351	2,015,276	2,404,268	(388,992)
TOTAL NET EVENT INCOME	4,604,810	1,831,154	6,435,964	7,281,218	(845,254)
OTHER INCOME	283,945	80,000	363,945	193,014	170,931
EXECUTIVE	284,323	140,570	424,893	551,746	126,853
MARKETING	302,394	152,598	454,992	572,630	117,638
FINANCE	316,538	143,098	459,636	562,508	102,872
EVENTS OPERATIONS	337,195	151,131	488,326	560,396	72,070
OPERATIONS	2,208,440	1,033,838	3,242,278	3,498,406	256,128
OVERHEAD	728,586	408,339	1,136,925	1,172,914	35,989
INDIRECT EXPENSES	4,177,476	2,029,574	6,207,050	6,918,600	711,550
OPERATING NET INCOME (LOSS)	711,279	(118,420)	592,859	555,632	37,227
NET INCOME (LOSS)	\$711,279	\$(118,420)	\$592,859	\$555,632	\$37,227

As noted in the Q1 report, the rolling forecast previously only included definite events. To provide a more accurate forecast, events in the sales pipeline are now included (highly likely to book a future date with the historical conversion rate of leads to definite status being 40%).

The Center reported a profit of \$711,279 through the third quarter of FY 2024/25, primarily driven by higher-than-expected electrical and rental revenues in the quarter, along with OVG's effective management of utilities by focusing on turning off lights and equipment in areas of the facility not being utilized. We have also canceled travel for the remainder of the year to reduce expense. Additionally, a couple of years ago, the Center implemented a credit card fee policy which has assisted OVG in reducing expenses to the City.

Based on current projections, revenues for the remainder of FY 2024/25 are expected to result in a \$118,420 loss, bringing the overall projected profit for the fiscal year to \$592,859. This is \$37,227 above the budgeted profit of \$555,632. These projections remain fluid, as the sales team continues to pursue short-term business opportunities, upsell ancillary services, and work closely with existing clients to increase event scope and spend. In addition, OVG is actively partnering with internal departments to identify cost-saving opportunities in event execution, staffing, and operations. These proactive

measures are aimed at reducing the projected fourth quarter deficit and positioning the Center to close the fiscal year in an even stronger financial position.

As of March 31, 2025 the Center, in collaboration with its partners Levy and the DMO, had 115 active prospects in the SCCC pipeline. During the quarter OVG received a total of 114 leads through its online sales portal, Cvent (31 leads), and the Center’s website (83 leads). Of these 114 leads, 47 were declined for a variety of reasons: the event was too large to be accommodated in the facility, the anticipated revenue did not meet minimum thresholds, the request fell outside the applicable booking window, or the dates were not available due to already being booked by other clients. In a few cases, some leads chose not to proceed after their initial inquiry. The remaining 67 leads became active prospects. Some of these have since been confirmed and booked, while others are still under discussion and remain in the pipeline for future dates. These 67 leads contributed to the 142 new active prospects added this quarter. Of those 142 prospects, the sales team successfully converted 73 into definite bookings, 33 of which will take place during the current fiscal year, with the remaining 40 booked for future years. In the convention, meetings, and events industry, the typical conversion rate from prospect to definite booking falls between 20% and 35%. A rate above 40% is considered strong. The Santa Clara Convention Center’s Q3 conversion rate of 51% exceeds the industry standard of 20–35%, reflecting both market competitiveness and the effectiveness of the sales team.

Sales Pipeline YTD Ended March 31, 2025	
Prospects	142
Tentative	73
Definite	73
FY Bookings	40

- Numbers noted above are inclusive of OVG, Levy and the DMO activity.
- Leads – Persons or companies that have expressed some level of interest in booking their event at the Center (submitted through the Center’s website and its online sales generator, Cvent)
- Turndown – A lead that is not bid on due to any number of reasons, e.g., too big of an event, too small of an event, no dates available, outside of the booking window, etc.
- Prospects – Potential customers who expressed interest in booking their event at the Center, have been contacted and qualified by the sales team as having desirable criteria for an event at the Center such as: repeat business, size of the event fits in the venue, history of hotel needs that can be provided by SCTID hotels.
- Tentative – Potential customers who have space held at the Center in the process of confirming needs and pending the execution of a signed license agreement.
- Definite – Booked events with an executed license agreement for use of the Center (inclusive of services such as food & beverage, IT, audio/video [A/V], etc.) and an executed hotel agreement for room nights as applicable.

FY 2024/25 Capital Improvement Projects (CIP)

CIP Project Updates

- ➡ Restroom Refresh Project – Upgrades to the sinks in Exhibit Halls A through D were completed during the third quarter, along with the majority of improvements to the public restrooms throughout the Center. Two restrooms remain unfinished, as final coats could not be applied due to ongoing event activity. This remaining work is expected to be completed by mid-fourth quarter.
- ➡ Kitchen Renovations – OVG, Levy and 6th Dimension continued to collaborate and prepare the RFB documents for Main and Mission City kitchens, Stand B, and the Tech Café Updates. The partners held a page turn to review the information with members of the City prior to release of the documents on Bid Net Direct. RFB documents are due to 6th Dimension at the start of Q4.
- ➡ Grand Ballroom Air Wall Replacement Project – The Director of Operations coordinated with the vendor, BT Mancini, to complete the installation of the new air walls in the Grand Ballroom in January. Final punch list items were reviewed and addressed in coordination with the Hyatt. The contractor also provided hands-on training to the operations teams from both the Center and the Hyatt. The punch list was officially signed off by both parties in February, marking the project as complete.
- ➡ Solar Feasibility Meeting – In March, the GM met with representatives from the City Manager’s Office, OVG Global Partnerships, and an energy solutions company specializing in solar and sustainability initiatives. The meeting served as an early-stage discussion about the potential for long-term solar installation at the Center. Information gathering will continue in the 4th Quarter.
- ➡ Interior Digital Signage Project – Significant progress was made on the interior digital signage project during the third quarter. Data cabling and most of the required electrical infrastructure were completed, and signage installation began. The Director of Operations coordinated timelines with both vendors providing access when available. Installation of signage also began in Q3. Work will continue to progress throughout Q4, working around event activity, and it is anticipated the project will be completed and operational no later than the end of Q4.

CIP Project Summary

Project Name	Status	Estimated Completion
Restroom Refresh	90% Complete	FY 2024/25 – Q4
Kitchen Renovations	RFB Issued Q4	TBD
Grand Ballroom Airwall	Complete	FY 2024/25
Digital Signage Project	75% Complete	FY 2024/25 – Q4
Solar Feasibility	Feasibility Stage	TBD

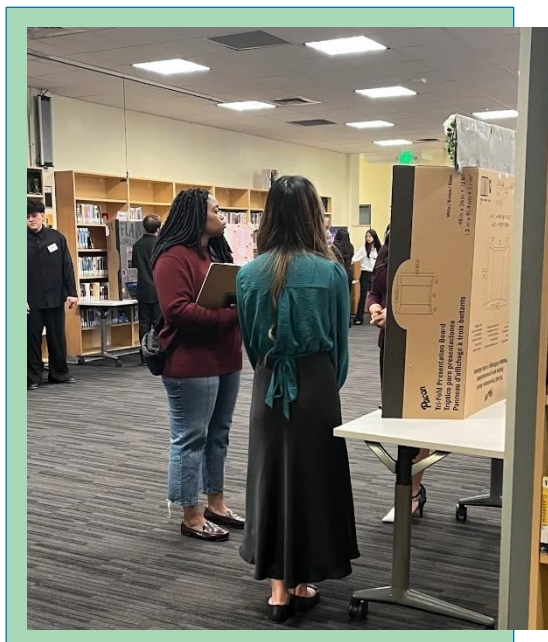
CIP Project Budget

Proj. #	Project Name	Phase	CITY/OVG 360 REVISED BUDGET	LEVY	TOTAL BUDGET	Actual Exp.	Balance
003	Convention Center HVAC - BMS System Upgrade	Completed FY 2019/20	\$ 20,450	\$ -	\$ 20,450	\$ 20,450	\$ -
004	Convention Center HVAC Portable A/C Units	Completed FY 2020/21	\$ 75,350	\$ -	\$ 75,350	\$ 75,350	\$ -
005	Convention Center Security System	Completed FY 2021/22	\$ 172,831	\$ -	\$ 172,831	\$ 172,831	\$ -
006	Convention Center Lobby Roof (Glass Pyramids) Assessment and Repair	Completed FY 2021/22	\$ 479,300	\$ -	\$ 479,300	\$ 479,300	\$ -
008	Convention Center Interior Digital Signage and Display System	Implementation	\$ 1,160,386	\$ -	\$ 1,160,386	\$ 987,885	\$ 172,501
009	Convention Center Interior Paint	Completed FY 2021/22	\$ 648,052	\$ -	\$ 648,052	\$ 648,052	\$ -
012	Convention Center Riding Vacuum Purchase	Completed FY 2019/20	\$ 31,238	\$ -	\$ 31,238	\$ 31,238	\$ -
013	Convention Center Carpet Replacement	Completed FY 2021/22	\$ 1,509,869	\$ 228,817	\$ 1,738,686	\$ 1,764,091	\$ (25,405)
014	Balance - Contingency (Electrical Assessment)	Completed FY 2023/24	\$ 158,772	\$ -	\$ 158,772	\$ 107,853	\$ 50,919
015	Kitchen/Tech Café/Stand B	Implementation	\$ -	\$ 1,769,618	\$ 1,769,618	\$ 745,679	\$ 1,023,939
016	Roof Assessment	Completed FY 2023/24	\$ 90,000	\$ -	\$ 90,000	\$ 17,500	\$ 72,500
017	Restroom Refresh	Implementation	\$ 600,000	\$ -	\$ 600,000	\$ 343,423	\$ 256,577
018	Air Wall Replacement	Completed FY 2024/25	\$ 1,750,000	\$ -	\$ 1,750,000	\$ 1,298,861	\$ 451,139
TOTAL			\$ 6,696,248	\$ 1,998,435	\$ 8,694,683	\$ 6,692,513	\$ 2,002,170

Community Involvement

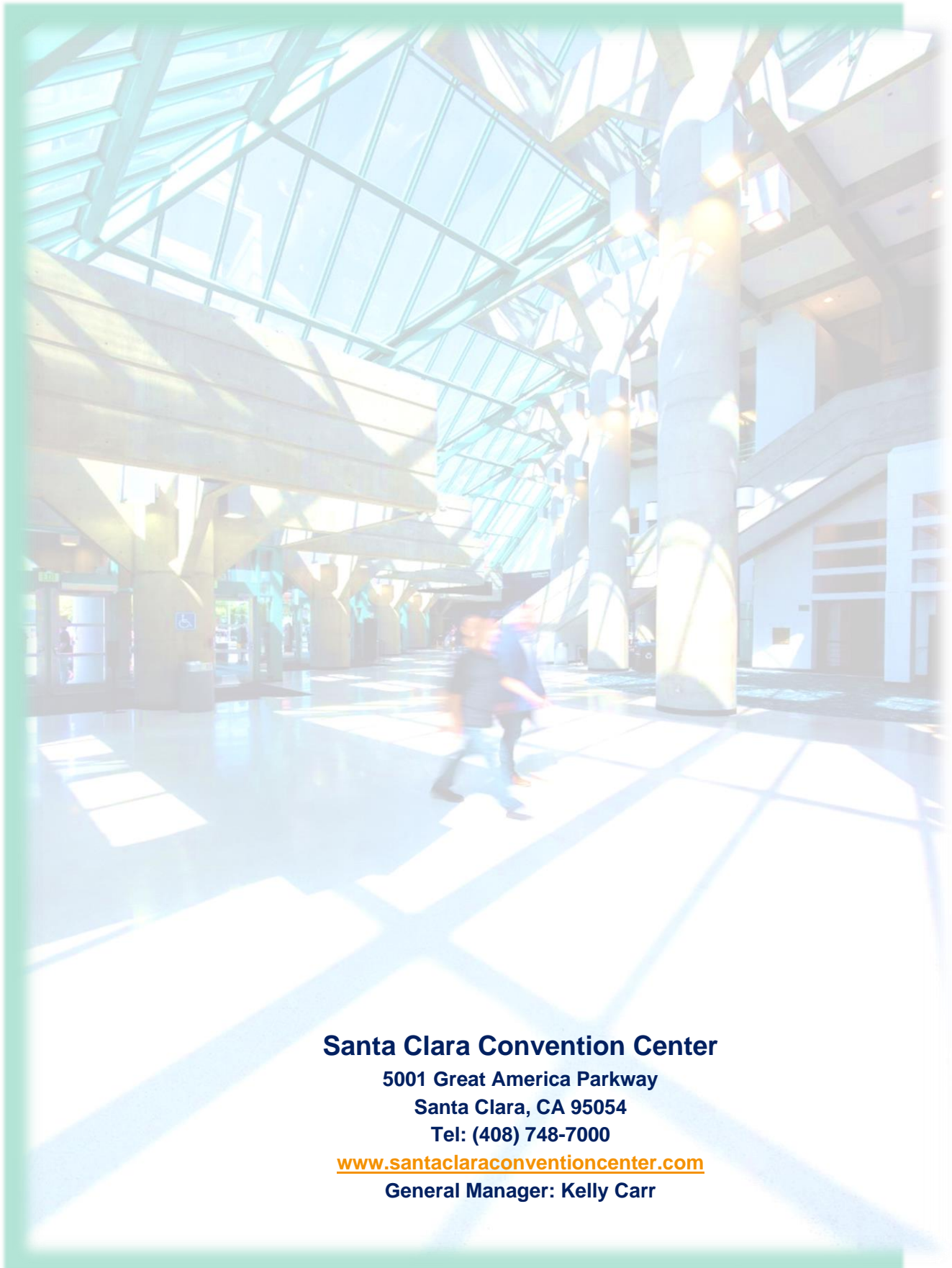
During the third quarter, OVG continued to prioritize meaningful engagement with the local community, reinforcing its role as a trusted partner in Santa Clara. With initiatives centered around education, sustainability, and outreach, the team remained focused on giving back and creating positive connections with residents. The Convention Center proudly took part in the following community-focused efforts:

- OVG leadership continued its long-standing engagement with the Milpitas High School Academy of Travel & Tourism program this spring, serving as mentors and judges for student projects. For over five years, OVG has proudly supported this initiative even stepping in during the pandemic to conduct virtual mock interviews from home. The team remains committed to inspiring and educating the next generation of hospitality professionals through meaningful mentorship and industry exposure.



- OVG began preliminary planning for possible community engagement initiatives for FY 2025/26 reviewing a list of potential organizations to partner with including:
 - YWCA Golden Gate Silicon Valley (a SCCC client)
 - Santa Clara Senior Center
 - Second Harvest of Silicon Valley
 - Open Space Authority Volunteer Program
 - Santa Clara County Parks Volunteer Program
 - First 5 Santa Clara County

As we look ahead, OVG remains steadfast in our commitment to building positive, lasting relationships with the community. Our goal is to not only serve as a premier event venue but also as a partner in the social and economic vibrancy of Santa Clara.



Santa Clara Convention Center

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