

Spokane County: A Growing Sports and Event Destination

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Downtown Spokane

With the recent opening of The Podium in late 2021, Downtown Spokane now features three large sports and events facilities run by the Spokane Public Facilities District (SPFD).

Despite the impact of the pandemic, the city's bright spot has been the recently opened Podium. The Podium is a 130,000-square-foot indoor sports facility with 75,000 square feet of floor space that can be converted from a 200-meter, hydraulic-banked track to multisport flooring. Despite planning and financing challenges, the facility opened in December 2021 and has been able to attract regional and national sporting events to Spokane, such as the GNAC Indoor Track & Field Championships. Notably, these events typically occur in the shoulder or low-season periods. Furthermore, with the opening of a sports-oriented facility, the convention center is able to host other events, making full use of its performing arts and exhibition capabilities, while also serving as extra space for larger sports tournaments that were previously limited by space.

The Podium





Source: Spokane Sports

The Podium was projected to generate \$11–\$20 million in direct tourism spending and 17,000–33,000 room nights once stabilized in the market. However, the facility has already exceeded expectations by drawing over 33,000 room nights in 2022, the first full year of operations. Projections for 2023 indicate that the year will be even stronger than 2022.

The Spokane Arena, which opened in 1995, features 32,000 square feet of arena space, 35,000 square feet of concourse, a backstage area, meeting rooms, and state-of-the-art audio and video capabilities that can be programmed for a variety of events.

The Spokane Convention Center, built in 1974, has been remodeled and expanded several times and now provides over 300,000 square feet of usable space overall, with 120,000 square feet of exhibit hall space, three ballrooms, and 40 breakout spaces. Due to pandemic restrictions, many events for the convention center in 2020 and 2021 were rescheduled to 2022. This resulted in a relatively successful year in 2022, with approximately 75,000 room nights actualized, which is only slightly below 2019's 83,000 room nights. However, booking patterns and current economic conditions are contributing to a slower paced 2023 and 2024. According to convention offices, a full recovery is expected by 2025.

SPFD and Spokane Public Schools started construction in January 2022 on a soccer stadium downtown that is expected to open in the fall of 2023. The stadium will be home to both men's and women's United Soccer League (USL) teams and is expected to have an economic impact of \$11.4 million annually.

The ramping up of The Podium's events and the construction of the soccer stadium will support continued growth in the market in future years. In 2022, the Spokane County market recorded occupancy of 64.3%, just below pre-pandemic levels, due to new supply completing construction during the pandemic, and the county estimates that occupancy will fully recover in 2025. Average daily rate (ADR) and RevPAR have exceeded the historical levels and continue to grow.

Spokane Valley

Spokane Valley features the CenterPlace Regional Event Center. CenterPlace is a 54,000-square-foot facility that is a favorable location for smaller regional conferences, events, and weddings. The addition of a Tru by Hilton has expanded the facility's ability to attract larger events with lodging requirements.

The region continues to experience growth in cultural and event facilities, as Spokane Valley Summer Theatre began construction on a \$48-million, 59,000-square-foot Idaho Central Spokane Valley Performing Arts Center in August 2022. Completion is expected by early 2024, with the first event planned to occur that summer. Furthermore, a Homewood Suites by Hilton is proposed on an adjoining site.

This performing arts center will be somewhat unique. Typically, these types of venues host national productions that stay for a certain period before moving to the next location; instead, this center will host local productions with local talent,

producing eleven shows per year. The venue will operate year-round and will host conservatory programs as well, attracting talent from throughout the region, as far away as Missoula, Montana. In addition to theatre performances, the facility will have event space for social events such as weddings.

The combined addition of hotel supply and attractions such as the theatre bode well for the market. In 2022, the Spokane Valley market recorded a 73.5% occupancy level, which exceeded pre-pandemic levels despite the entrance of new supply with the opening of the Tru by Hilton. ADR also continued to register growth, far exceeding the ADR levels achieved historically in 2022.



Liberty Lake

The HUB Sports Center located in Liberty Lake just west of Spokane Valley lives up to its name as the hub of local sports for Spokane County and several western Idaho cities. The facility currently has 66,000 square feet of indoor space with five basketball courts. However, officials are looking to expand the center with four outdoor synthetic fields by 2025, which will triple the amount of outdoor synthetic field space in the area.

In 2022, the HUB hosted over 5,000 events ranging from practices to national tournaments for 173,000 children and families. These events generated over 5,000 room nights in the year for a \$7-million economic impact. The expansion is expected to generate another 4,600 room nights per year with an additional \$5.3-million economic impact.

Liberty Lake lodging supply is limited to a handful of hotels; thus, given the city's proximity to Spokane Valley, the two markets are intertwined. The HUB Sports Center expansion will contribute to increased room-night demand and the success of Spokane Valley's hotel market.

Looking Forward

Meeting and group demand in Spokane County is poised to grow rapidly in the next few years with the recent opening of The Podium and new event facility projects expected to be completed by 2024. The market is expected to recover by 2025 from the disruption caused by the COVID-19 pandemic. However, the success of The Podium in 2022 shows that demand is picking up faster than projections, and the variety of new meeting space has given the county more flexibility in events it can attract. The county is also seeing an influx of new hotels to the area, with the Tru by Hilton and Homewood Suites by

Hilton in Spokane Valley, the Cambria Suites near the Spokane International Airport, and a boutique hotel in Downtown Spokane. Overall, the market is steadily recovering from the pandemic-related downturn and continuing to expand for the future.

For more information, contact Claude Xue or Kasia Russell with our Portland office.