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# Bigger meeting center favored

By Casey Ross

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Many members of a state panel reviewing a proposed expansion of the Boston Convention & Exhibition Center said they are leaning in favor of the \$2 billion project, even as some panelists question whether it would generate enough economic benefits to make it worth taxpayers' investment.

The expansion, which would nearly double the size of the South Boston complex, would probably require increases in tourist-targeted taxes and fees, and up to \$200 million in public subsidies to finance a 1,000- to 1,200-room hotel on adjacent property.

The Globe contacted all 27 members of the panel, known as the Convention Partnership, and about half responded.

A majority of those said they were in favor of expanding the convention center, or leaned toward recommending an expansion after a year's worth of public meetings. They suggested the project would make Boston one of the nation's top destinations for meetings.

"All of the event planners pointed to the fact that the center needs to expand its exhibit space and needs additional hotel rooms," said Richard Dimino, a member of the partnership and chief executive of the business group A Better City. "They were then asked if we took those steps, would they come to Boston, and 100 percent of them said yes."

But several panel members are not convinced that a costly expansion would lead to more convention business for Boston. They have asked the Massachusetts Convention Center Authority to provide better data on the number of visitors the larger facility would attract, how many jobs it would create, and how much tax revenue it would generate for city and state coffers.

"Clearly there are costs here, so we need to see the benefits laid out in a detailed and realistic way," said Michael Widmer, a member of the panel and president of the business-backed Massachusetts Taxpayers Foundation. "We need to be sold on the jobs and economic gains, otherwise it's not a persuasive argument."

The Convention Partnership was appointed by city and state leaders to review the expansion proposal and recommend to the governor and legislative leaders whether it should move forward. Its members are business executives and public officials. The panel's report is being drafted under the direction of convention authority executive director James Rooney and is expected to be filed later this summer.

One longtime critic who has followed the proceedings said he's not surprised the panel is favoring an expansion.

"This was never meant to be a serious inquiry," said Charles Chieppo, who heads a Massachusetts public policy research firm. "This is another kangaroo court where everyone expects this project to breeze through to approval. I don't think they're anywhere close to making a substantive case for this."

Several members of the partnership defended the review process and emphasized they have not

made a final decision on whether to favorably recommend it.

“I’m very impressed with the information we’ve seen so far, but we need to be sure we’ve analyzed every aspect of this project,” said panelist Paul Sacco, chief executive of the Massachusetts Lodging Association. “It’s not like buying a house. This is a major project, and it warrants a major discussion.”

Rooney declined to be interviewed about the panel’s deliberations, saying through a spokesman that he does not want to speak publicly while the group’s report is still being drafted. Rooney was initially expected to have the report ready in May, but said he needs another four to six weeks to finish it.

Though he hasn’t commented publicly, Rooney sent panel members an e-mail several weeks ago urging them to speak carefully — and positively — to a reporter inquiring about the project.

“You are of course free to express whatever opinion you wish, although I would hope it is positive in nature, even if you feel like you need some more data or analysis,” Rooney said in the e-mail, a copy of which was provided to the Globe.

Mac Daniel, a spokesman for the convention center authority, said Rooney sent the e-mail in response to phone calls from partnership members who reported being contacted by the media.

During meetings on the project, Rooney and others have advocated for the expansion, blaming a lack of hotel rooms for the loss of conventioners’ business. The shortage of nearby hotel rooms forces many attendees to commute to the convention hall from all over the city, adding inconvenience and transportation costs, they said.

Currently, the exhibition hall has only 1,700 hotel rooms within a half mile of the facility, leaving it hard pressed to compete with cities such as Atlanta, Las Vegas, and New Orleans, all of which have enough rooms to accommodate the industry’s largest events.

Officials have said tax and fee increases will likely be needed to cover debt payments on the expansion. Those payments are expected to be between \$78 million and \$117 million for 30 years, depending on the project’s size, interest rates, and other factors.

The panel has explored a number of possibilities for financing the expansion, including a 1 percent increase in the statewide hotel tax; raising tourist-targeted taxes and fees in the Boston area; and tapping an estimated \$31.8 million in future city and state taxes expected to be generated by the project.

Others said that the South Boston hall has successfully lured business from other cities, but must now expand to avoid losing customers to expanded facilities in Philadelphia, Phoenix, Orlando, and elsewhere.

Some panel members who support expansion say making a strong financial case is crucial to getting funding from state lawmakers who are seen as reluctant to approve such a large project at a time of fiscal distress. Many lawmakers represent communities reeling from broader fiscal pressures forcing them to cut services and lay off employees.

“The bottom line is that on a \$1 billion plus expansion and hotel project, you can’t just hand taxpayers the bill,” said Patrick Moscaritolo, chief executive of the Greater Boston Convention & Visitors Bureau. “That’s a nonstarter.”

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