



# AGENDA

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## Visit San Luis Obispo County Board of Directors

### Visit San Luis Obispo County Board of Directors Agenda

Wednesday, April 20, 2016

8:30 am

SpringHill Suites

900 El Camino Real, Atascadero, CA 93422

1. **CALL TO ORDER**
2. **PUBLIC COMMENT (On Non-Agenda Items)**

<b>ANNOUNCEMENTS</b>	<b>C. Davison</b>
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<b>CONSENT AGENDA - <i>motion required</i></b>
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3. **Approval of March 16, 2016 Board Meeting Minutes (yellow)**  
*Staff will ask for Board approval of the March VSLOC Board Meeting Minutes.*
4. **Approval of March VSLOC Financials (green)**  
*Staff will ask for Board approval of the March VSLOC Financials.*

<b>CEO REPORT</b>	<b>C. Davison</b>
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5. **CEO Report (5 min)**  
*Staff will provide an update on current projects, reporting and areas of focus for the months ahead.*

<b>BUSINESS ITEMS</b>	<b>C. Davison</b>
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6. **Accounting System Transition (5 min)**  
*VSLOC staff will discuss its transition from a cash-basis to accrual accounting system beginning FY2016-17.*
7. **Research Update (5 min)**  
*VSLOC staff will provide an update on the progress of VSLOC's research study.*
8. **Strategic Planning (5 min)**  
*VSLOC staff will provide an update on Coraggio Group's timeline for VSLOC's three-year strategic plan initiative.*
9. **Booking.com Update (5 min)**  
*VSLOC staff will provide an update on Booking.com functionality and implementation on the VSLOC website.*
10. **Marketing Agency Update - *motion required* (20 min)**  
*VSLOC staff will provide an update on the FY2016-18 Marketing Agency RFP process and provide recommendations for Board approval.*

**11. Conference Center Feasibility Study (20 min)**

*VSLOC staff will present multiple proposals to conduct a conference center feasibility study in SLO County and provide next steps and recommendations for Board approval.*

**12. Travel Trade Update (10 min)**

*VSLOC's Director of Travel Trade will provide an update on out-of-market travel trade efforts and results.*

**13. Marketing Campaign Update (10 min)**

*Staff will provide an update on the results of the Marketing Campaign to date.*

**ADJOURN.**

Brown Act Notice: Each speaker is limited to two minutes of public comment for items not on the agenda. Public comment for each agenda item will be called for separately and is also limited to 2 minutes per speaker. State law does not allow the board to discuss or take action on issues not on the agenda, except that members of the board may briefly respond to statements made or questions posed by the person giving public comment. Staff may be directed by the board to follow-up on such items and/or place them on the next board agenda. The order of agenda items is listed for reference and items may be taken in any order deemed appropriate by the Board of Directors.

ADA Notice: Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Brendan Pringle at (805)541-8000 at least 48 hours prior to the meeting.



# Minutes

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## Visit San Luis Obispo County Board of Directors

### Visit San Luis Obispo County Board of Directors

#### Meeting Minutes

Wednesday, March 16, 2016

8:30am

Hilton Garden Inn

601 James Way, Pismo Beach, CA 93449

#### 1. **CALL TO ORDER:** Jay Jamison

**PRESENT:** James Davison, Mark Eads, Aaron Graves, Jay Jamison, Noreen Martin, Sam Miller, Nipool Patel, Rachel Patranella, Clint Pearce, Val Seymour, Roger Wightman

**ABSENT:** John Arnold, Kathy Bonelli, Jim Hamilton, JP Patel

**STAFF PRESENT:** Chuck Davison, Brendan Pringle, Kylee Jepsen

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**Call to Order at 8:41am.**

#### 2. **PUBLIC COMMENT (On Non-Agenda Items)**

None.

#### **ANNOUNCEMENTS**

The Board welcomed VSLOC's newest Board member, Aaron Graves (Burton Inn), who now holds the B&B seat on the Board.

Davison noted that the Visit California Dream Eater videos featuring San Luis Obispo County are now live, and the Board viewed the YouTube video of the Dream Eater at Splash Cafe.

Davison noted that at Visit California's Poppy Awards in February, San Luis Obispo County collected 3 of the 10 statewide tourism awards, the most of any county in California.

The Board watched a short video about the Pismo Beach Coastal Bluffs project that Martin is spearheading.

Davison asked the Board to keep JP Patel and his family in their thoughts and prayers as they support his father in his last days.

Board Discussion.

Public Comment – None.

#### **CONSENT AGENDA**

#### 3. **Approval of February 17, 2016 Board Meeting Minutes**

#### 4. **Approval of February VSLOC Financials**

Board Discussion.

Public Comment – None.

**ACTION:** Moved by Eads/Martin to approve the February 17, 2016 Board Meeting Minutes as presented.

**Motion carried: 11:0**

Moved by Seymour/Pearce to approve the February VSLOC financials as presented.

**Motion carried: 11:0**

## **BUSINESS ITEMS**

### **5. Marketing Agency RFP**

On February 25, the Marketing Committee selected 5 finalists out of the 13 proposals that were received: BCF, Asterix, M&C Saatchi, Mindgruve and Belmont. On March 8, the Marketing Committee heard oral presentations from the 5 finalists. The Marketing Committee was not able to reach consensus, and recommended both BCF and M&C Saatchi for consideration by VSLOC for a recommendation to the Board. Pringle recorded the oral presentations on his computer, and Davison has viewed all of them. Based on Davison not being able to attend the presentations due to emergency surgery, he asked the Board to table the discussion until the April meeting, while VSLOC staff digs deeper into the two agencies and has the opportunity to visit their offices and complete due diligence.

Board Discussion. The Board reached consensus that the item be tabled until the April meeting.

Public Comment – None.

### **6. Booking.com Update**

The Booking.com booking engine is live on the VSLOC site as of March 10, 2016. Davison discussed placement of this tool on the VSLOC website. VSLOC intends to present results to the Board over the next three months.

Board Discussion.

Public Comment – None.

### **7. Strategic Planning**

Davison has begun contract negotiations with Coraggio Group for a 3-year strategic plan, and is working with Coraggio on planning team selection, stakeholder interviews, and a stakeholder survey that will be emailed out. Davison discussed the timeline for completion.

Board Discussion. The Board recommended adding Pearce to the planning team. Pearce accepted the recommendation. The Board also agreed to establishing a Board taskforce to review the recommendations of the planning team monthly as they work through the plan.

Public Comment – None.

### **8. Conference Center Feasibility Study**

Initial discussion suggests the need for countywide conference space may be an item on VSLOC's strategic plan. VSLOC is exploring consultant options for BOD review, including the cost to conduct a conference center feasibility study for SLO County. Davison discussed the steps involved if pursued, and noted that the study would determine overall demand.

Board Discussion. The Board agreed that this was an item that should be pursued.

Public Comment – None.

## **9. Research Update**

The VSLOC Research Project is currently in progress. Testing of the two surveys is underway and Merrill Research expects those to go live for collection before the end of the month. Results of the Target Market Awareness Study will be presented at the Tourism Exchange, scheduled for May 6, 2016 at the Fremont Theatre.

Board Discussion.

Public Comment – None.

*Davison noted that Item #10 has been pulled from the agenda and will be scheduled for another meeting.*

## **11. Fall Campaign Update**

The American Airlines advertorial co-op in American Way Magazine was submitted. The ten-page spread appears in the April issue, US wide, and the total cost was \$180,000. VSLOC assumed \$75,000 of the cost plus the agency commission. The Board viewed the advertorial creative.

Davison presented the marketing campaign metrics for the month of February.

Board Discussion.

Public Comment – None.

## **CEO REPORT**

### **12. CEO Report**

VSLOC organized a vacation rental roundtable with representatives from several vacation rentals throughout the County, as well as BOD member Jim Hamilton and 3 other County representatives who authored the draft ordinance. VSLOC is publishing notes and minutes for the meeting, and making suggestions for changes to the draft.

The 2016 San Luis Obispo County Tourism Exchange is happening May 6, 2016 at 1pm-5pm at the Fremont Theatre in San Luis Obispo. A reception will follow from 5:30pm-7pm at the Mission San Luis Obispo de Tolosa Gardens.

Davison highlighted VSLOC's out-of-market sales efforts, marketing efforts, and public relations efforts, and notified the Board that the VSLOC office will be moving to its final space next door to its current office from Friday, March 18, 2016 to Monday, March 21, 2016.

Board Discussion.

Public Comment – None

## **ADJOURNMENT**

Meeting adjourned at 10:01am.

San Luis Obispo County  
 Visitor's & Conference Bureau  
 2015/2016 March Financial Summary - As of March 31, 2016

<b>Income</b>	<b>This Month</b>	<b>Budgeted for Month</b>	<b>MTD Variance</b>	<b>FISCAL YTD</b>	<b>Budgeted YTD</b>	<b>YTD Variance</b>
PY Carryover	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Dues Paid In Prior Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Membership Dues	\$ -	\$ -	\$ -	\$ 35,762	\$ 46,000	\$ (10,238)
<b>TBID Income</b>						
SLO County Unincorporated	\$ 59,061	\$ 65,113	\$ (6,052)	\$ 531,006	\$ 610,652	\$ (79,646)
SLO City	\$ 35,672	\$ 42,252	\$ (6,581)	\$ 359,667	\$ 413,128	\$ (53,461)
Pismo Beach	\$ 43,368	\$ 47,652	\$ (4,284)	\$ 517,733	\$ 534,470	\$ (16,736)
Morro Bay	\$ 13,490	\$ 15,074	\$ (1,584)	\$ 176,942	\$ 185,209	\$ (8,268)
Paso Robles	\$ -	\$ 25,630	\$ (25,630)	\$ 235,654	\$ 253,763	\$ (18,109)
Arroyo Grande	\$ 4,677	\$ 5,062	\$ (386)	\$ 50,068	\$ 55,043	\$ (4,975)
Atascadero	\$ -	\$ -	\$ -	\$ 61,408	\$ 45,483	\$ 15,924
Grover	\$ -	\$ 1,402	\$ (1,402)	\$ 12,419	\$ 18,911	\$ (6,492)
<b>Total Income</b>	\$ 156,268	\$ 202,185	\$ (45,917)	\$ 1,980,660	\$ 2,162,660	\$ (181,999)
<b>Expenses</b>						
Unclassified(Reserve & Contingency)	\$ -	\$ -	\$ -	\$ -	\$ 142,656	\$ (142,656)
G&A	\$ 31,376	\$ 35,744	\$ (4,368)	\$ 154,094	\$ 145,019	\$ (11,276)
Industry Research and Resources	\$ 11,270	\$ 32,263	\$ (20,993)	\$ 147,227	\$ 179,028	\$ (31,801)
Travel Trade	\$ 40,053	\$ 42,516	\$ (2,463)	\$ 161,778	\$ 218,103	\$ (56,325)
PR	\$ 13,066	\$ 20,746	\$ (7,680)	\$ 85,878	\$ 107,927	\$ (22,048)
Advertising	\$ (20,900)	\$ 179,236	\$ (200,137)	\$ 376,378	\$ 571,257	\$ (194,879)
Promotions	\$ 1,618	\$ 10,530	\$ (8,912)	\$ 17,827	\$ 32,992	\$ (15,165)
Events	\$ 14,081	\$ 19,800	\$ (5,719)	\$ 97,976	\$ 118,280	\$ (20,304)
Digital Marketing	\$ 30,861	\$ 82,143	\$ (51,282)	\$ 431,781	\$ 478,859	\$ (47,079)
Film Commission	\$ 5,538	\$ 15,619	\$ (10,081)	\$ 20,359	\$ 44,936	\$ (24,577)
<b>Total Expenses</b>	\$ 126,964	\$ 438,598	\$ (311,635)	\$ 1,493,298	\$ 2,039,057	\$ (566,109)
<b>Cash Surplus(Deficit)</b>	\$ 29,304	\$ (236,413)	\$ 265,717	\$ 487,363	\$ 123,603	\$ 384,110
<b>Visit SLO County Cash Balances</b>				Current Year Month End	Prior Year Month End	Increase (Decrease)
				\$ 580,334	\$ 181,734	\$ 398,600

Visit San Luis Obispo County  
**Balance Sheet**  
As of March 31, 2016

	Mar 31, 16	Mar 31, 15
<b>ASSETS</b>		
<b>Current Assets</b>		
Checking/Savings		
1010 · CNB - TMD	472,597.44	0.00
1022 · Rabobank Checking	0.00	181,733.70
1020 · CNB - Membership	107,736.16	0.00
1030 · HOB - SAVOR	5,271.36	15,214.05
<b>Total Checking/Savings</b>	<b>585,604.96</b>	<b>196,947.75</b>
Accounts Receivable		
1200 · Accounts Receivable	0.00	-305.40
<b>Total Accounts Receivable</b>	<b>0.00</b>	<b>-305.40</b>
<b>Other Current Assets</b>		
1310 · Prepaid Payroll Tax	3,227.72	0.00
1320 · Prepaid Rent	3,326.70	0.00
1499 · Undeposited Funds	0.00	674.00
<b>Total Other Current Assets</b>	<b>6,554.42</b>	<b>674.00</b>
<b>Total Current Assets</b>	<b>592,159.38</b>	<b>197,316.35</b>
<b>Fixed Assets</b>		
1400 · Fixed Assets		
1405 · Computer Hardware/Software	18,252.12	18,482.10
1410 · Furniture & Fixtures	10,457.32	10,457.32
1425 · Office Equipment	3,843.25	3,843.25
<b>Total 1400 · Fixed Assets</b>	<b>32,552.69</b>	<b>32,782.67</b>
1500 · Accumulated Depreciation		
1505 · Comp. Hdwr/Sftwr. Acc. Depr.	-13,277.94	-11,330.94
1510 · Furn. & Fixt. Accum. Depr.	-9,116.00	-8,799.00
1525 · Office Equip. Accum. Depr.	-1,264.23	-702.23
<b>Total 1500 · Accumulated Depreciation</b>	<b>-23,658.17</b>	<b>-20,832.17</b>
<b>Total Fixed Assets</b>	<b>8,894.52</b>	<b>11,950.50</b>
<b>TOTAL ASSETS</b>	<b>601,053.90</b>	<b>209,266.85</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Credit Cards		
Rabobank Credit Card	17,433.09	0.00
Chase 5458/Master #6675	0.00	2,419.99
<b>Total Chase 5458/Master</b>	<b>0.00</b>	<b>2,419.99</b>
<b>Total Credit Cards</b>	<b>17,433.09</b>	<b>2,419.99</b>
<b>Other Current Liabilities</b>		
2200 · Coast National Line of Credit	79,507.92	0.00
<b>Total Other Current Liabilities</b>	<b>79,507.92</b>	<b>0.00</b>
<b>Total Current Liabilities</b>	<b>96,941.01</b>	<b>2,419.99</b>
<b>Total Liabilities</b>	<b>96,941.01</b>	<b>2,419.99</b>
<b>Equity</b>		
3110 · Fund Balance	34,053.44	34,053.44
1110 · Retained Earnings	147,404.82	175,685.55
Net Income	322,654.63	-2,892.13
<b>Total Equity</b>	<b>504,112.89</b>	<b>206,846.86</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>601,053.90</b>	<b>209,266.85</b>



# Minutes

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## Visit San Luis Obispo County Marketing Committee

### Visit San Luis Obispo County Marketing Committee Meeting Minutes

Tuesday, March 8, 2016

8:30am

Courtyard by Marriott

1605 Calle Joaquin, San Luis Obispo, CA 93405

#### 1. **CALL TO ORDER:** Chuck Davison

**PRESENT:** Ashlee Akers, Jim Allen, Molly Cano, Christen Goldie, Brent Haugen, Gordon Jackson, Lori Keller, Heather Muran, Jennifer Porter

**ABSENT:** Terrie Banish, Judith Bean, Cheryl Cuming, Amanda Diefenderfer, John Sorgenfrei

**STAFF PRESENT:** Becky Singh, Michael Wambolt, Brendan Pringle

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**Call to Order at 8:30am.**

#### 2. **PUBLIC COMMENT (On Non-Agenda Items)**

None.

#### **BUSINESS ITEMS**

#### 3. **Marketing Agency Oral Presentations**

The Marketing Committee heard Oral Presentations from BCF, Belmont, Asterix, M&C Saatchi and Mindgruve.

Committee Discussion – Porter noted that Belmont lacked energy. Akers and Jackson commented that Belmont’s case studies and co-op opportunities were not innovative. Jackson noted that BCF brought a brand unlike the other agencies. Cano and Jackson noted that they were impressed with how BCF understood San Luis Obispo County’s struggles, and did their homework. The Committee agreed that BCF’s creative was excellent. Porter noted that BCF understands the importance of showing value to DMOs and partners. Keller noted that the way that BCF introduced SLO County as a way of life (a spirit) was important. Akers believed that the way BCF divided SLO County into four regions helped to simplify the region to the consumer. Haugen, Akers and Goldie noted that Asterix, by contrast, had dated creative that would not connect with millennials. Haugen said he was impressed by how BCF was the only agency that discussed SLO County’s inventory. Cano noted that she thought Mindgruve gave a great presentation and that she thought Jeff Morris came with a great deal of experience that could be beneficial. Porter said she was decidedly against Mindgruve after hearing them speak. Goldie said she felt that Mindgruve didn’t provide any big ideas for VSLOC, and Haugen noted that their creative wasn’t remarkable. Keller said she felt BCF had a better awareness of SLO County. Muran noted that Mindgruve’s websites seemed a bit “cookie cutter,” and that she liked M&C Saatchi’s co-ops. Muran also noted that M&C Saatchi and BCF would be her top two choices. Porter noted that M&C Saatchi definitely has more fees, but that the decision would likely come down to whether VSLOC wanted to use an agency that was closeby or an agency in Virginia. She added that she was torn between M&C Saatchi and BCF. Haugen said he felt that the “brutal simplicity”



element of M&C Saatchi's proposal was important, and that they could be the agency that brings that simplification. Akers noted that Saatchi pushes the boundaries, and that BCF understands tourism. She also added that it's important that an agency doesn't represent only tourist destination, as it could mean access to valuable partnership opportunities. Goldie noted that the fact that BCF is based in Virginia could be good because they would bring a fresh perspective. Allen noted that he felt like BCF's creative paralleled a lot of Visit California's creative, and that a strong strategy agency like M&C Saatchi would be good.

The Marketing Committee recommended both BCF and M&C Saatchi for approval by the Board.

Public Comment – Kathy Bonelli, Owner of Paso Robles Vacation Rentals and VSLOC Board Member, noted that her choice would be M&C Saatchi.

## **ADJOURNMENT**

**Meeting adjourned at 4:31pm.**

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CONFERENCE CENTER FEASIBILITY STUDY PROPOSAL  
PREPARED FOR

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# VISIT SAN LUIS OBISPO COUNTY

APRIL 2016







5 Park Plaza, Suite 1520, Irvine, CA 92614  
phone 949.861.8340 fax 202.289.6461

April 8, 2016

Chuck Davison  
President & CEO  
Visit San Luis Obispo County  
895 Monterey St.  
San Luis Obispo, CA 93401

RE: Proposal for Conference Center Feasibility Study

Dear Chuck:

B&D VENUES ("B&D") is pleased to submit this proposal to conduct a conference center study for Visit San Luis Obispo County ("Client"). For over 20 years, B&D has been a leader in providing comprehensive advisory services for the planning and development of public assembly and tourism-oriented venues. B&D's approach will ensure that your investment in this study will maximize the economic value of a potential new conference center in San Luis Obispo County. Additionally, we thought it important to note a few factors that uniquely qualify us for this assignment.

- ◆ **A Focus on Actionable Plans:** B&D prides itself on developing actionable plans as opposed to just conducting generic feasibility studies, which more often than not end up sitting on a shelf. Instead, B&D utilizes its broad program management experience to develop plans that are focused on the realities of implementing a project such as this.
- ◆ **Unmatched Knowledge of the Market:** Through recent work on the Cal Poly events center initiative and other engagements with the university, B&D has developed an unmatched understanding of the county and region's hospitality offerings, unique inventory of attractions, and challenges and opportunities that affect demand for this project (This knowledge and associated work effort efficiencies have been reflected in B&D's fee proposal).
- ◆ **California Staffing & Local Continuity:** B&D staff located in our Irvine, CA office will be utilized for this project in order to maximize efficiencies and build upon the strong relationships forged with many of the region's key stakeholders as part of B&D's Cal Poly projects.

Of course, written materials are limited in their capacity to convey the passion and interest we have in serving Visit SLO on this assignment. If you have any questions or require additional materials, please do not hesitate to contact me at 949-861-8340 or [bslater@programmanagers.com](mailto:bslater@programmanagers.com).

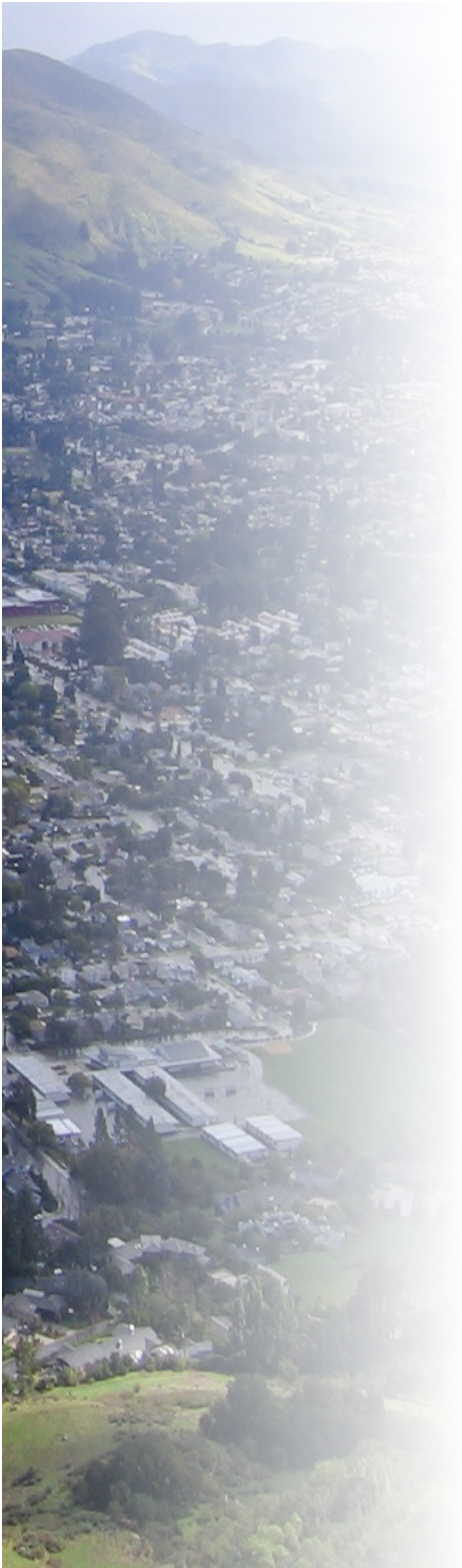
Sincerely,

A handwritten signature in black ink that reads "Bryan Slater".

Bryan Slater  
Project Manager



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**A FIRM OVERVIEW**

**B PROJECT EXPERIENCE**

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# A Firm Overview



**B&D VENUES**

A **BRAILSFORD & DUNLAVEY**  
PRACTICE GROUP

B&D VENUES is a Brailsford & Dunlavey practice group dedicated to serving public agencies, professional sports organizations, colleges and universities, and other institutions in the planning and implementation of their sports and public assembly facilities. Over the course of 22 years, we have worked on nearly 200 venue projects that include conference centers, arenas, stadiums, ballparks, and athletic fields.

**95+**

CONFERENCE/CONVENTION/  
ARENA PROJECTS

**190+**

B&D VENUES ASSIGNMENTS

B&D VENUES' value management approach to facility development seeks to respond to the basic problem facing any entity that aims to develop new, or renovate existing, facilities: how can the project achieve its strategic objectives in the most economical manner possible?

Our services are designed to minimize the four primary types of risk associated with facility development projects—revenue, financing, capital cost, and operating cost— while consistently maintaining a focus on our client's mission as the overriding determinant of project priorities.

Our planning approach integrates market analyses, feasibility evaluations, financial analyses, architectural programming, site evaluation, and economic impact assessment into a comprehensive process, in which users and client decision-makers are involved at every step. As a result, our plans are instrumental tools for strengthening each client's unique mission and achieving specific goals, presenting a road map for successful implementation.



**SERVICES**

- Market Analysis
- Premium Seating Demand Analysis
- Facility Programming
- Financial Analysis & Strategy
- Economic Impact Analysis
- Site Analysis & Concept Development
- Athletic Master Planning
- Entertainment District Planning
- Priority Seating Programs
- Food & Beverage Planning
- Funding & Financing Support
- Business Planning
- Negotiations of Agreements
- Assembly of Project Team
- Design Phase Management
- Construction Phase Management
- Furniture, Fixtures & Equipment
- Facility Move-In & Operations Start-Up

Our implementation services emphasize the facilitation of our clients’ decision-making processes and the relentless execution of their vision. Whether selecting and managing architects and builders, or maintaining control over quality, cost, and schedule, our role is to ensure that our client’s performance criteria are met in every aspect.

A member of *Engineering News-Record’s* “Top 50 Program Management Firms,” B&D is a minority-owned corporation with offices located in Irvine, Atlanta, Austin, Boston, Charlotte, Chicago, Columbus, Detroit, New York City, and Washington, D.C.—and features a client base in all 50 states. ♦

Conference and convention centers are extraordinary assets to their municipality and to the surrounding community. B&D VENUES’ planning and implementation services ensure the optimal functionality and utilization of these facilities.

# **B** Project Experience





## CALIFORNIA POLYTECHNIC STATE UNIVERSITY

### EVENTS CENTER / HOTEL / CONFERENCE CENTER FEASIBILITY STUDY AND ECONOMIC IMPACT ANALYSIS

SAN LUIS OBISPO, CA

California Polytechnic State University and Communitas, LLC selected Brailsford & Dunlavey in December 2013 to analyze the market potential for an events center complex on the University’s campus. The proposed development would consist of two primary projects: an events center arena and an integrated hotel and conference center.

B&D’s scope of work included a detailed market analysis that was the basis for separate demand analyses for each part of the project. The market analyses outlined local market conditions; assessed events centers, hotels, and conference centers; and reviewed five case studies and eight competitive comparable projects. Additionally, a financial analysis with an outline program, project budget, and 10-year pro forma was developed for each project type.

B&D discovered that the University-area market was underserved by the existing business- and group-oriented events/hotel/conference properties and that a 145-key, 143,000 square foot hotel / conference center with a known brand name could fill the current need. For the conference center, B&D determined that a program of approximately 22,000 square feet, including a ballroom of 12,000 square feet, would be appropriate for University and commercial use. Total cost for the hotel / conference center project was estimated at \$48 million. B&D’s research did not reveal a need to include a dedicated exhibit space, but rather suggested that the University use the ballroom space for that purpose.

For the proposed events center, a seating capacity of 5,500 in a basketball configuration was recommended to comfortably accommodate tenant and outside event demand. At a project cost of \$107.4 million, the center would include six luxury suites, 300 club seats, 60 court-side seats, and a 300-person hospitality lounge in a 166,000 square foot configuration. B&D’s estimate of the economic impact of this project indicated that recurring operations would support 133 jobs, \$4.9 million in earnings, and \$24.4 million in area economic activity. ♦





**STANFORD  
UNIVERSITY  
SCHOOL OF  
MEDICINE**

**MULTIPURPOSE  
CONFERENCE CENTER  
BUSINESS PLAN**

MENLO PARK, CA

Brailsford & Dunlavey was retained in 2009 to assist Stanford University School of Medicine in operationalizing the planned Li Ka Shing Center for Learning and Knowledge. B&D developed a building opening and an operational plan for the Center, including core business planning tools. Additionally, B&D helped the School recruit and select the Center’s key management position; this conference center and retail services manager, for which B&D wrote the position description, would be responsible for supervising all business operations and staff. Finally, B&D was tasked with negotiating a long-term, financially sustainable agreement with the campus food service operator for the operation of the facility’s catering and retail services.

The 118,000 square foot, \$90 million Center opened in the fall of 2010. The facility includes a state-of-the-art conference center, classrooms, administrative offices, and a small recreation center dedicated to the School’s graduate population. ♦



**UNIVERSITY OF OREGON**

**CONFERENCE FACILITIES FEASIBILITY ANALYSIS**

EUGENE, OR

In January 2011, the University of Oregon selected Brailsford & Dunlavey to conduct a feasibility study for proposed conference facilities in the planned expansion and improvements of the Erb Memorial Union. B&D recently had completed a master plan for the Union’s expansion, which called for expanded conference facilities and a new concert hall. These new facility components would provide the University with ample space to serve the campus as well as the Eugene / Springfield communities, and to expand upon the University’s destination value.

B&D’s approach required both primary research and a review of existing usage of comparable conference facilities in the region. An understanding of current levels of demand was essential for the projections influencing the financial model. The overall work plan included:

- ◆ A series of interviews with both on-campus stakeholders and potential users located throughout the region
- ◆ A review of surveys distributed to campus departments and staff to assess potential markets for on-campus conferences
- ◆ A competitive context analysis for conference space and catering operations that would be the basis for conference facility sales
- ◆ A demand analysis to quantify the potential usage of the conference facility, based on its availability
- ◆ A financial analysis to project income and expenses for the conference facilities based on demand usage, further defined by usage type

B&D confirmed that the addition of conference facilities would give both the University and the EMU a resource that most major research universities already possessed in their inventory. Flexible conference space size and capabilities would be required to achieve financial feasibility, as well as to respond to various users and conference demand throughout the year. Taking into account conservative, mid-range, and aggressive assumptions, B&D crafted a financial analysis that measured performance for each recommended program element. ◆

# Work Plan

## PROPOSED WORK PLAN

### I. Project Initiation

- A. Upon notification that B&D VENUES (“B&D”) is to begin work, B&D will coordinate a **kick-off meeting** for the Conference Center Feasibility Study (“Project”). The meeting may include staff from Visit San Luis Obispo County (“the Client”), San Luis Obispo County (“County”) government, and other stakeholders as recommended. The purpose of the meeting is to verify and confirm the objectives of the study, discuss timelines, gather background information, and discuss any previously completed studies/analyses.
- B. The project initiation meeting will culminate in a **tour of potential conference center sites**. Prior to the meeting, B&D will collaborate with the Client to identify up to eight (8) potential sites within the County.
- C. B&D will submit a **document and data request** to collect any previously prepared documents and pertinent information such as previously completed studies, hotel market performance, visitation statistics, and other items.

### II. Local Market Conditions

- A. B&D will **evaluate demographic and socioeconomic characteristics, factors, and trends** that affect the demand for a new conference center project located in the County. The analysis will update findings contained in the previously completed analysis for Cal Poly in 2013. Specific factors analyzed will include:
  - 1. Market demographics, including population, income, age, patterns of growth and change, and retail sales.
  - 2. Transportation factors such as airplane passenger enplanement, rail access, and automobile drive time distances and times to nearby communities.
  - 3. Hotel inventory and data such as occupancy, average daily rates, seasonality trends, and segmentation.
  - 4. Existing or planned conference, convention, and meeting facilities in the County.
  - 5. Historical statistics for visitation in the region and for attractions by season.

### III. Demand Analysis

- A. B&D will **analyze nationwide, macro-level trends** for convention and conference space demand through sources such as the Bureau of Economic Analysis, Department of Commerce, publications such as *Trade*

*Show Executive* and reports published by the International Association of Conference Centers.

- B. Building on information collected in the previous analysis, B&D will **analyze competitive facilities** to identify any market niches not being accommodated by the current supply of facilities in the regional marketplace. Characteristics for each facility will include driving distance to the geographical center of the County, utilization levels, the applicable exhibition space, number of meeting rooms, room quantity, ballroom size, and sellable space in terms of square feet. Demographic characteristics on a 25-, 50- and 100-mile basis will be compared and contrasted with the competitive facilities identified.
- C. B&D will conduct a **comparable facilities analysis** to identify the scope, scale, and makeup of successful contemporary facilities. The analysis will analyze exhibition space, meeting rooms, room quantity, ballroom size, and sellable space in terms of square feet. Each facility identified will be summarized in brief case studies detailing funding method, user groups, event breakdown, and approximate cost recoveries.
- D. B&D will **conduct interviews** with local user groups, SMERFE (“Social, Military, Educational, Religious, Fraternal, and Ethnic”) group leaders, government and tourism officials, business leaders, competitive building managers, and CVB representatives to inform demand levels. When possible, interviews will be conducted with competitive facility

managers to understand successful patterns of operation and nuanced regional demand trends. B&D anticipates conducting approximately 45 telephone interviews lasting 15 to 20 minutes each.

- E. B&D will **develop an outline facility program**. Event capacities and capabilities, such as the number and configuration of meeting rooms, ballrooms, boardrooms, and exhibition spaces will be determined. B&D will calculate the total area in square feet that will be required, as well as the size of the facility’s “footprint.” The facility program serves as the basis for the financial analysis and design concepts.

#### **IV. Site Analysis**

- A. B&D will **analyze site opportunities** and constraints for up to eight (8) sites as identified in the project initiation phase. Each site will be evaluated based on a number of issues, including proximity to hotels, synergies with existing and planned developments, transportation accessibility, infrastructure, and environmental considerations, among others. Each site will be ranked and scored to identify the site most suitable for development.
- B. Based on the outline program developed and site analysis findings, an architectural design partner (TBD) will **develop conceptual renderings and a site plan** for the preferred conference center concept.
- C. B&D will **conduct a working session** with the Client and stakeholders as recommended by the Client to present the findings of analyses completed to date

(phases I thru IV), solicit input on findings, and review the remaining phases of work.

## V. Financial Analysis

- A. B&D, with assistance from a local construction management firm, will **develop a conceptual development budget** based on the site analysis and outline facility program. Costs will be classified into hard and soft cost categories, including appropriate contingencies.
- B. B&D will **develop an estimate of potential conference center utilization**. Three scenarios will be developed to depict an array of potential event and financial outcomes. Events will be classified as conferences, conventions, meetings and banquets, entertainment events, and university uses.
- C. B&D will **develop an integrated financial model and operating pro forma** for the project. The financial model and operating pro forma will be integrated with the facility program and development budget. The pro forma will include summaries of the models' detailed schedules of revenues, operating expenses, and development costs. The model will include analyses of debt coverage ratios, summaries of hard and soft costs of development, and outlines of all relevant financing parameters. As part of the model, a detailed staffing schedule and projections of revenues and expenses for various fee-based services will be developed.

- D. Utilizing the financial model, B&D will **conduct sensitivity analyses** in order to test variations in input projections, including conservative, moderate, and aggressive assumptions thus quantifying the level of risk associated with each assumption to recommend an appropriate course of action.
- E. Working with the Client, B&D will **identify potential funding options** available at the municipal- and county-level. Typical options include rental car taxes, special purpose sales taxes, hotel taxes, food and beverage taxes, tax credits, grants, and partnerships, among others.

## VI. Economic and Fiscal Benefits Analysis

- A. B&D will **analyze the direct and indirect economic benefits** of construction and recurring operations of the Project. From a direct perspective, the number and types of jobs will be projected on a recurring basis (operation) and non-recurring basis (construction). The analysis relies on Minnesota Implan Group ("MIG"), Inc.'s I-RIMS input-output multipliers to quantify jobs supported, earnings, and economic activity. In accordance with the local market conditions and demand analysis, B&D will project direct and indirect economic benefits to the County.
- B. In addition, B&D will **identify non-quantifiable, "quality of life" benefits** that a new conference center facility could offer the County.



- C. The respective and applicable tax rates for the County and the state of California will be applied to the operating projections and construction costs to **identify potential fiscal benefits**. The fiscal benefits will be broken down into two primary categories: impacts from construction and impacts associated with recurring operation of the conference center facility. The anticipated fiscal benefits will also be quantified by conducting a Net Present Value analysis quantifying the benefits over the financing term of the Project (typically 20 – to 30-years) for the County, California, and selected city.

## VII. Reporting

- A. Upon completion of all scope tasks, B&D will **issue a draft final report** for review and comment by the Client.
- B. Delivery of the draft final report will be followed by a visit by B&D to participate in a **final presentation**.
- C. With comments from the draft final report and final presentation, B&D will **issue a final report**, which will include an executive summary document and a separate technical document that will include all of the analysis and research completed in association with the Project.

# D Proposed Fee

Through our varied experiences, our clients have come to realize that their projects' successes can be traced back, in part, to the careful planning that preceded design and construction. They know that B&D never offers a "one-size-fits-all" approach that favors expedience over due diligence. Rather, our thoughtful and distinctive approach to problem solving enables our clients to make the most informed decision possible on every project engagement. Our final work products do not sit on shelves collecting dust; they are instrumental tools for strengthening each client's unique mission and achieving specific goals. As opposed to being a show piece, our work product is a "go" piece, giving our clients a road map for successful implementation.



Phase/ Tasks	Fee
<b>I. Project Initiation</b>	
A. Project Initiation / Visioning Meeting with Client (Trip #1)	
B. Tour Potential Sites (Up to 8 Sites)	
C. Review and Analysis of Previously Prepared Documents	
<b>Sub-Total</b>	<b>\$4,500</b>
<b>II. Local Market Conditions (Update)</b>	
A. Secondary Research	
1 Demographics	
2 Transportation	
3 Hotel Facilities	
4 Local Facilities	
5 Visitation Statistics	
<b>Sub-Total</b>	<b>\$3,000</b>
<b>III. Demand Analysis</b>	
A. Conference and Convention Center Trends (Macro)	
B. Competitive Facilities and Markets (Update)	
C. Comparable Facilities and Case Studies	
D. Primary Research (Up to 45 Interviews)	
E. Develop Outline Building Program	
<b>Sub-Total</b>	<b>\$16,900</b>
<b>IV. Site Analysis</b>	
A. Analyze Site Factors (Up to 8 Sites)	
B. Conceptual Renderings & Site Plan	
C. Working Session (Trip #2)	
<b>Sub-Total</b>	<b>\$13,500</b>
<b>V. Financial Analysis</b>	
A. Conceptual Budget by Preferred Site	
B. Estimated Utilization Levels	
C. Pro Forma and Integrated Financial Model	
D. Sensitivity Analysis	
E. Identify Funding Options	
<b>Sub-Total</b>	<b>\$11,800</b>
<b>VI. Economic and Fiscal Benefits Analysis</b>	
A. Quantify Economic Benefits	
B. Intangible Benefits	
C. Quantify Fiscal Benefits	
<b>Sub-Total</b>	<b>\$9,500</b>
<b>VII. Reporting</b>	
A. Issue Draft Report	
B. Final Presentation (Trip #3)	
C. Issue Final Report	
<b>Sub-Total</b>	<b>\$8,200</b>
<b>Total Professional Fees</b>	<b>\$67,400</b>
<b>Estimated Reimbursable Expenses</b>	<b>\$3,729</b>

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PROPOSAL TO PROVIDE CONSULTING SERVICES

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## Conference Center Study

SAN LUIS OBISPO COUNTY, CALIFORNIA



**SUBMITTED TO:**

Visit San Luis Obispo County  
Chuck Davison  
805.541.8000  
chuck@visitsanluisobispocounty.com

**PREPARED BY:**

HVS Convention, Sports, & Entertainment Facilities Consulting  
205 West Randolph, Suite 1650  
Chicago, Illinois 60606  
312-587-9900

April 13, 2016



April 13, 2016

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Mr. Chuck Davison, President & CEO  
Visit San Luis Obispo County  
Phone: 805.541.8000  
Email: [chuck@visitsanluisobispocounty.com](mailto:chuck@visitsanluisobispocounty.com)

Re: Conference Center Study

Atlanta  
Boston  
Boulder  
Chicago  
Dallas  
Denver  
Las Vegas  
Mexico City  
Miami  
Nassau  
New York  
Newport  
San Francisco  
Toronto  
Vancouver  
Washington  
Athens  
Buenos Aires  
Dubai  
Hong Kong  
Lima  
London  
Mumbai  
New Delhi  
Sao Paulo  
Shanghai  
Singapore

Dear Mr. Davison,

HVS Convention, Sports, & Entertainment Facilities Consulting (“HVS”) is pleased to present this proposal to provide a Conference Center Study for Visit San Luis Obispo County.

HVS is the largest hospitality consulting firm in the world and brings extensive experience in analyzing conference, convention, and hotel facilities. Our principals have advanced degrees in public policy analysis, as well as experience serving in governments. HVS brings a unique understanding of the public policy decision-making process to each of our public-sector engagements and to our role as a trusted advisor.

HVS has experience analyzing your market area for hospitality developments, including 55 hotel projects in San Luis Obispo County since 2008.

The attached proposal includes all the information requested in the RFP. On behalf of our firm, we are excited about this important project and we look forward to hearing from you.

Very truly yours,

Thomas Hazinski  
*Managing Director*  
HVS Convention, Sports, & Entertainment  
Facilities Consulting



## Proposal to Provide a Conference Center Study

HVS is pleased to present the following proposal to provide a Conference Center Study for Visit San Luis Obispo County.

Our submittal is organized in the following sections.

1. Firm Overview
2. Experience
3. Scope of Work
4. Price
5. Additional Information



# 1. Firm Overview

## Primary Contact

Thomas Hazinski will serve as the main contact regarding this submittal:

Thomas Hazinski, Managing Director  
HVS Convention, Sports, & Entertainment Facilities Consulting  
205 West Randolph, Suite 1650  
Chicago, IL 60606  
Phone: 312-587-9900  
Fax: 312-488-3631  
Email: thazinski@hvs.com

## HVS Firm History

Since 1980, HVS, the leading global hospitality consulting organization, has provided financial and valuation consulting services for over 35,000 assignments throughout the world for nearly every major industry participant. Our professional staff of more than 450 industry specialists offers a wide range of services, including market feasibility studies, valuations, strategic analyses, impact studies, advisory and development planning, and litigation support. With over 35 offices in 15 countries, we offer one of the most comprehensive knowledge bases in the industry. Last year alone, HVS completed more than 3,000 feasibility studies, appraisals, and consulting engagements. HVS is respected worldwide by developers, underwriters, operators, and investors. We operate independently as consultants and have no ownership in any venues.

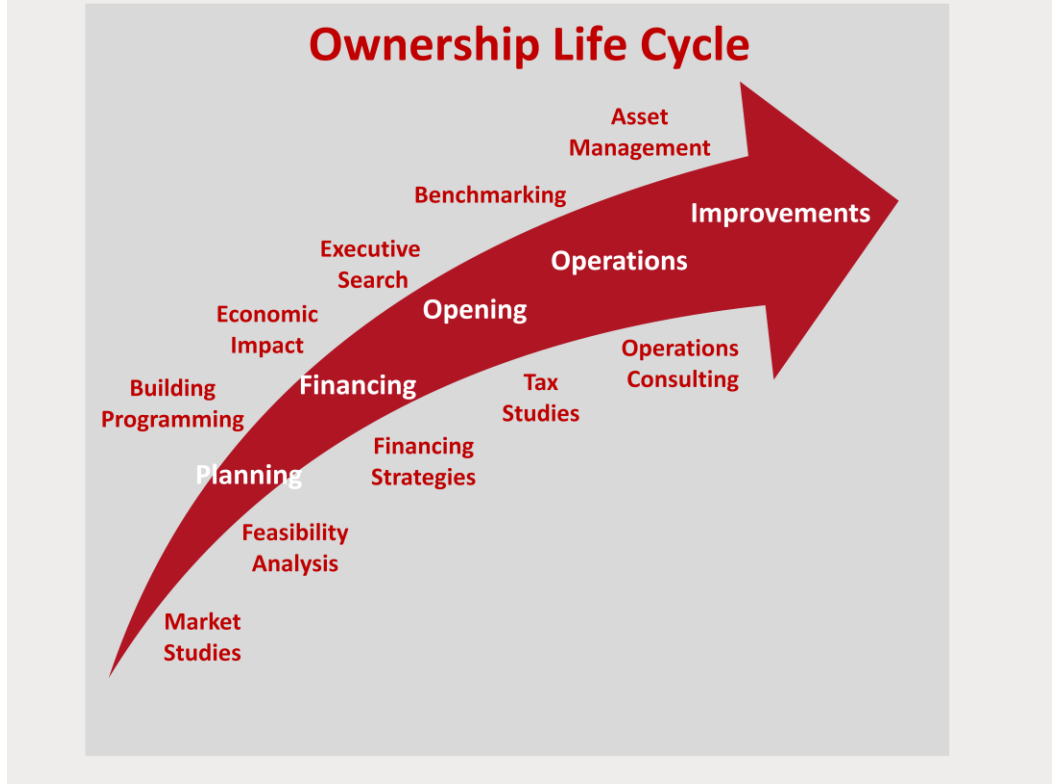
By engaging HVS for this assignment, you will benefit from access to some of the most experienced hospitality consultants in the industry and the industry's most comprehensive databases. Our reputation among investors, bankers, rating agencies, developers, and public officials is extremely important to us and ensures that we pay close attention to each engagement we accept.

HVS offer a wide range of skills and experience in the analysis of a variety of land uses including: convention and conference centers, hotels, civic and event centers, entertainment and arts centers, sports facilities, restaurants, casinos, and other land uses related to hospitality and tourism. To address the specific needs of your project, we have assembled the best team within HVS to address the hospitality land uses anticipated in the development.

## HVS Convention, Sports, & Entertainment Facilities

Since 2001, HVS has served public and private owners of convention, sports and entertainment facilities. We have completed hundreds of assignments throughout the world analyzing the feasibility of convention and conference facilities, hotels, event and performing arts centers, mixed-use hospitality developments, civic centers, sports facilities, tourism attractions, and other public assembly facilities. We serve owners through the life-cycle of public facilities ownership from the project inception and throughout their operation and ongoing improvement.

## HVS SERVICES TO PUBLIC FACILITY OWNERS AND OPERATORS



We have performed numerous market, operational, feasibility, and economic impact studies of publicly-developed projects. Our studies often appear in municipal bond offering statements and our staff has presented these studies to rating agencies, bond insurers, and investors. As a global hospitality consulting firm, HVS has many resources at its disposal that our competitors lack.

HVS provides the following services:

- Market studies
- Financial feasibility analyses
- Building program and site recommendations
- Operational assessments
- Economic and fiscal impact analyses
- Demand projections
- Benchmarking studies
- Financing strategies

- Tax revenue projections
- Development assistance (including solicitation of development and management companies)

### **Objective Advice to the Public Sector**

HVS prides itself on providing public sector clients with analysis and recommendations designed to result in the most efficient use of public resources. We regularly recommend against projects and/or suggest modifications to prior assumptions whenever necessary. The HVS team regularly works for municipal clients - approximately 90 percent of our work is conducted for public-sector clients.

Our business philosophy is to always provide our clients with the best available objective analysis based on sound methods and assumptions. HVS works for a wide range of industry participants including public owners, lenders, private developers, and operators. They rely on our advice to make important investment decisions and use our services repeatedly precisely because they can rely on our credibility. This philosophy is consistent with our academic background in public policy and our prior years of service in the public sector.

### **Public Input**

The HVS team regularly works for municipal clients and tourism agencies providing analysis of public assembly facilities. Many of our projects require our team to assist the community in consensus building and providing a public process to include multiple stakeholders in the decision making process. Our team members have led a variety of public meetings with stakeholders. We commit to work with closely with the leaders and stakeholders in San Luis Obispo County to ensure our recommendations reflect the local community.

### **Local Sensitivity**

HVS as a firm has completed over 55 hotel studies in San Luis Obispo County since 2008 including projects in Arroyo Grande, Atascadero, Brea, Cambria, Grover Beach, Morro Bay, Paso Robles, Pismo Beach, Pismo, Ragged Point, San Luis Obispo, and San Simeon. As part of these recent analyses, we have current and historical data on the hospitality market in San Luis Obispo County.

**Key Staff**

The following HVS staff assigned to this project bring the mix of market knowledge, industry experience, and analytical skills needed for the assignment.

**Thomas Hazinski**

Thomas A. Hazinski, Managing Director of HVS, has over 25 years of experience in the public policy arena as a public official and as a consultant. He specializes in providing economic and financial research to public agencies and private developers involved in economic development initiatives. For the past twenty years, Tom has specialized in the analysis of convention, sports and entertainment markets and associated real estate developments. In January 2001, he started the Chicago office of HVS as its Managing Director. Tom holds a Masters Degree in Public Policy from the Harris School of Public Policy at the University of Chicago, where he specialized in municipal finance. He completed four years in the post-graduate degree program, including doctoral course-work, before leaving to pursue active management. Tom has managed over 400 assignments related to the analysis of public assembly facilities. His experience in California includes work in Torrance, Monterey, Mammoth Lakes, Oakland, and Visalia. Other experience includes convention/conference studies in Fredericksburg, Plano, Amarillo, and San Antonio, Texas; Boston, Massachusetts; Brookings and Madison, South Dakota; New Orleans, Louisiana; Fargo, North Dakota; Brookfield and Racine, Wisconsin; Telluride and Vail, Colorado; Portland, Oregon; Tallahassee, Florida; Albany, New York; and many other large and small venues. Tom will serve as project manager and primary client contact for this work in San Luis Obispo County.

**Suzanne R. Mellen, MAI, CRE, FRICS, ISHC**

Suzanne R. Mellen is the Managing Director of the San Francisco office of HVS, a full service consulting and valuation firm which specializes exclusively in hotel and related properties on a worldwide basis. Prior to establishing the San Francisco office in 1985, Ms. Mellen was Director of Consulting and Valuation Services for the firm in Mineola, New York. Her professional experience includes consulting and appraisal positions with Morgan Guaranty Trust, Laventhol & Horwath and Helmsley-Spear Hospitality Services, Inc. in New York City and with Harley-Little Associates in Toronto, Canada. She gained her operational experience with Westin Hotels at the Plaza Hotel in New York. Ms. Mellen has a BS degree in Hotel Administration from Cornell University and holds the MAI designation of the Appraisal Institute, the CRE (Counselor of Real Estate) designation of the Counselors of Real Estate, and the ISHC designation from the International Society of Hospitality Consultants. She has been providing consulting and appraisal services for hotels and related real estate for over 25 years. Suzanne lead numerous recent studies in San Luis Obispo County, including projects in Arroyo Grande, Atascadero, Cambria, Grover Beach, Morro Bay, Paso Robles, Pismo Beach, San Luis Obispo, and San Simeo.

**Catherine Sarrett**

Catherine Sarrett is a Senior Director with HVS and performs market analysis and feasibility studies for convention, conference, sports, and entertainment facilities. Cathy has spent over 20 years in the convention, sports and entertainment field as a consultant, financial analyst, and owner's representative during design and construction. She recently studied the expansion options for the Fargodome in Fargo, North Dakota and the Wisconsin Center in Milwaukee. Recent project experience includes a feasibility study of a convention/conference center development in Cedar Rapids, Iowa and Tallahassee, Florida, a feasibility analysis of a hotel and conference center in suburban Columbus, Ohio and Park City, Utah, and an assessment of the convention center market in Memphis. She recently completed an expansion analysis of the Telluride Conference Center. Other work includes analysis of the Broward County, FL Convention Center, the Ernest N. Morial Convention Center in New Orleans, the Amarillo Civic Center, the Robinson Center in Little Rock, Arkansas, as well as the study of a potential soccer stadium in San Antonio. Cathy also served as the owner's project manager for the design and development of the Wachovia Center in Philadelphia, PA. She received her Bachelor of Science in Civil Engineering from Duke University and spent several years as a structural engineer before entering the Wharton School of the University of Pennsylvania where she received her Master's of Business Administration in Finance and Marketing. Cathy would serve as the conference center feasibility analyst.

### **Brian Harris**



Brian Harris, Director at HVS brings extensive experience in public facility financing to HVS. He served as Vice President of Analytical Services, ScheerGame Sports Development, LLC and worked in a similar capacity at William R. Hough & Co. Prior to that, Harris was deputy manager of public finance at Raymond James. During his 25-year career as an analyst and as a manager of analytical services, he has worked on over 1,000 municipal financing projects ranging from basic general obligation bond issues to complex derivative transactions. His experience providing analysis for convention or conference centers and financing strategies includes the Dallas Convention Center Complex; the proposed Albany, NY Convention Center and Hotel; the Tucson Convention Center; Ft. Lauderdale/Broward County Convention Center; and McCormick Place in Chicago. He conducted an analysis for headquarter hotels in Virginia Beach, VA, Aurora, CO, Houston, TX, Chicago, IL, Bloomington, IN, Tucson, AZ, Portland, OR, Fort Lauderdale, FL, and Albany, NY. Brian would provide the hotel market analysis.

### **Alex Moon**



Alex Moon is an Analyst at HVS. He provides research support for senior HVS staff in the performance of market, feasibility, tax, and impact studies. Alex earned his Bachelor of Arts in Mathematics, Economics, and Mathematical Methods in the Social Sciences (MMSS) from Northwestern University. He recently provided research and analysis for development of a new conference center in Torrance, California and a large mixed-use real estate development in Athens Greece, as well as a convention/conference center analysis in Racine, Wisconsin. Alex would serve as an analyst and researcher.

### **Jorge Cotte**



Jorge Cotte is an Analyst at HVS. He provides research support for senior HVS staff in the performance of market, feasibility, tax, and impact studies. Jorge earned his Bachelor of Arts in Economics from the University of Chicago. He recently provided research and analysis for the expansion of the Wisconsin Center in Milwaukee, various tourism attractions in Loveland, Colorado, and a mixed-use tourism development in Madrid, Spain. He is currently assisting with analysis of a waterpark development in Marbella, Spain, and a mixed-use entertainment development in Muskegon, Michigan. On this project, Jorge may serve as analyst.



## 2. Experience

Market and feasibility studies require a combination of rigorous analysis and creative thinking. The projects highlighted below demonstrate our experience providing market and feasibility analysis, as well as serving as a trusted advisor to many municipalities. A complete list of our projects is provided Section 5.



**Torrance, California** – In 2013, the City of Torrance, California hired HVS to provide a market analysis and financial feasibility study of a potential conference center development. The goal of this study was to determine whether and how the community should pursue the planning and development of a facility, determine the appropriate size, site, costs, financial projections, and operations of such a facility. A hotel market analysis was also included in the scope of work. The City of Torrance is located in western Los Angeles County, approximately 10 miles from the Los Angeles Airport. Most of the city’s current event and meeting space is offered in a variety of hotels, as well as at the Torrance Cultural Arts Center. We delivered our preliminary market analysis, which did not support the development of the conference center. It was determined that current and anticipated market conditions would not allow for a successful conference center and hotel in the City.



**Mammoth Lakes, California** – HVS was hired by a private developer to perform a market study and feasibility analysis for the development a conference center in Mammoth Lakes, California. HVS market research analyzed the relationship between the economics and demographics of a community and the potential for conference center development. Our report provided a market analysis, industry trends review, comparable facilities analysis, survey of users, preliminary facility program recommendations for a new conference center, demand projections, analysis of projected financial operations, and an economic impact analysis. HVS also analyzed five sites in Mammoth Lakes for the development. HVS determined that there was potential demand for conference facilities in Mammoth Lakes. It was determined that a conference facility would be best developed and operated in conjunction with a full-service hotel, with a single operator. HVS recommended an integrated hotel conference center with a full-service hotel with a minimum of 180 -200 guest rooms and roughly 16,000 square feet of meeting space.



**Monterey, California** - HVS advised the management of the Monterey Conference Center on methods for tracking and organizing the facility’s performance. Specifically, we developed a system for reporting event demand and attendance for the facility. In 2009, HVS performed two studies for the City of Monterey and the Monterey County CVB. The City of Monterey hired HVS to determine if opportunities exist to increase its market share of the convention and meetings market through the possible expansion, addition or reconfiguration of the Conference Center. The study included a survey of over 890 meeting planners and a market and demand analysis, resulting in building program recommendations,

and finally, financial and tax projections and impact analysis. The Monterey County CVB hired HVS to assess its current market for group and convention demand and, if opportunities exist to increase its market share, determine the correct market mix and universe of potential users for Monterey County. The study resulted in demand projections for group business and identification of the barriers and obstacles, as well as recommendations to increase the demand for Monterey County.

The Monterey County CVB hired HVS to assess its current market for group and convention demand and, if opportunities exist to increase its market share, determine the correct market mix and universe of potential users for Monterey County. The study included a survey of over 890 meeting planners. The survey was intended to serve as a tool to determine how event planners view the Monterey area as a potential location for their events. HVS designed the survey instrument and conducted all surveys. The study resulted in demand projections for group business and identification of the barriers and obstacles, as well as recommendations to increase the demand for Monterey County.



**Fredericksburg, Texas** - The Fredericksburg Convention and Visitor Bureau (“FCVB”) engaged HVS to conduct a market and feasibility study for a proposed conference center in Fredericksburg, Texas. The FCVB tasked HVS with investigating whether the development of a conference center could enhance the demand potential of the meetings market in Fredericksburg and allow the city to compete more effectively for regional and state group meetings business. The study provided a market and feasibility analysis to determine the market demand and appropriate size of any recommended facility. We also assisted in determining the best location of the conference center and if the City has sufficient amenities (hotel rooms, restaurants, entertainment) to support any new development. The study also analyzed the economics, project income and expenses, identify the amount of revenue streams which can support debt, operational models, economic and fiscal impacts, and provide financing case studies. Based on the HVS study, the City will soon release an RFP for a development partner. We are currently providing development assistance services to the City.



**Brookfield, Wisconsin** - The Brookfield CVB engaged HVS to conduct a market feasibility study of a potential conference center development in Brookfield. The goal of this study was to determine whether and how the community should pursue the planning and development of a conference center. Financial projections and financing strategies were also analyzed. The City of Brookfield was located in the Milwaukee MSA, just 15 minutes west of Milwaukee. The City is considered a visitor destination, with strong presence in the business, retail, and industrial sectors, as well as a large mix of hotels and restaurants offerings. The objectives of the HVS feasibility analysis were to determine whether current or anticipated market conditions would allow for a successful conference center in Brookfield. Our study provided the anticipated event demand and recommended the appropriate size of a potential conference center, as well developed a preliminary proforma operating budget and provided financing recommendations. We



presented our original report in 2012 and recently updated the analysis in 2015. The City is moving forward with the conference center development and is currently selecting architects.



**Billings, Montana** – The Billings Chamber of Commerce engaged HVS to conduct a market and feasibility study for a proposed convention center in Billings, Montana. The Billings Chamber tasked HVS with investigating whether the development of a conference/convention center could enhance the demand potential of the meetings market in Billings and allow the city to compete more effectively for regional and state group meetings business. Our study included interviews of key stakeholders, surveys of current and potential users, analysis of existing venue operations, analysis of 13 competitive and comparable conference/convention centers, building program recommendations, event demand and attendance forecasts, developed site evaluation criteria, site analysis of 3 possible areas in the City, construction costs for 3 possible sites, financial forecasts, economic and fiscal impact analysis, and identified potential management and funding approaches for the proposed conference/convention center. HVS issued and presented its final report in March 2015.



**Normal, Illinois** – HVS was engaged by the Town of Normal, Illinois to help develop a 150- to 200-room hotel and conference center property adjacent to the Illinois State University campus. In response to an RFQ drafted by HVS, the Town of Normal entertained ten developer and operator proposals. HVS assisted the Town in evaluating the development proposals, analyzing financing alternatives, and selecting a development team. HVS assisted in the negotiation of the development and operating agreements with the selected team. This project focused specifically on the operations/management/development/construction areas of development consulting. The Bloomington-Normal Marriott Hotel and Carol A. Retain Conference Center opened in 2009.



**Schaumburg, Illinois** - HVS was engaged by the Village of Schaumburg to provide a combined feasibility analysis for a convention center and headquarters hotel proposed in Schaumburg, Illinois. The convention center includes an exhibit hall with approximately 100,000 square feet in addition to 28,000 square feet of ballroom space and 20,000 square feet of break-out meeting rooms. An important aspect of this project is the use of a single operator for both the hotel and convention center. Therefore, financial projections required a detailed analysis of personnel schedules, reflecting the unique staffing structure for the proposed project. The project included event demand projections, hotel occupancy and rate projections, and a ten-year cash flow analysis. The 500-room Renaissance Schaumburg Hotel and Convention Center opened in July 2006. From 2008-2013, the Village of Schaumburg retained HVS to serve as asset manager for the project.



**Vail, Colorado** – The Town of Vail hired HVS to develop a business plan for a new conference center. The voters in Vail passed a referendum in support of the development of a conference center, which included a 1.5 percent increase in the local lodging tax and 0.5 percent increase in the sales tax to fund the project. HVS teamed with LMN Architects and developed a business plan for the facility. Given the unique resort character of the Town of Vail, HVS conducted extensive event planner surveys, interviews, and focus groups to help determine the appropriate facility program and demand potential for the conference center. HVS recommended a conference center with 45,000 square feet of function space, including a 25,000 square foot main ballroom/exhibit space. The Town then hired HVS to provide operator selection assistance. HVS drafted the RFQ and RFP documents to select an operator for the conference center. HVS also analyzed the relationship of the CVB and the proposed conference center. The Town of Vail selected an architect and design work for the facility was completed. The cost of the project increased and the Town held a second public referendum on the project that was defeated.



**Santa Fe, New Mexico** - The City of Santa Fe had sought to facilitate the development or redevelopment of the Sweeney Civic and Convention Center for over ten years. HVS teamed with LMN Architects and Lloyd & Associates Architects to complete the center redevelopment business plan. This plan included a conceptual facility design and a business plan that was informed by community input. Throughout this process the consulting team worked with a convention center development task force appointed by the City Council presented the plan to the community and the governing body in a series of public meetings. HVS responsibilities included reviewing previous feasibility studies, updating target market research, updating previous studies of comparable and competing facilities, providing information on current and potential community and municipal uses, and analyzing financing options. The City moved forward with the development of the new center, which opened in the fall 2008. The 72,000-square-foot Center offers 40,000 square-feet of indoor flexible meeting space.



**Park City, Utah** – The owner of the Canyons Resort engaged HVS to conduct a feasibility study for a proposed conference center in Park City, Utah. The purpose of the study was to develop a plan to improve the Canyons Resort's attractiveness and expand its market share in the group meetings market. The client wanted to determine whether development of a conference center would have a positive impact on hotel occupancies and spending in the resort property. At 4,000 acres, Canyons Resort is the fourth largest ski resort in North America. The resort, which in addition to its skiing and snowboarding amenities, features four lodging properties with over 700 units, a spa, restaurants, and retail shops. HVS surveyed current and potential users of Canyons Resort to understand their needs, their overall impressions of Park City and the Canyons Resort, and the likelihood of booking events in the proposed facility. We also compiled data and analyzed thirteen venues in similarly-sized resort markets across the western United States to determine the competitiveness of Park City. Our findings included an event demand and attendance forecast based on the implementation of the

recommended program, and forecasted the financial operations of the proposed conference center. We were then engaged for a second phase of the analysis to provide a hotel market study for an additional hotel at the resort and an economic impact study of the proposed conference center.



**Tallahassee, Florida:** The City of Tallahassee Community Redevelopment Agency (“CRA”) engaged HVS Convention Sports and Entertainment to conduct a Market & Feasibility Study of a Proposed Convention/Conference Center in Tallahassee, FL. The CRA owned a vacant parcel located in downtown Tallahassee, and wanted to assess development of the site for a new convention/conference center. The site was strategically located between the Florida Capitol complex, Florida A&M University, Florida State University, and Tallahassee’s central business district. HVS conducted a feasibility study determining the market, demand, financial performance of the proposed facility, as well as an economic and fiscal impact analysis. Based on our findings, HVS recommended a 100,000 square foot multi-purpose hall; a 15,000 square foot ballroom; and 27,000 square feet of flexible meeting space.



**Mountain Village, Colorado –** The Town of Mountain Village (“Town”) engaged HVS Convention, Sports & Entertainment to conduct an expansion study of the Telluride Conference Center (“TCC”) in Mountain Village, Colorado. The purpose of the study was to develop a plan to expand and improve the TCC in order to increase its effectiveness and allow for better utilization and increased usage. The Town wanted to determine whether a redesign of the TCC would have a positive impact on hotel occupancies and visitor spending in Mountain Village. In addition to addressing the physical programming of the TCC’s function spaces, HVS also assessed the presence of other visitor amenities in the market and the strategic initiatives which are in place to support the TCC operations. HVS recommended two alternative building programs for review by the City and outlined an action plan of short, medium, and long-term actions to complement and support the above program options. For both expansion options, HVS also provided demand and financial projections, room night estimates, and economic and fiscal impacts.

### 3. Scope of Work

#### Understanding of the Project

Visit San Luis Obispo County is seeking proposals from consultants to provide a feasibility analysis of the current and future needs for a conference center. This study will not only look to determine the demand, but also the appropriate type and size of facility to meet the current and potential needs and determine the best location in the County.

With a population over 250,000, San Luis Obispo County is located along the Pacific Ocean in Central California, between Los Angeles and the San Francisco Bay Area. The County is home to California Polytechnic State University and has large agriculture and tourism sectors. The County is a tourist destination, known for its wineries, historic attractions, and offerings of outdoor recreational amenities.

Visit San Luis Obispo County is looking to capitalize on the increasing role of tourism in market. The community does not currently have a dedicated facility for conventions, conferences, meetings, and events. Although the several hotels and venues offer meeting and event space, no space is able to accommodate over 500 seated attendees. It is felt that now is the time to conduct a study to determine the feasibility of any public involvement in development of a conference center. This proposed venue should serve not only local businesses, conferences and events, but have the ability to attract visitors from outside the area and serve as a generator of visitors from outside the county.

We understand that there may be a variety of stakeholders in San Luis Obispo County who may have wide ranging views regarding any development of public assembly venues in the market. Many of our projects require our team to assist the community in consensus building and providing a public process to include multiple stakeholders in the decision making process. Our team members have led a variety of public meetings and we commit to work closely with the leaders and stakeholders in San Luis Obispo County to ensure our recommendations reflect the local community.

The community would like to consider a conference center with at least 2 ballrooms, with the ability to seat 1,000 people in each or 1,600 when combined, and additional breakout rooms. Two potential development scenarios are under consideration:

1. A public private partnership
2. Development of the new conference center near existing lodging

The study will provide market and feasibility analysis to determine the market demand and appropriate size of any recommended facility. We will also assist in



determining the best location of any new development and determine if the County has sufficient amenities (hotel rooms, restaurants, entertainment) to support any new development. The study will also analyze the economics, project income and expenses, identify the amount of revenue streams which can support debt, and potential operational models. We have included an economic and fiscal impact analysis and financing case studies.

## Methodology

We propose a general study method that we have applied successfully to other projects. However, in our experience, every project presents unique issues and we expect that your project in San Luis Obispo County will require us to be creative and to develop methods of analysis so that we can thoroughly address all of your questions.

Following is a summary outline of our proposed scope of services.

### **Phase 1: Market and Demand Analysis**

- Task 1.1: Project Orientation and Fieldwork
- Task 1.2: Economic and Demographic Analysis
- Task 1.3: Industry Trends
- Task 1.4: Interviews and Surveys
- Task 1.5: Comparable and Competitive Facilities
- Task 1.6: Hotel Supply and Demand Analysis
- Task 1.7: Building Program Recommendations
- Task 1.8: Demand Forecasts
- Task 1.9: Site Analysis

#### *Interim Findings and Workshop*

### **Phase 2: Financial Feasibility**

- Task 2.1: Financial Projections
- Task 2.2: Supporting Amenities
- Task 2.3: Ownership/Management Models
- Task 2.4: Economic and Fiscal Impact Analysis
- Task 2.5: Financing Trends in Public/Private Developments

#### *Reporting and Presentation*

## PHASE 1: MARKET AND DEMAND ANALYSIS

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### Task 1.1: Market Analysis

HVS will meet with client representatives to discuss our study in more detail and to formulate a schedule for performing the fieldwork. At this time, we will gather any information from you that may assist us in performing this assignment. Any introductions to governmental officials, hospitality representatives, and business leaders would increase the effectiveness of our research and expedite the fieldwork process. HVS will also perform the following tasks:

- On-site inspection of the market area, potential sites, and the surrounding area;
- Meet with Visit San Luis Obispo County staff, as well as representatives from other municipalities in the County;
- Obtain previous studies and reports from the client and other sources;
- Conduct interviews with business and government officials in order to collect relevant statistical market data which will be used in locating and quantifying demand for the conference and event space. Primary types of data include quality of supply, seasonality, weekly demand fluctuations, vulnerability to economic trends and changes in travel patterns and other related factors;
- Investigate the existing availability of lodging facilities and amenities to support new facilities;
- Gather data on the types of events currently occurring in the market area in existing venues and any plans for expansions, upgrades, or new facilities;
- Interview local officials such the Chamber of Commerce representatives, economic development agencies, and other related organizations, along with an investigation of the market area to reveal patterns reflecting growth, stability, or decline;
- Research on expense factors relating to local conditions such as labor, energy rates, assessed values and taxes. In most instances, we will attempt to utilize actual expense experience from comparable properties; and
- Gather statistics relating to general economic and demographic trends that indicate future demand potential.

### Task 1.2: Economic and Demographic Analysis

HVS will assess key market variables and economic data, culminating in an analysis of the following:

- Local area conditions
- Demographic and economic characteristics
- Work force characteristics
- Projected economic growth

- Business climate and major employers
- Corporate presence
- Colleges and universities
- Meetings and assembly facilities
- Arts, culture, and entertainment
- Retail destinations
- Hotel supply (including number of rooms by type and meeting space)
- Leisure and tourism and future expected trends
- Visitor industry-related taxes
- Proposed development initiatives
- Transportation/air access and costs

### **Task 1.3: Industry Trends**

HVS will describe the conference, convention and meeting industry and analyze trends in the number of events, attendance, and supply of facilities. An understanding of trends in the demand for and supply of function space provides an important context for evaluating the market potential of existing and proposed venues. Our analysis will conclude with an assessment of the particular implications of these trends for conference and event space in San Luis Obispo County.

HVS will analyze local trends to gain insights about facility needs, customer concerns, lost business statistics, and trends in demand during the past several years. When available, the data obtained during this step will serve as a key input into our thinking about current trends and future demand potential for event space in San Luis Obispo County. Historical demand will provide a basis for understanding whether events in the market are increasing or decreasing in size and number. Lost business data will help us determine what types of events are considering San Luis Obispo County and why these events eventually ended up going to another community. HVS will evaluate whether new conference and event space would address the concerns of a significant portion of meeting and event planners identified in the lost business reports.

### **Task 1.4: Interviews and Surveys**

#### **Interviews with Key Stakeholders**

HVS will interview key informants in person or over the phone to better assess the level of interest in using the potential facility. We will interview government officials, tourism stakeholders, hospitality business leaders, and associations, as well as Chamber of Commerce, business leaders, and representatives of local development agencies to identify local and regional event requirements.

## Surveys

HVS will identify an appropriate sample of event planners that reflects primary segments of current and potential demand in San Luis Obispo County. Our web-based survey will seek information on the characteristics of the events that the respondents plan and their specific facility needs. The information obtained from these surveys will direct and support our facility recommendations. An internet-based survey form HVS tailors specifically to this analysis will enable a large sample of event planners to express their views.

The survey covers a variety of data points that assists HVS to measure the demand for future events and includes the following:

### *Event Characteristics*

- Type of event
- Geographic scope of event (national, state, regional, local)
- Types of spaces required
- Types of services required
- Attendance and room nights
- Anticipated changes in event size
- Past event locations
- Perceived obstacles to holding event in San Luis Obispo County

### *Interest / Impressions of the Market*

Based on our extensive industry experience and our analysis of the San Luis Obispo County market, HVS will determine which destination product issues are likely to have the greatest impact on event planner decisions about where to hold their events. The information obtained in these surveys will enable HVS to gauge the level of meeting planner interest in the market area and conference facilities. HVS will survey a selection of meeting planners to draw conclusions about:

- Overall level of interest in utilizing potential facilities
- Relative attractiveness of peer and competing markets
- Market attractiveness in respect to key site selection criteria

HVS will analyze the responses and present the data in easy to understand tables and charts.



**Task 1.5:  
Competitive and  
Comparable Facilities**

HVS will gather data including the number, size, and quality of existing and potential competitive facilities in San Luis Obispo County's competitive trade area. These facilities will be selected in consultation with Visit San Luis Obispo County. Through interviews and research, HVS will gather the following data:

- Facility size, flexibility, and overall quality,
- Number of supporting hotel rooms,
- Rates for the convention/conference facilities
- If available, levels of event demand by event type, as well as un-accommodated demand,
- Marketing budgets and resources,
- Recent expansions or future plans,
- Surrounding amenities, and
- If available, the revenue and expenses of competitive facilities.

HVS will also compile and analyze data on conference facilities that may not be competitive but are comparable (located in other parts of North America). Data on the physical characteristics, event demand, and financial operations of the comparable facilities may provide models for new conference and event space in San Luis Obispo County. The comparable facilities will be selected in consultation with client representatives using the following criteria:

- Facilities that play similar roles in their communities to the stated objectives for the new conference facility, and
- Facilities that are situated in markets of similar size and destination appeal characteristics.

Analysis of the data on comparable facilities will require HVS to consider each facility in the context of its local market and note the similarities and differences between these facilities and San Luis Obispo County.

**Task 1.6:  
Hotel Supply and  
Demand Analysis**

HVS will perform a hotel supply and demand analysis to assess the current demand for rooms in San Luis Obispo County, as well as the potential of hotel development to support any facility recommendations.

Our hotel analysis will include:

- The demand for transient accommodations will be investigated to identify the various generators of visitation operating within the local market. The current and anticipated potential of (1) corporate transient demand, (2) leisure transient demand, and (3) meeting and group demand segments will be evaluated to determine the extent of existing and future demand. Interviews with officials of business and government, as well as statistical

data collected during the fieldwork, are useful in locating and quantifying transient demand. In conjunction with the identification of potential demand, an investigation will be made of the respective strengths of these markets in terms of seasonality, weekly demand fluctuations, vulnerability to economic trends and changes in travel patterns and other related factors.

- The market orientation of local lodging facilities will be evaluated to determine their ability to support any new conference facility. We will gather data to estimate levels of occupancy, room rates, market segmentation and other pertinent operational characteristics. Some of the factors that will be specifically reviewed include: location, type and quality of facilities, physical condition, management expertise, and chain affiliation.
- Through interviews with hotel operators, developers, governmental officials and others, we will ascertain the status of projects under construction, proposed, or rumored that might enter the market.

We will perform a supply and demand market analysis to determine market conditions with respect to existing lodging facilities. This analysis will result in a quantification and documentation of probable future trends in the market's occupancy and average rate. Based on this information, we will determine whether there is sufficient market demand to support a potential conference facility. We will develop a recommendation as to the optimum number of guestrooms the market will be able to absorb and support any recommended conference facility development. We will determine the future hotel market needs based on current conditions and creation of a new conference facility.

**Task 1.7:**  
**Building Program**  
**Recommendations**

An important part of this analysis will be to provide recommendations that will allow the community to maximize the potential of any new facility both in terms of achieving its demand potential and also in terms of inducing new room nights and maximizing economic and fiscal impacts to the community. HVS will provide preliminary facility recommendations based on our market research, user interviews, surveys, input from facility operators, and what we learn in our evaluation of comparable and competing facilities, which will culminate in facility recommendations.

HVS will develop facility program recommendations, including size, type and configuration of spaces. The functionality and flexibility of these spaces are important elements in the ultimate market success of public assembly facilities. Consideration will be given to the overall quality of the facility, its size, and key amenities that would help it achieve a competitive advantage in the marketplace.

**Task 1.8:**  
**Demand Projections**

HVS will quantify the event demand in several different event categories that may be suitable for the recommended facility. Demand projections will include the number and type of events, number of event days, number and origin of attendees,

and the amount and type of space utilized for the first 10 years of operation for the following types of events:

- Conferences and conventions
- Tradeshows and exhibitions
- Meeting and civic events
- Corporate meetings
- Banquets and social events
- Public/consumer shows/local events
- Entertainment events
- Others as appropriate.

Projections will be provided by day of the week (mid-week vs. weekend business). The demand projection will consider the likely levels of initial demand for the facility and the number of years it will take the project to reach a stabilized point of demand for any new facility that may be recommended as part of this analysis.

#### **Task 1.9: Site Analysis**

The suitability of the land for a conference center is an important consideration affecting the economic viability of a facility and its ultimate marketability. Based on specific criteria, HVS will assess up to five potential sites in San Luis Obispo County that may be appropriate for the recommended facility. We will select sites for analysis with client representatives and assess the amount of land required for the recommended facility.

HVS employs a site evaluation matrix that involves 20-30 variables that help to determine access, circulation, parking, size, topography, visibility, and the availability of utilities, which have a direct impact on the desirability of a particular site. The following figure presents a sample evaluation site matrix developed for another client.

## SAMPLE SITE MATRIX

### EVALUATION OF FOUR SITES BASED ON 24 SELECTION CRITERIA<sup>1</sup>

	Criteria	Weight <sup>2</sup>	Site 1	Site 2	Site 3	Site 4
Site Considerations	Capacity	5	3	3	3	3
	Relative Ease of Land Acquisition	4	1	1	2	2
	Proximate to Hotel Supply	4	2	2	1	1
	Proximate to Restaurants	3	3	2	1	1
	Proximate to Retail	3	3	2	1	1
	Relative Ease of Construction	3	3	3	3	3
	Environmental Concerns	3	3	3	3	1
	Visibility	2	3	1	2	2
<b>Sub-Total Site Considerations</b>			<b>21</b>	<b>17</b>	<b>16</b>	<b>14</b>
Urban	Compatibility with Adjacent Land Uses	5	3	3	1	1
	Impact on Community Relationships	4	3	3	3	3
	Potential for Related Development	3	3	2	1	1
	Compliance with Existing Zoning	2	3	3	1	1
<b>Sub-Total Urban Impact</b>			<b>12</b>	<b>11</b>	<b>6</b>	<b>6</b>
Access	Accessible to Autos	5	3	3	3	3
	Accessible to Trucks	5	3	3	3	3
	Accessible to Pedestrians - Walkability	5	3	2	1	1
	Accessibility to Public Transportation	4	3	3	3	2
	Availability of Existing Parking	2	3	1	1	1
	Capacity for Additional Parking	2	3	2	3	3
	Traffic Impact	1	2	2	3	3
<b>Sub-Total Access</b>			<b>20</b>	<b>16</b>	<b>17</b>	<b>16</b>
Finance	Land Acquisition Costs	5	1	1	3	2
	Cost of Construction	4	3	3	3	3
	Potential for Private Investment	4	1	1	1	1
	Opportunity to Leverage Public Funding	4	1	1	1	1
	Opportunity Costs - Alternative Uses	2	1	2	2	2
<b>Sub-Total Financial Considerations</b>			<b>7</b>	<b>8</b>	<b>10</b>	<b>9</b>
<b>Total All Criteria</b>			<b>60</b>	<b>52</b>	<b>49</b>	<b>45</b>
<b>Weighted Scores<sup>3</sup></b>		<b>MAX</b>	<b>Site 1</b>	<b>Site 2</b>	<b>Site 3</b>	<b>Site 4</b>
	Site Considerations	81	69	59	55	49
	Urban	42	42	39	22	22
	Access	72	71	60	58	54
	Finance	57	27	29	39	34
<b>Total</b>		<b>252</b>	<b>209</b>	<b>187</b>	<b>174</b>	<b>159</b>
<b>Percent of Maximum</b>			<b>83%</b>	<b>74%</b>	<b>69%</b>	<b>63%</b>

1) Each criteria scored on a 1 to 3 scale (1 = site does not conform, 2 = site partially conforms, and 3 = site fully conforms).

2) Rank of the importance of the criteria on a scale of 1 to 5 with five being most important and 1 being least important.

3) The importance of the criteria (weight) X the conformance score = the weighted score.

## Interim Findings and Workshop

Upon completion of the above analysis, HVS will hold a workshop with client representatives to present and discuss our initial findings. Depending on the findings from the analysis, Visit San Luis Obispo County may decide to end the analysis or alter the analysis at this point, if the market assessment does not support development of a new conference facility.

Assuming the findings are positive and a consensus is reached, HVS will proceed with following Phase 2 analysis. We will use this workshop to kick off the Phase 2 analysis.

## PHASE 2: FINANCIAL FEASIBILITY

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### Task 2.1: Financial Projections

HVS uses sophisticated and proprietary software, the HVS CSE Venue Model® (the “Venue Model”) to model facility financial operations. The HVS Model is a Microsoft Excel based program that facilitates the analysis and presentation of public assembly facility demand and financial projections. The Venue Model is extremely flexible, allowing the user to specify the appropriate building program, event types and characteristics, financial parameters, and revenue and expense line items that uniquely describe the operations of any public assembly venue. It produces forecasts of demand and financial operations for a ten-year period.

The demand profile and data from historical operations of existing venues and comparable facilities serve as the primary inputs into the HVS Model. HVS staff will conduct research of expense factors relating to local conditions such as labor and energy rates. The Venue Model separates the fixed and variable components of revenue and expenses. Variable components of expenses will be estimated based on the level of anticipated facility revenue. The fixed expenses are projected based on data from comparable facility operations. In most instances, we will attempt to utilize actual expense experience from comparable facilities. HVS will calibrate the model to accurately reflect the unique characteristics of the market.

HVS will incorporate demand, revenue, and expense assumptions into the Venue Model to reflect the recommended improvements and their demand and operating implications. HVS enters the estimated number of events and average attendance by type of event into the operating Venue Model, which produces estimates of revenue and expense annually over the projection period. The description of financial projections will include a detailed line-by-line account of all revenue sources and expenses. The forecast of financial operations covers the same ten-year period as the demand projections.

### Task 2.2: Supporting Amenities

HVS will identify ancillary support services for the area surrounding the recommended facility. HVS will assess and identify the type of services needed to support the development, which may include:

- Retail and restaurants,
- Hotels,

- Entertainment, and
- Others as identified.

**Task 2.3:  
Operational/  
Management Models**

HVS will research and provide possible operational structures that will best fit the needs and goals in San Luis Obispo County for the recommended facility.

Ownership and operating structures must consider the approach to financing and the Internal Revenue Service requirements for the management and ownership. A municipal corporation or authority, public/private partnership, non-profit or private entities will all be considered in the context of the operating and financing plan.

**Task 2.4:  
Economic and Fiscal  
Impact Analysis**

HVS will provide an economic impact analysis of the recommended conference facility. The impact analysis will be conducted for San Luis Obispo County. The key to an accurate impact analysis is to estimate the net new activity in San Luis Obispo County caused by addition of a new conference facility. When a facility generates room night demand, it may capture some of the existing room night demand or possibly displace demand that would otherwise be in San Luis Obispo County.

HVS uses the HVS CSE Impact Model<sup>®</sup> (the “Impact Model”). The Impact Model allows the user to input spending estimates that reflect the levels of spending that are unique to the local community. This methodology has the potential to produce a much more precise estimate than typical impact estimates that tend to rely exclusively on national spending data.

Once the net new demand impact is known, HVS will use these estimates to calculate the associated spending. HVS will measure four types of net new spending impacts:

1. Overnight visitor spending
2. Day visitor spending
3. Exhibitor spending
4. Event organizer spending

Spending estimates will be based in part on data from the latest version of the Destination Marketing Association International (“DMAI”) delegate expenditure survey. We will adjust the DMAI survey numbers for inflation and to local market characteristics as necessary.

HVS will estimate three types of spending impacts in the analysis:

**Direct impacts** include the visitor expenditures, payroll, and employment resulting from the events and operations occurring at the additional conference and event space.

**Indirect impacts** are the supply of goods and services resulting from the initial direct facility-related spending.

**Induced impacts** represent the change in local consumption due to the personal spending by employees whose incomes are affected by direct and indirect spending.

Indirect and induced impacts are often referred to as the multiplier effects, which vary depending upon the types of spending and the characteristics of the local economy.

HVS will use the IMPLAN input-output model to estimate indirect and induced impacts. IMPLAN is a nationally recognized model commonly used to estimate economic impacts. An input-output model generally describes the commodities and income that normally flow through the various sectors of the economy. The indirect and induced expenditure, payroll, and employment effects result from the estimated changes in the flow of income and goods caused by the projected direct impacts. IMPLAN data are available by state, county, and zip code levels.

### **Fiscal Impacts**

Fiscal impacts represent the incremental tax revenue collected by the municipality associated with the net new spending related to the activity at the facility. For example, our analysis estimates the hotel tax revenue from an overnight stay by an event attendee and considers this a fiscal impact.

HVS will gather data from the municipality on tax rates. Combining this tax rate information with our spending projections, HVS will estimate the impact on a variety of state and local taxes, including sales, income, hotel, food & beverage, car rental, property, and others as applicable. The analysis will result in an estimate of new tax revenue associated with the project in inflated dollars for a stabilized year of demand.

### **Task 2.5: Financing Trends**

HVS will provide case studies of alternative methods of financing the construction of the facility. Case studies from financing plans used in other markets (including facilities in California, as well as nationwide) will help to illustrate various options. HVS will identify various innovative approaches to project financing, including various forms of public/private partnerships.

### **Draft and Final Reports**

Upon completion of the tasks listed above, HVS will submit a draft report and hold a conference call with client representatives to discuss our findings. We will discuss our findings with you and incorporate any agreed-upon changes to the report.

Subsequently, HVS will finalize the study and provide our findings, projections, estimates, and recommendations in a full written report. If requested, we will also present our findings in person to Visit San Luis Obispo County staff. All reports will be provided electronically.



**Schedule &  
Deliverables**

HVS proposes a twelve week schedule for this study. Our team is available to begin the project in May 2016.

Our proposed schedule is outlined in the following table.



## HVS PROPOSED SCHEDULE

Task Description	W-1	W-2	W-3	W-4	W-5	W-6	W-7	W-8	W-9	W-10	W-11	W-12
<b>Phase 1: Market and Demand Analysis</b>	M											
Task 1.1: Project Orientation and Fieldwork												
Task 1.2: Economic and Demographic Analysis												
Task 1.3: Industry Trends												
Task 1.4: Interviews and Surveys												
Task 1.5: Comparable and Competitive Facilities												
Task 1.6: Hotel Supply and Demand Analysis												
Task 1.7: Building Program Recommendations												
Task 1.8: Demand Forecasts												
Task 1.9: Site Analysis												
<i>Interim Findings and Workshop</i>								M				
<b>Phase 2: Financial Feasibility</b>												
Task 2.1: Financial Projections												
Task 2.2: Supporting Amenities												
Task 2.3: Ownership/Management Models												
Task 2.4: Economic and Fiscal Impact Analysis												
Task 2.5: Financing Trends in Public/Private Developments												
<i>Reporting and Presentation</i>												M

## 4. Price

HVS proposes to perform the scope of services for the following fees by phase:

Phase 1: Market and Demand Analysis	\$43,000
Phase 2: Financial Feasibility	\$19,000

In addition to fees, you agree to reimburse us for reasonable out-of-pocket travel and related expenses (such as out-research services including Smith Travel Research, ESRI, and IMPLAN data) incurred on your behalf. Expenses will be billed at cost. Expenses will include all the travel related expenses for the project (three trips to San Luis Obispo County), the cost of all data, and the production of presentation materials and reports. You will be billed monthly for expenses, which will be due and payable upon presentation of our bills. We do ask that all trips to San Luis Obispo County be planned at least two weeks in advance to allow us to book the reasonable airfares.

We are open to a variety of billing scenarios. We would request an initial/retainer payment for authorized phases.



## 5. Additional Information

Included in this section are team qualifications materials, including resumes and a full project/client list.



*www.nbbj.com*

April 08, 2016

Chuck Davison  
President & CEO  
Visit San Luis Obispo County  
1334 Marsh Street  
San Luis Obispo, CA 93401

Subject: Feasibility Study for New Conference Center  
San Luis Obispo, California

Dear Chuck,

We are pleased to submit this proposal for Professional Services for a feasibility study of a new conference center in San Luis Obispo County, California. It is our understanding that Visit San Luis Obispo (“Client”) desires to enhance their county’s ability to host larger conferences and events, and that they wish to evaluate the feasibility of a new conference facility capable of servicing a variety of needs. The feasibility study described herein will provide, among other tasks, market demand and competitive analysis, potential facility size and program, identify potential locations, and outline an architectural vision for the project.

NBBJ has assembled a multi-disciplinary team that we believe is ideally suited to conduct the type of feasibility study required for San Luis Obispo. Conventions, Sports & Leisure International (CSL) is a leading advisory and planning firm specializing in consulting services to the convention, sport, entertainment and visitor industries. Their practice leader, John Kaatz, specializes in feasibility analysis of Convention and Conference Centers, and has extensive experience with similar projects in California, including Monterrey, South San Francisco, Milpitas, Palm Springs, Ontario, San Diego, and others. CSL did the market study for one of NBBJ’s current convention center projects, and we have collaborated several times over the years.

On the physical planning side, NBBJ will be assisted by Don Grinberg, FAIA, one of the nation’s leading architects specializing in convention and conference facilities. Don is an expert in the early phases of planning these facilities, has extensive experience in California, and has worked with NBBJ over the past several years on multiple public assembly projects. Don and CSL have also collaborated on many similar projects throughout the past two decades.

Together, NBBJ, CSL, and Don Grinberg form a very experienced and highly integrated team, that can efficiently perform the feasibility study for this project. On behalf of our project team, I want to express our appreciation for your consideration of our proposal herein, and we look forward to working with you.

## **SCOPE OF SERVICES**

We have outlined below our proposed scope of work. Broken into three phases, the work effort is sequential, and builds on the work of the previous phase. Obviously, should the market study yield negative findings, the project would not proceed beyond Phase 1.

### **PHASE 1 – Project Startup and Market Demand Analysis**

#### Task 1: Market Demand Analysis

For a description of the market analysis process and tasks, please see the attached proposal from CSL.

### **PHASE 2 – Programming, Site Selection, Concept Design**

#### Task 2: Building Program

If the CSL market study for a new conference center results in positive findings, the next phase of the feasibility study will commence. Based on the market analysis prepared by CSL, the NBBJ team will prepare an outline building program for the conference center. CSL will have recommended the size of leasable spaces, and NBBJ will develop the program further to include the necessary front- and back-of-house support spaces for the complete building. This program outline, documenting the gross area of the building, will serve as the basis for site studies, concept planning and design, and cost estimating.

#### Task 3: Site Analysis and Recommendation

With input from CSL's market analysis, local stakeholders, and the outline building program, the team will evaluate the suitability of candidate sites for the project. Criteria to be considered in analyzing sites will include:

- Size and proportions; future expansion potential
- Topography and other natural features
- Access (pedestrian and vehicle)
- Parking availability
- Relationship to other visitor amenities
- Future related development context
- Ability to support the functional building program
- Infrastructure, including utilities
- Highest and best use
- Availability/Procurement issues
- Potential for joint development, PPP implementation
- Potential cost factors

After a short list of candidate sites has been prepared, the team will “test fit” the building program on the candidate sites as part of the methodology to distinguish the positive and

negative features of the sites. It is expected during this site analysis phase of the work that there will be significant input from local stakeholders.

At the conclusion of the site analysis process the team will confirm and document the reasons for selecting the recommended site for the conference center.

#### Task 4: Concept Plan

Using the outline building program and information previously obtained about the preferred site, the NBBJ team will prepare a concept plan for the proposed conference center on the preferred site. This concept plan will show entrances, the organization of the key leasable spaces, public circulation, key back-of-house support spaces and service access. The site plan will indicate the overall approach to open space and the relationship of the building to its surroundings.

The findings of Tasks 2 – 4 will be documented in a final report and presentation at the conclusion of Phase 2. This report will form the basis upon which Phase 3 tasks are developed.

### **PHASE 3 – Visioning and Cost Estimation**

#### Task 5: Concept Design

Following approval by project leadership of the concept plan, the NBBJ team will prepare three (3) renderings of the proposed conference center to illustrate a possible approach to its overall design vision and architectural character. These illustrations will become an essential part of the overall PR package to promote the project, and possibly solicit developer participation in implementing the project. Design work associated with preparation of these renderings is included in basic services; actual rendering cost is reimbursable as outlined below.

#### Task 6: Preliminary Cost Estimate

Based on the Outline Building Program, Concept Plan and Concept Design, the NBBJ team will prepare a preliminary order-of-magnitude estimate of the project's hard and soft costs.

### **SCHEDULE**

It is assumed that Phases 1 and 2 of this feasibility study will take approximately two months to complete, followed by approximately one month to develop final imagery and vision for the project, as well as a conceptual cost estimate. Our team is ready to mobilize and begin work at your convenience. The approximate schedule of work is as follows and can be subject to further discussion:

Week 1	Kickoff in SLO, Initial Workshop
Week 5	Stakeholder Review, Market Study Update, Programming
Week 9	Final Market Study, Program & Site Report
Week 13	Final Vision and Imagery of Project

## COMPENSATION

Fees and expenses proposed for this project are based on the terms and conditions described in section E of this proposal.

### A. Basic Services:

Fees for the professional services described above will be on a lump sum basis with a fee of \$94,710 US Dollars plus reimbursable expenses as described below. Fees are organized by phase as follows, with the understanding that the Client may choose to not proceed with Phases 2 or 3, unless the initial market study in Phase 1 supports continued development.

<u>Phase 1</u>	
NBBJ	\$3,400
Grinberg	\$1,380
CSL	\$25,520
Subtotal	\$30,300
<u>Phase 2</u>	
NBBJ	\$11,900
Grinberg	\$22,310
CSL	\$11,100
Subtotal	\$45,310
<u>Phase 3</u>	
NBBJ	\$14,960
Grinberg	\$4,140
Subtotal	\$19,100
<b>Total (Phases 1, 2, 3)</b>	<b>\$94,710</b>

Services will be invoiced at the conclusion of each Phase, as outlined in the schedule below.

### B. Reimbursable Expenses

Costs incurred at the request of Client, beyond those already included in the above, are considered reimbursable expenses and are billable in addition to our fees for professional services. Reimbursable expenses include but are not limited to:

1. Travel (when authorized by the Client); living expenses in connection with travel; transportation; mileage
2. Telephone / conference call costs; postage; express mail; delivery service; shipping

3. Third-party professional renderings (in-house images, design time, and art direction included under NBBJ basic services above). Professional renderings estimated at approximately \$3000 apiece.
4. Physical model of project

Total estimated reimbursable expenses for this feasibility study are not to exceed \$10,000, as follows: NBBJ - \$2000, Grinberg - \$3000, CSL - \$5000. Client will compensate NBBJ for reimbursable expenses incurred at 1.1 times the actual cost.

C. Additional Services

If Client requests or the project requires services beyond the scope of work described above, NBBJ will notify Client and obtain its consent in writing before starting the additional services. Client will compensate NBBJ for approved additional services on a quoted lump sum basis or on an hourly basis at NBBJ's normal billing rates plus reimbursable expenses at 1.1 times cost.

D. The Architect's (NBBJ) license number is C 11024.

E. Terms and Conditions

1. Payment for services and reimbursable expenses are due within 30 days upon receipt of invoice. Unpaid invoices will incur interest of ten percent (5%) per year on any amount not paid within 30 days of the invoice date.
2. You acknowledge that NBBJ will be given information about the project by you and/or your agents. NBBJ is entitled to rely on the accuracy and completeness of the information provided by Client or its agents. NBBJ shall use its expertise in reviewing and using said information and shall inform the Client immediately of any readily observable errors within the information provided.
3. The authorization to proceed may be terminated by any party upon seven (7) days prior written notice. In the event of termination, NBBJ will be compensated at its current hourly billing rates for all services performed plus reimbursable expenses incurred through the date of termination at 1.1 times cost.
4. NBBJ and its consultants shall perform the services required under this Agreement utilizing the applicable legal standard of care for a project of the type which is the subject of this Agreement. Moreover, NBBJ will be responsible for its actions and those of its consultants and will not charge the Client for revisions to drawings, specifications, or other documents which are required as a result of the NBBJ's or its consultant's actions or inaction.
5. The drawings, specifications and other documents, including those in electronic form, prepared by the NBBJ and NBBJ's consultants are Instruments of Service for use solely with respect to the Project. NBBJ and NBBJ's consultants are the authors and owners of their respective Instruments of Service and retain all common law, statutory and other reserved rights including copyrights.



Chuck Davison  
Visit San Luis Obispo  
April 08, 2016  
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If the terms described in this proposal meet with your approval, please so indicate by signing the attached Agreement and returning one copy to us. Your signature is our authorization to commence professional services.

We truly appreciate the opportunity to offer this proposal, and look forward to working with you and Visit San Luis Obispo County.

Sincerely,



Robert C Mankin, AIA LEED AP  
Partner

Authorization:  
Visit San Luis Obispo County

Signature \_\_\_\_\_  
(Signer affirms authority to sign for the entity represented)

By  
Title  
Date \_\_\_\_\_

Attachments: CSL Scope and Fee Proposal  
Grinberg Fee Proposal



# Visit San Luis Obispo County

## Activity Report, March 2016

### - What's New -



#### San Luis Obispo County 2016 Tourism Exchange

#### **San Luis Obispo County 2016 Tourism Exchange: [RSVP Today!](#)**

Join Visit San Luis Obispo County at the historic Fremont Theatre on Friday, May 6, as we celebrate the countywide impact of the Tourism Marketing District in its first year, and share initiatives and strategies that will move us forward in a united effort during year two! Don't miss this opportunity to hear the latest industry intelligence and trends from guest speakers, learn from tourism industry experts, and network and share strategies with your peers.

Visit San Luis Obispo County President & CEO **Chuck Davison** will be showcasing the major initiatives from the Tourism Marketing District's first year in an overview of the state of the County tourism industry, as well as discuss the strategic plans that will move San Luis Obispo County tourism forward in Year Two; Merrill Research will be presenting the **results of Visit San Luis Obispo County's Awareness Research Study**; **Brandon Feighner** with PKF will provide a SLO County tourism lodging forecast; and Visit California President & CEO **Caroline Beteta** will provide an update on the State of Tourism in California, major statewide initiatives impacting areas like SLO County and the difference Visit California is making with the passage of Dream Big. **The event will be followed by a reception at 5:30pm at the Mission San Luis Obispo de Tolosa Gardens.**

RSVP online at <http://bit.ly/tourism-exchange> and stay tuned for the complete agenda!

#### **April is Pet Friendly Month in San Luis Obispo County:**

Throughout April, Visit San Luis Obispo County is celebrating Pet-Friendly Month. Be sure to share VSLOC's blog posts about pet-friendly activities, including a special guest blog from SLO County native Stella the Pretty Frenchie. From April 1-13, VSLOC is also hosting the annual Top Dog Competition on Facebook. Consumers are encouraged to submit photos of their "top dog" to win a two-night stay at the SeaCrest OceanFront Hotel, wine tasting at Cass Winery, Castoro Cellars, and Lone Madrone, cider tasting at Bristols Cider House and lunch at Splash Café.



#### **Visit San Luis Obispo County Prepares for China Sales Mission**

Visit San Luis Obispo County Director of Travel Trade Michael Wambolt will be jet-setting to the other side of the globe with Visit California as part of their China Sales Mission, happening April 8-18. Wambolt will be meeting with over 80 top travel agents and tour operators during the mission as he travels to Beijing and Shanghai to tackle this important market.

#### **IPW 2016: Co-op Opportunities Still Available!**

The largest tour and travel trade show in the United States is just around the corner. Visit San Luis Obispo County will be heading to New Orleans June 18-23 along with some of our county partners. Appointment scheduling opened April 4th. VSLOC still has space available for co-op partners to participate. Co-op buy-in is \$3600 plus travel expenses. The deadline for this co-op opportunity is April 29, 2016.



#### **San Luis Obispo County Finalists Vie for Several Sunset Travel Awards**

San Luis Obispo County is well-represented among the finalists in the second annual Sunset Travel Awards. Finalists included Paso Robles, CA (Best Wine Country Town), The Canyon Villa in Paso (Best Bed & Breakfast), JUSTIN Winery (Best Vineyard/Tasting Room Experience), Ancient Peaks Winery with Margarita Adventures (Best Vineyard/Tasting Room Experience), Bristols Cider House (Best Micro-Brewery or Distillery), and Vina Robles (Best Outdoor Music Venue). Winners are expected to be announced around June 1 and will be featured in *Sunset's* August 2016 issue, as well as on [Sunset.com](http://Sunset.com).



Visit San Luis Obispo County is a 501c6 tourism non-profit. For more information please call (805)541-8000.



Featured in Wine Enthusiast: Stolo Family Vineyards, Cambria (left); and in Huffington Post: The Shell Shop (Morro Bay) (right).



### VISIT SLO COUNTY WEB ACTIVITY

VISITS: 38,636
UNIQUE VISITORS: 32,504
PAGE VIEWS: 108,338
AVG. PAGE VIEWS/VISIT: 2.80
AVG. TIME ON SITE: 2:04
TOTAL ORGANIC TRAFFIC: 21,612
% OF ORGANIC: 75%
MOBILE VISITS: 29,441

MOST VISITED EVENT: FAIRS & FESTIVALS (2403 VIEWS)
TOTAL BLOG VISITS: 8,623
MOST SHARED BLOG: SURF'S UP AT THE SLO INTERNATIONAL FILM FEST'S 11TH SURF NITE: HTTP://BIT.LY/21TQGJX

### VISIT SLO COUNTY

FACEBOOK
LIKES: 15,583 NEW: 372
TOT. IMPRESSIONS: 840,717
HIGHEST ENGAGEMENT: VISIT CALIFORNIA DREAM EATER VISITS SPLASH CAFÉ (795 ENGAGEMENTS)
MOST REACTIONS: CALIFORNIA'S WILDFLOWERS ARE BLOOMING AND SLO COUNTY IS PUTTING ON A SPECTACULAR SHOW. #FANFRIDAY (896 REACTIONS)

FOLLOWERS NEW
TWITTER: 6149 116
41.7K IMPRESSIONS
TWEETS: 6,617
PINTEREST: 649 1
PINS: 802
INSTAGRAM: 3725 520
POSTS: 613

### VISITOR GUIDE DIST.

WEB DOWNLOADS: 93
GUIDES DISTRIBUTED: 1049
TOTAL: 1142

### THIS MONTH IN SLO COUNTY

SUBSCRIBERS: 36,661
# OF OPENS: 5,449
# OF CLICK-THROUGHS: 735

### THIS WEEK IN SLO COUNTY

CIRCULATION: 840
MOST CLICKED LINK: STR Report—Week of 3/20-3/26

## Trending

### Public Relations

- North American Travel Journalists Association (April)

### Media

- Huffington Post: San Luis Obispo: The New Napa? http://huff.to/1PRYupX
USA Today: 10Best College Towns (San Luis Obispo) http://bit.ly/1q3Uq0A
Mirror.co.uk: The CA coast from SF to LA is best experienced by car http://bit.ly/1SNAUPy
Wine Enthusiast: The Best Vineyard Views in California http://bit.ly/1UGmrbz
Travel & Leisure: America's Best Little Beach Towns http://tandl.me/1Waxnhj

### Travel Trade

- Visit California China Sales Mission: April 8-18 (Beijing/Shanghai)
Connect California Show: April 27-29 (Irvine)
International Pow Wow: June 18-23 (New Orleans)

### Film Commission

- Association of Film Commissioners Intl's Locations & Global Finance Conference: April 21-23
Film Liaisons in California Statewide Film in California Conference: May 21

### Visit San Luis Obispo County Public Relations Update

VSLOC Sr. Communications Coordinator Kylee Jepsen recently attended the Visit California New York Media Event, where she pitched to more than 100 qualified media in the New York travel industry. Additionally, she met deskside with Travel & Leisure Magazine, discussing a strategic PR partnership for future stories. Jepsen is attending the Visit California Texas Media Bootcamp in April, where SLO County will be a featured destination giveaway prize and will provide the only wine distributed in media gift bags. Additionally, she will be attending the Visit California Media Events in Vancouver and Calgary in May.



### VSLOC Hosts Film Scouts on Film Fest FAM Tour

SLO County Film Commission marketing initiatives are in full swing this spring. Film Commission Liaison Kylee Jepsen hosted a familiarization tour in partnership with the SLO International Film Festival, where 24 filmmakers and producers had the opportunity to explore potential filming locations in the County.



### VSLOC Networks with Meeting Professionals at MPI Tradeshow

On March 15, VSLOC Travel Trade Director Michael Wambolt traveled to MPI Sacramento/Sierra Nevada Chapter's annual tradeshow at the California Car Museum in Sacramento, and pitched SLO County to 20 qualified meeting professionals. The tradeshow was a prime relationship building opportunity and helped VSLOC continue to build its lead generating network in the Sacramento area.

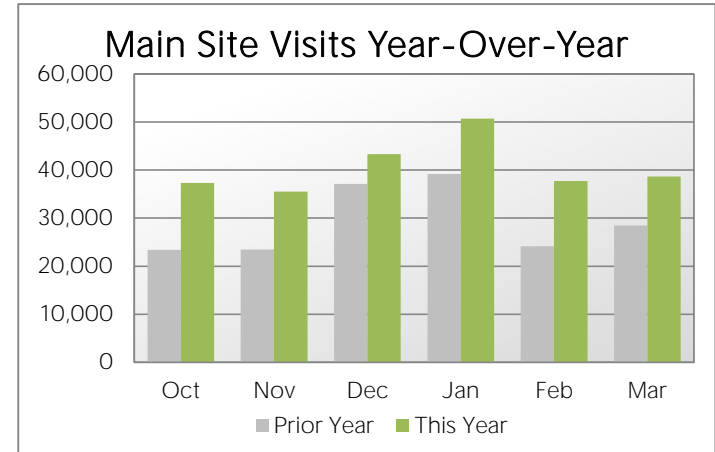


## February 2016 vs February 2015 Lodging Statistics (STR, Inc.)

Current Month - February 2016 vs February 2015												
	Occ %		ADR		RevPAR		Percent Change from February 2015					
	2016	2015	2016	2015	2016	2015	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold
Atascadero, CA+	53.6		111.48		59.75							
Morro Bay, CA+	56.4	57.0	109.11	99.73	61.58	56.89	-1.1	9.4	8.2	8.2	0.0	-1.1
Paso Robles, CA+	63.2	67.6	120.13	116.19	75.96	78.57	-6.5	3.4	-3.3	13.6	17.5	9.9
Pismo Beach, CA+	62.7	63.4	141.00	133.22	88.45	84.44	-1.0	5.8	4.7	4.7	-0.1	-1.1
San Luis Obispo, CA+	66.2	67.2	129.14	121.40	85.53	81.63	-1.5	6.4	4.8	4.8	0.0	-1.5
San Simeon, CA+	52.5	56.3	109.46	103.79	57.48	58.43	-6.7	5.5	-1.6	-1.6	0.0	-6.7
Five Cities+	62.0	62.6	135.45	127.55	83.93	79.84	-1.0	6.2	5.1	5.1	-0.0	-1.1
North Coast+	60.9	61.6	130.39	124.44	79.41	76.69	-1.2	4.8	3.6	3.6	0.0	-1.2
North County+	60.7	66.1	118.08	111.40	71.62	73.63	-8.2	6.0	-2.7	18.2	21.5	11.5
South County+	64.0	64.8	132.37	124.54	84.69	80.69	-1.2	6.3	5.0	4.9	-0.0	-1.3
San Luis Obispo County	62.0	63.5	127.07	119.81	78.83	76.08	-2.3	6.1	3.6	7.7	3.9	1.5
<b>Santa Barbara/Santa Maria</b>	70.3	67.9	162.68	158.66	114.40	107.81	3.5	2.5	6.1	5.1	-0.9	2.5
<b>Monterey/Salinas</b>	63.0	62.8	181.11	168.75	114.09	106.02	0.3	7.3	7.6	7.9	0.2	0.5
<b>California</b>	74.5	73.6	158.82	141.43	118.27	104.06	1.2	12.3	13.7	14.5	0.7	2.0

### Total Traffic Overview:

	Oct	Nov	Dec	Jan	Feb	Mar
Visits:	37,359	35,523	43,292	50,686	37,694	38,636
Unique Visitors:	30,414	28,908	34,379	38,376	31,853	32,504
Bounce Rate:	51%	51%	48%	51%	51%	50%
Pageviews:	109,772	109,024	138,722	156,974	107,927	108,338
Avg Pageviews Per Visit:	2.94	3.07	3.20	3.10	2.86	2.80
Avg Time on Site:	0:02:06	0:02:18	0:02:36	0:02:38	0:02:07	0:02:04
Total Organic Search Traffic:	26,711	24,267	31,112	29,823	24,262	28,907
% of Traffic Organic Search:	71%	68%	72%	59%	64%	75%
Entry Pages From Search:	1,960	1,843	1,769	1,918	1,934	1,943
VisitSLOCounty Visits:	0	6,592	13,104	13,938	18,182	14,643
VisitSLOCounty Bounce Rate:	0%	90%	89%	86%	75%	73%



### Mobile/Tablet Snapshot:

	Oct	Nov	Dec	Jan	Feb	Mar
Visits:	21,160	20,055	25,072	29,441	21,035	21,612
% of visits	57%	56%	58%	58%	56%	56%
Bounce Rate:	54%	54%	50%	57%	57%	54%
Pageviews:	56,219	55,051	73,318	74,611	51,046	53,305
Avg Time on Site:	0:01:51	0:02:00	0:02:20	0:02:08	0:01:44	0:01:45

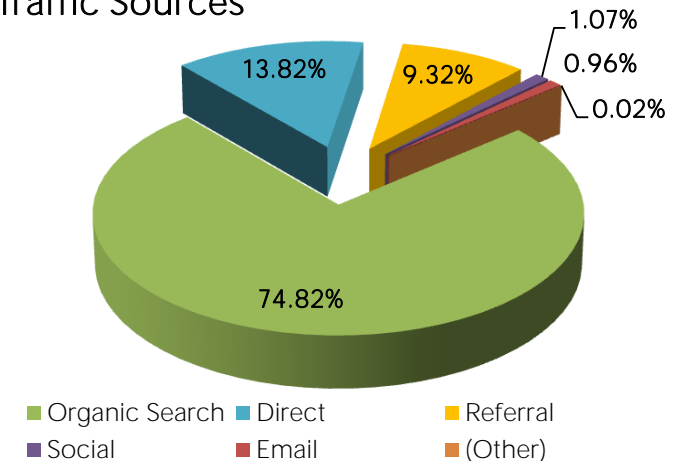
### Industry Averages:

	Pages / Visit	Avg. Visit Duration	Bounce Rate
Total:	2.55	0:02:17	55.46%
Organic:	2.75	0:02:08	49.30%

#### SEO Overview:

- \* Visits increased 36% compared to last year.
- \* Unique Visitors on the site increased 36% year over year.
- \* Pageviews increased 20% compared over this time last year.
- \* Organic traffic increased 42% year over year.
- \* Organic entries to the Events page increased by 24%, by 40% on the Our Area page, and by 77% on the Fairs & Festivals Event page.

### Traffic Sources



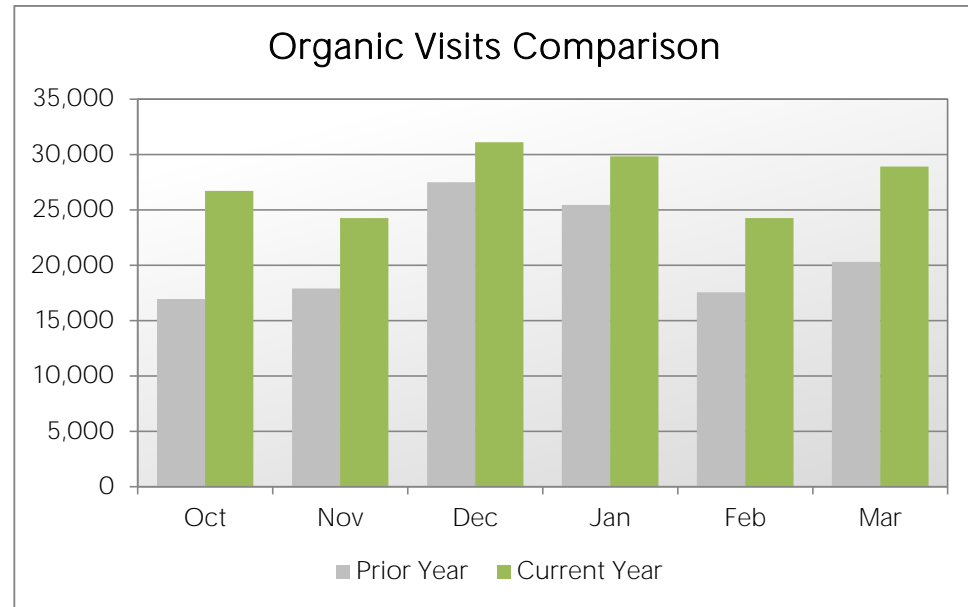
## Organic Search Traffic:

Organic Traffic		% of Total Site Traffic
Visits	28,907	74.82%

Organic Engagement Compared to Site Engagement		
Pageviews Per Visit	2.91	3.76%
Avg. Time on Site	0:02:10	4.57%
New Visits	77.27%	0.22%
Bounce Rate	47.25%	-5.85%

Search Engine	Visits	Percent
google	26,470	91.57%
yahoo	1,398	4.84%
bing	919	3.18%
aol	56	0.19%
ask	43	0.15%
images.google	11	0.04%

Exact Keyword	Visits	Percent
(not provided)	27,445	94.94%
san luis obispo	128	0.44%
san luis obispo events	36	0.12%
events in san luis obispo	20	0.07%
san luis obispo county	18	0.06%
calendar of events san luis obispo	14	0.05%
lopez lake camping	13	0.04%
san luis obispo farmers market	12	0.04%
things to do in san luis obispo	11	0.04%
san luis obispo hotels	10	0.03%



Landing Page	Visits	Percent
/events	4,280	14.81%
/	3,289	11.38%
/events/461	1,152	3.99%
/our-area	750	2.59%
/events/all/fairs_and_festivals	720	2.49%
/activities	699	2.42%
/profile/402/lake-lopez-recreation-area	677	2.34%
/events/1146/easter-egg-hunt-and-festival	620	2.14%
/lodging	410	1.42%
/events/all/childrens_activities	352	1.22%

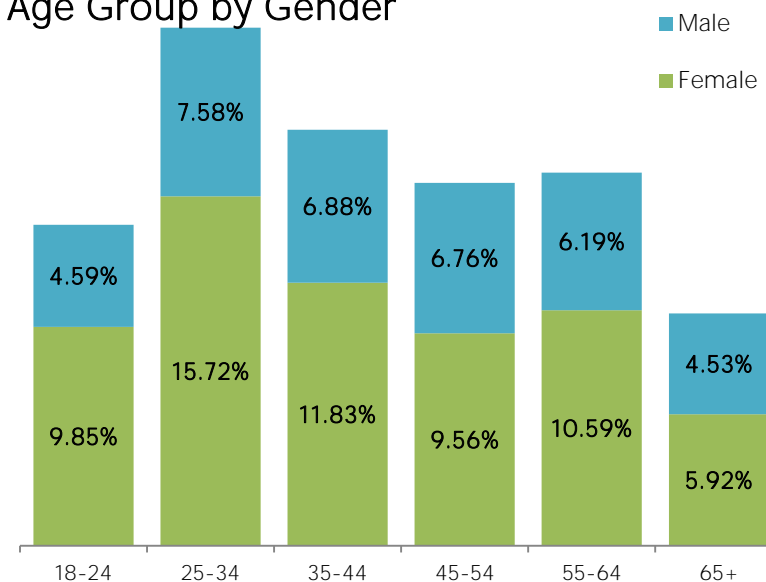


## Demographics & Interests

### Affinity Categories:

Top 10 Affinity Categories	Visits
Movie Lovers	14,926
News Junkies & Avid Readers/Entertainment & Celebrity News Junkies	12,727
TV Lovers	12,460
Travel Buffs	10,884
Cooking Enthusiasts/Aspiring Chefs	10,192
News Junkies & Avid Readers	9,527
Home Decor Enthusiasts	9,160
Technophiles	8,428
Health & Fitness Buffs	7,694
Shoppers/Shopaholics	7,244

### Age Group by Gender



### Other Categories:

Top 10 Categories	Visits
Arts & Entertainment/Celebrities & Entertainment News	8,319
News/Weather	7,113
Arts & Entertainment/TV & Video/Online Video	5,557
Food & Drink/Cooking & Recipes	4,612
Real Estate/Real Estate Listings	4,094
Travel/Hotels & Accommodations	4,063
Travel/Air Travel	3,416
Reference/General Reference/Dictionaries & Encyclopedias	3,286
News/Politics/Campaigns & Elections	3,129
Internet & Telecom/Email & Messaging	3,089

**Affinity Categories** broaden the scope to identify users in terms of lifestyle; for example, Technophiles, Sports Fans, and Cooking Enthusiasts. These categories are defined in a similar way to TV audiences, and represent an opportunity to understand the behavior of your audience.

**Other Categories** are used to classify groups of users based on the specific content they consume, along with how recently and frequently they consume that content. This category data provides a more focused view of your users, and lets you analyze behavior more narrowly than Affinity Categories.

\* Per Google

### Top Content:

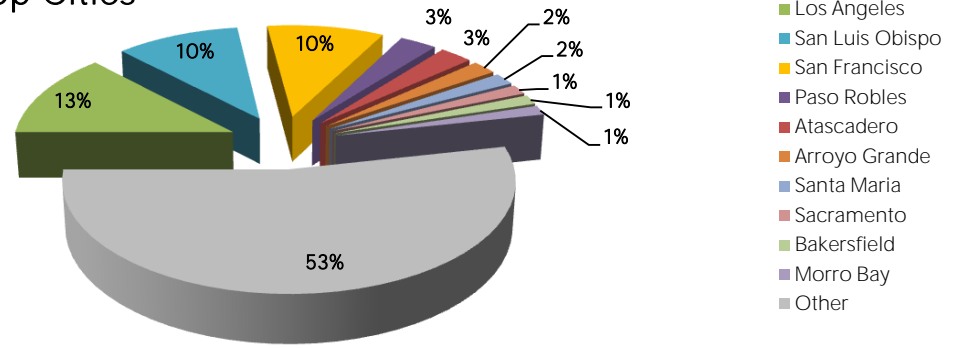
Top Landing Pages	Entrances
/	5,483
/events	5,034
/events/461	1,319
/our-area	890
/profile/402/lake-lopez-recreation-area	825
/events/all/fairs_and_festivals	805
/activities	800
/romance-month	729
/events/1146/easter-egg-hunt-and-festival	700
/lodging	592

Top Content Pages	Pageviews
/events	8,541
/	7,537
/events/all/fairs_and_festivals	2,403
/our-area	2,137
/events/all/childrens_activities	1,793
/events?page=1	1,587
/events/461	1,483
/deals	1,235
/activities	1,233
/events/1146/easter-egg-hunt-and-festival	1,010

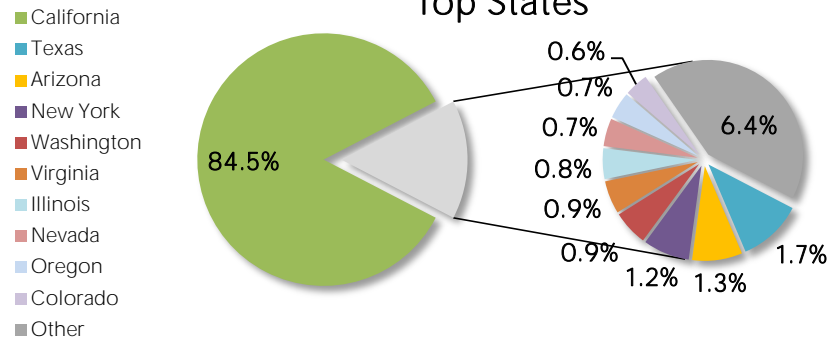
Top Exit Pages	Exits
/	3,305
/events	2,351
/events/461	1,160
/our-area	982
/romance-month	691
/profile/402/lake-lopez-recreation-area	660
/events/all/fairs_and_festivals	619
/activities	496
/events/1146/easter-egg-hunt-and-festival	426
/events/all/childrens_activities	421

### Geographic:

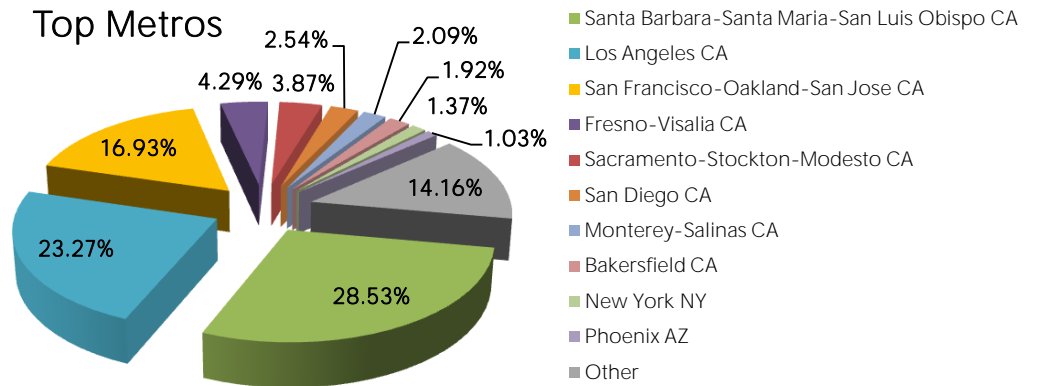
#### Top Cities



#### Top States



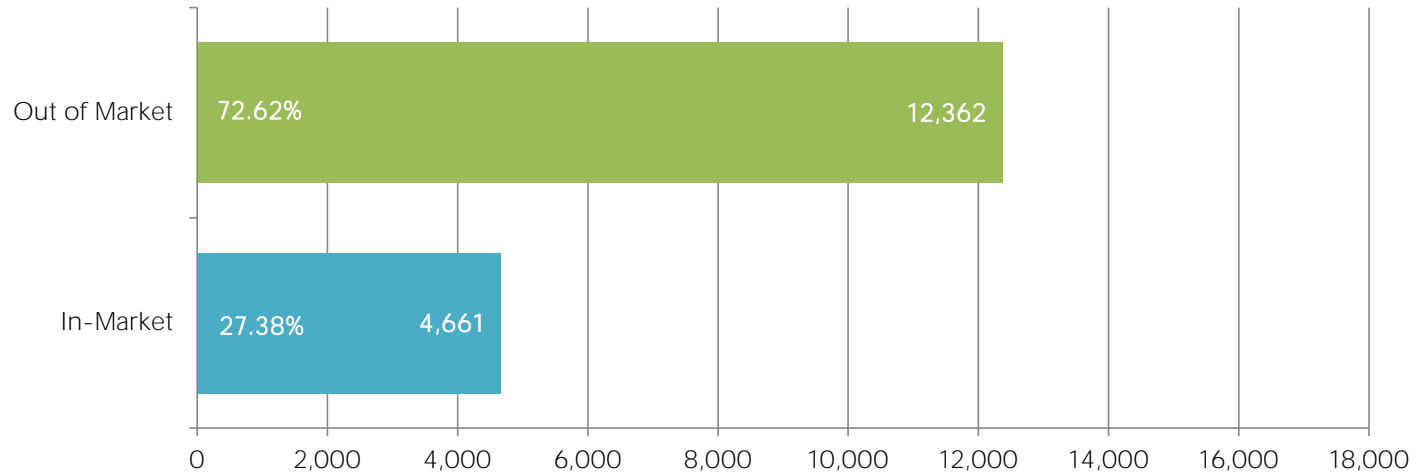
#### Top Metros





## In-MarketVsVistor:

### Desktop Visits



### Mobile/Tablet Visits

