



AGENDA

Visit San Luis Obispo County Board of Directors

Visit San Luis Obispo County Board of Directors Agenda

Wednesday, November 16, 2016

8:30 am

Holiday Inn Express, Atascadero

9010 W. Front Rd, Atascadero, CA 93422

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

ANNOUNCEMENTS	C. Davison
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CONSENT AGENDA - <i>motion required</i>	C. Davison
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3. **Approval of October 19, 2016 Board Meeting Minutes (yellow)**
Staff will ask for Board approval of the October VSLOC Board Meeting Minutes.

Approval of October VSLOC Financials (green)
Staff will ask for Board approval of the October VSLOC Financials.

Document Retention Policy
Staff will ask for Board approval of VSLOC's Document Retention Policy.

CEO REPORT	C. Davison
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4. **CEO Report (20 min)**
Staff will provide an update on current projects and areas of focus for the months ahead.

BUSINESS ITEMS	C. Davison
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5. **Operational Plan Update (15 min) – *motion required***
Staff will provide an update on VSLOC's Operational Planning process and recommended priorities, and ask for Board approval of priorities.
6. **Conference Center Feasibility Study (20 min) – *motion required***
Staff will discuss the proposals received for the conference center feasibility study and ask for Board approval.
7. **Marketing Agency Update (30 min) – *motion required***
 - a. **Branding**
Staff will provide an update on VSLOC branding and ask for Board approval of brand components.

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

Visit San Luis Obispo County Board of Directors

Visit San Luis Obispo County Board of Directors Meeting Minutes

Wednesday, October 19, 2016

8:30am

Holiday Inn Express, Atascadero
9010 W. Front Rd, Atascadero, CA 93422

1. **CALL TO ORDER:** Clint Pearce

PRESENT: James Davison, Mark Eads, Aaron Graves, Jim Hamilton, Rachel Lima, Sam Miller, JP Patel, Nipool Patel, Clint Pearce, Val Seymour, Roger Wightman

ABSENT: John Arnold, Kathy Bonelli, Jay Jamison, Noreen Martin

STAFF PRESENT: Chuck Davison, Brendan Pringle, Helen Pratt

Call to Order at 8:29am.

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

None.

ANNOUNCEMENTS

C. Davison announced that California Public Utilities Commission hearings will be held this Thursday, October 20, regarding the closure of Diablo Canyon. VSLOC will be present at the hearings to ask for the completion of an economic impact study.

The Adventure Cow surfing video was played, and will be pushed out in this week's This Week in SLO County e-newsletter.

C. Davison gave updates on TOT and RevPAR variances around the county.

Public Comment – None.

CONSENT AGENDA

3. **Approval of September 21, 2016 Board Meeting Minutes** **Approval of September VSLOC Financials**

Board Discussion.

Public Comment – None.

ACTION: Moved by N. Patel/Graves to approve the Consent Agenda as presented.

Motion carried: 11:0

4. CEO Report

Wines Fly Free has been secured and is expected to be available upon Seattle flight launch in April.

The Board of Supervisors approved a service agreement with Host Compliance LLC on September 20, 2016, which will help identify potential vacation rentals in the unincorporated area. This will give VSLOC an understanding of licensed versus unlicensed vacation rentals.

Kylee Jepsen attended the VCA Los Angeles Media Reception, and in November will attend the VCA Chicago Media Bootcamp. Jepsen also attended VCA's first Crisis Communication Workshop in LA on September 28, 2016 and key takeaways were provided to the Marketing Committee.

Coraggio will be back in market for the final Operational Planning Trade-Off on October 21, 2016. Staff recommendations with associated costs will be presented at the November Board meeting.

A save-the-date e-blast went out yesterday for the Advisory Committee meeting on December 8, 2016, from 3:00-5:00pm at the Embassy Suites in San Luis Obispo. C. Davison encourages all Board members to attend.

C. Davison gave a brief overview of his upcoming travel, including travel to attend a VCA Brand Content Committee meeting, CalTravel Board meeting, San Diego Bay Wine and Food Festival, and a meeting with United Airlines at their headquarters in Chicago to discuss Denver flight service.

C. Davison recapitulated the industry educational symposium, and noted that videos of the symposium are now available on the Members Area of the VSLOC website. Davison discussed challenges with PG&E and the City of SLO, where PG&E was removed from the symposium agenda due to their refusal to answer specific questions. Prior to this issue, the City of SLO demanded that PG&E be removed from the agenda. Davison and Pearce had a follow-up meeting with the City of SLO on October 17, 2016.

Board Discussion. Hamilton gave more detail on the Host Compliance vacation rental advocacy.

Public Comment – None.

BUSINESS ITEMS

5. Approval of FY2015-16 Audit

VSLOC is required to do full financial audit annually. The FY2015-16 audit revealed some opportunities for improvement, including segregation of duties, and stamping all vendor invoices. Once approved, audit will be sent to the County.

Board Discussion. Pearce commented that some of these items are unavoidable due to structure of small non-profits.

Public Comment – None.

ACTION: Moved by Graves/Wightman to approve the audit documents.

Motion carried: 11:0

6. SAVOR on the Road (5 minutes)

C. Davison provided an update on VSLOC's efforts for SAVOR – A San Luis Obispo County Experience. VSLOC will integrate breweries, wineries, restaurants, and a distillery, along with Harmony Lavender into their booth for this experience.

VSLOC has finalized an agreement for the Seattle Wine and Food Experience, February 26, 2016 Grand Tasting. PRWCA will provide 6-8 wineries, and VSLOC will look for additional partners. VSLOC is also looking to add additional tasting events during the week prior to the event.

Pismo Beach confirmed VSLOC cannot participate in the Scottsdale event, as they want to continue to own that event by themselves.

Board Discussion.

Public Comment – None.

7. BCF

a. Visit San Luis Obispo County Brand

BCF discussed marketing objectives, and gave an overview of the marketing deliverables and brand development process. BCF suggested that the SLOC lifestyle would be the lead message, with the tagline “life’s too beautiful to rush.”

The two brands presented were SLOCal and SLO Coast, both revolving around the SLO pace of life. A national survey was conducted between the two logos without the creative, and 57% of respondents preferred SLO Coast. BCF noted possible trademark issues with SLO Coast, and recommended SLOCal.

b. FY2016-18 Marketing Plan

BCF gave an overview of the research conducted and the results of that research, including the target markets and personas. The media recommendations and strategy were discussed. The marketing plan includes co-op advertising, with the goal to take on opportunities that VSLOC and partners cannot get by themselves.

C. Davison explained that the Marketing Committee made the recommendation to approve the Marketing Plan and the brand positioning. The Marketing Committee recommended holding the brand to conduct additional research, forgoing the 10 days of planned media in November. C. Davison noted that the Executive Committee made the recommendation to finalize the SLOCal brand.

Board Discussion.

Public Comment – Heather Muran and Aaron Jackson announced that they are trying to create an AVA in partnership, and that The SLO Coast has been trademarked as part of that process.

ACTION: Moved by Graves/Wightman to approve the marketing plan and positioning, and to send the brand back for more creative development and research.

Motion carried: 11:0

ADJOURNMENT

Meeting adjourned at 10:07am.

REMINDERS

The next Advisory Committee meeting will be held on December 8, 2016. All Board members are encouraged to attend.

San Luis Obispo County
 Visitor's & Conference Bureau
 2016/2017 October Financial Summary

Income	This Month	Budgeted for Month	MTD Variance	FISCAL YTD	Annual Budgeted	YTD Variance
PY TBID Collected in CY	\$ 3,937	\$ -	\$ 3,937	\$ 749,410	\$ 204,228	\$ 545,182
Membership Dues	\$ 2,775	\$ 20,625	\$ (17,850)	\$ 21,466	\$ 165,000	\$ (143,534)
TBID Income						
SLO County Unincorporated	\$ 88,974	\$ 88,974	\$ -	\$ 357,171	\$ 855,533	\$ (498,362)
SLO City	\$ 55,844	\$ 55,844	\$ -	\$ 267,952	\$ 699,716	\$ (431,763)
Pismo Beach	\$ 79,430	\$ 79,430	\$ -	\$ 393,773	\$ 861,887	\$ (468,114)
Morro Bay	\$ 27,261	\$ 27,261	\$ -	\$ 138,267	\$ 290,750	\$ (152,484)
Paso Robles	\$ 44,383	\$ 44,383	\$ -	\$ 181,926	\$ 451,580	\$ (269,654)
Arroyo Grande	\$ 7,742	\$ 7,742	\$ -	\$ 36,425	\$ 90,613	\$ (54,188)
Atascadero *	\$ -	\$ -	\$ -	\$ 39,126	\$ 111,151	\$ (72,026)
Grover	\$ 2,945	\$ 2,945	\$ -	\$ 13,165	\$ 41,461	\$ (28,297)
Adjustment for Actual TBID Collected	\$ 24,377	\$ -	\$ 24,377	\$ 136,537	\$ -	\$ 136,537
Total Income	\$ 337,669	\$ 327,205	\$ 10,464	\$ 2,335,216	\$ 3,771,919	\$ (1,436,703)
* District pays quarterly						
Expenses						
Accumulated Reserve				\$ -	\$ 331,252	\$ (331,252)
G&A	\$ 30,472	\$ 19,789	\$ 10,683	\$ 81,985	\$ 210,214	\$ (128,229)
Industry Research and Resources	\$ 33,070	\$ 7,033	\$ 26,037	\$ 75,182	\$ 274,248	\$ (199,067)
Travel Trade	\$ 24,711	\$ 29,437	\$ (4,726)	\$ 84,593	\$ 449,653	\$ (365,060)
Communications	\$ 8,299	\$ 20,416	\$ (12,117)	\$ 38,108	\$ 209,169	\$ (171,061)
Advertising	\$ 8,906	\$ 67,998	\$ (59,092)	\$ 95,984	\$ 850,703	\$ (754,719)
Promotions	\$ 1,981	\$ 7,335	\$ (5,354)	\$ 11,985	\$ 70,792	\$ (58,808)
Events	\$ (4,000)	\$ 15,150	\$ (19,150)	\$ 67,060	\$ 201,800	\$ (134,740)
Digital Marketing	\$ 8,759	\$ 96,532	\$ (87,773)	\$ 114,353	\$ 1,110,498	\$ (996,474)
Film Commission	\$ 1,176	\$ 3,013	\$ (1,837)	\$ 6,808	\$ 60,057	\$ (53,249)
Total Expenses	\$ 113,374	\$ 266,702	\$ (153,329)	\$ 576,057	\$ 3,768,386	\$ (3,192,658)
Surplus(Deficit)	\$ 224,295	\$ 60,502	\$ 163,793	\$ 1,759,159	\$ 3,534	\$ 1,755,954
<hr style="border: 2px solid red;"/>						
Cash Flow						
Surplus (Deficit)	\$ 224,295			\$ 1,759,159		
Beginning Cash Balance	\$ 930,026			\$ 467,503		
Change in Accounts Receivable	\$ 247,844			\$ (808,289)		
Change in Accrued Expenses	\$ 965			\$ (20,852)		
Change in Prepaid Expenses	\$ -			\$ (569)		
Change in Accounts Payable	\$ (1,877)			\$ 4,301		
	\$ -			\$ -		
Visit SLO County Cash Balances	\$ 1,401,253			\$ 1,401,253		
Reserve & Contingency - 5% of Cumulative Revenues	\$ (227,351)			\$ (331,252)		
Net Available Cash	<u>\$ 1,173,902</u>			<u>\$ 1,070,001</u>		

Visit San Luis Obispo County

5. Balance Sheet Prev Year Comparison

As of October 31, 2016

Accrual Basis

	Oct 31, 16	Oct 31, 15
ASSETS		
Current Assets		
Checking/Savings		
1010 - Bank of the Sierra - TMD	1,379,192.78	419,612.88
1020 - Bank of the Sierra - Membership	22,060.74	64,017.45
1030 - HOB - SAVOR	0.00	217,063.42
Total Checking/Savings	1,401,253.52	700,693.75
Accounts Receivable		
1200 - Accounts Receivable	808,289.42	799,598.16
Total Accounts Receivable	808,289.42	799,598.16
Other Current Assets		
1350 - Accrued Expenses	20,852.40	0.00
1340 - Workman's Comp Deposit	569.00	0.00
1310 - Prepaid Payroll Tax	0.00	3,227.72
1320 - Prepaid Rent	3,326.70	3,326.70
Total Other Current Assets	24,748.10	6,554.42
Total Current Assets	2,234,291.04	1,506,846.33
Fixed Assets		
1400 - Fixed Assets	90,547.19	32,782.67
1500 - Accumulated Depreciation	-16,547.17	-23,658.17
Total Fixed Assets	74,000.02	9,124.50
TOTAL ASSETS	2,308,291.06	1,515,970.83
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 - Accounts Payable	4,709.44	6,616.33
Total Accounts Payable	4,709.44	6,616.33
Credit Cards		
2050 - Rabobank Credit Card	0.00	802.94
Total Credit Cards	0.00	802.94
Other Current Liabilities		
2200 - Coast National Line of Credit	0.00	235,418.00
Total Other Current Liabilities	0.00	235,418.00
Total Current Liabilities	4,709.44	242,837.27
Total Liabilities	4,709.44	242,837.27
Equity		
3110 - Fund Balance	34,053.44	34,053.44
1110 - Retained Earnings	510,368.21	257,794.86
Net Income	1,759,159.97	981,285.26
Total Equity	2,303,581.62	1,273,133.56
TOTAL LIABILITIES & EQUITY	2,308,291.06	1,515,970.83

Visit San Luis Obispo County Records Management Policies & Procedures

Our Legal Obligations

1. Visit San Luis Obispo County (VSLOC) owns the records, has the responsibility and liability for their management, and an obligation to provide direction to employees as to how they are to manage their records. **Clear guidelines are provided on the Visit San Luis Obispo County (VSLOC) Records Retention Schedule. This schedule applies to both print and e-mail documents.**
2. Some records may be accessible to the public; ask your supervisor, or the President & CEO if you have any questions or concerns about what is, and what is not, accessible to the public.
3. Do NOT destroy any original (“official”) records without first obtaining authorization (using the Records Destruction Authorization Form). Copies, preliminary drafts, notes, research/reference material may be destroyed without authorization when you no longer require them.
4. Please follow the **Visit San Luis Obispo County E-mail Policy** for guidelines on retention of e-mails.

Policies and Procedures

1. **All VSLOC Policies & Procedures Apply to All Communications.** All policies and procedures (e.g. harassment prevention policy) apply to all records, including e-mail and other electronic media. Make sure all of your communications are appropriate and are within the policies detailed in the Employee Handbook. Employees are to use professional, courteous communications and to abide by all laws and policies.
2. **File records by Program, Project or Record Description.** Except for employee personnel files, do NOT file paper or electronic files by names of employees (so that after you leave, employees can determine what types of records are in each file, whether in paper or on the computer). File documents according to the Electronic File Naming Convention.
3. **Save important e-mails** which contain information that other employees would need to know if you are out of the office, ill or on vacation, into the project folder to which they relate (click & drag, Save As, PDF, or print).
4. **Do NOT store original files on your computer desktop or C: Drive**, which are not backed up. Use Shortcuts to files stored on VSLOC’s server if you like to use your Desktop to store records. Copies, drafts and reference materials are fine on desktops.
5. **Do NOT remove or copy VSLOC records** to personal devices (or remove physically from the office), without first obtaining written authorization from the President & CEO.

6. **After an employee separates from employment:**

- a. No original VSLOC records may be deleted or removed by any employee without the prior written approval from the President & CEO. **This applies to e-mails, as well as hard files.**
- b. The records stored in the e-mail account shall be the responsibility of that former employee's supervisor (IT will provide access). **The supervisor should save e-mails in the appropriate Program, Project or Record Description folder outside of the e-mail system folders, based on their content, if they are not already saved there.**
- c. The supervisor will review the e-mails of the former employee and ensure that the contents of their e-mail account are preliminary drafts not retained in the ordinary course of business which should be deleted (after appropriate records are retained for their retention period, as defined by the VSLOC E-mail Policy).
- d. E-mails that remain in an account (that are not saved in a Program, Project or Record Description folder outside the e-mail system) will be routinely deleted after 2 years on an automatically scheduled deletion from VSLOC's IT provider, in accordance with the VSLOC Records Retention Schedule and the VSLOC E-mail Policy, and based upon the content of the record.

DRAFT

VISIT SAN LUIS OBISPO COUNTY E-MAIL POLICY

Electronic telecommunications systems (e-mail, voice mail, fax systems, PDAs, Internet, etc.) are a media for transport of communication and are methods to send, receive, or temporarily store correspondence. Communications generated through these systems are not Visit San Luis Obispo County (VSLOC) records retained in the ordinary course of business and subject to the Visit San Luis Obispo County Records Management Policies & Procedures and Records Retention Schedule until the communication has been printed and retained or downloaded into a local file folder and specifically recognized as VSLOC record under these guidelines.

This is the same manner in which paper mail is managed: **Employees determine what is a record that needs to be retained** pursuant to VSLOC's Records Retention Schedule, what records are preliminary drafts, copies or non-records and then file, or dispose of the record based upon the VSLOC Records Management Policies & Procedures.

Retention of an e-mail, electronic, or paper record is determined either because (1) a law required it to be kept, or (2) it is necessary or convenient to the discharge of the public officer's duties, and was made or retained for the purpose of preserving its informational content for future reference.¹

E-mail is a business tool which will be used in accordance with generally accepted business practices and current law reflected in the California Public Records Act to provide an efficient and effective means of intra-VSLOC and inter-VSLOC communications.

These procedures apply to all employees, advisory body members, council members, contractors, interns, volunteers and others when they are using VSLOC-provided electronic technology.

Users are solely responsible for the management of their mailboxes, just as they are responsible for sorting through paper mail in their in-boxes from the US Post Office or inter-office memoranda. E-mail is not a permanent storage medium and staff are expressly forbidden to use it as such. E-mail in-boxes and out-boxes shall be emptied on a regular basis, after records have been appropriately saved, as outlined below.

- 1. Official Records Are Saved, and Stored in Program, Project or Record Description File Folders on the VSLOC server.** E-mail messages which are intended to be retained in the ordinary course of VSLOC's business are recognized as official records that need protection / retention in accordance with the California Public Records Act. E-mail communications which are intended to be retained as an official record (those that ARE made or retained for the purpose of preserving the informational content for future reference) should be saved in an electronic Program, Project or Record Description folder. If deemed necessary, the communication should be printed out and the hard copy filed in the appropriate Program, Project or Record Description file.

¹ California Attorney General's Opinion, 64 Ops. Cal. Atty. Gen. 317

2. **Retention is Based on the Content of the E-mail.** VSLOC will maintain all e-mail messages determined by staff to be official records (those that ARE made or retained for the purpose of preserving the informational content for future reference) for the period of time designated in VSLOC's Records Retention Schedule, based upon the content of the e-mail,) by saving them electronically in a Program, Project or Record Description folder. If deemed necessary, the communication should be printed out and the hard copy filed in the appropriate Program, Project or Record Description file.
3. **Forwarding E-mails.** E-mails may only be sent or forwarded to appropriate persons with a need to know the information in order to conduct VSLOC business.
4. **All VSLOC Policies & Procedures Apply to All Communications.** All VSLOC policies and procedures (e.g. harassment policies) apply to electronic media. Make sure all of your communications are appropriate and are within the policies detailed in the Employee Handbook. Employees are to use professional, courteous communications, and to abide by all laws and policies.
5. **Deletion of E-mail.** E-mail communications that are NOT required to be retained by law nor by VSLOC's records retention policies, and were NOT made or retained for the purpose of preserving the informational content for future reference (preliminary drafts, notes, transitory correspondence, inter-VSLOC or intra-VSLOC memoranda not retained in the ordinary course of business,) will be deleted by employees as soon as they are no longer required.

VSLOC's IT provider will auto-delete e-mails left in the following mail boxes on a routine basis:

- (1) In Boxes (delete what remains after 2 years)
- (2) Sent Items (delete what remains after 2 years)
- (3) Deleted Items (delete what remains after 1 year)

6. **Archiving and "Auto-Archiving"** of e-mails is allowed, but only for e-mails that need to be retained. Employees shall NOT archive ALL e-mails they receive or send. Archives should only contain e-mails that need to be retained for the purpose of preserving its informational content for future reference. Be aware that the default for Archived e-mail is on the C: Drive, which is not backed up.
7. **Text messages** regarding important VSLOC business (those that ARE made or retained for the purpose of preserving the informational content for future reference) should not be conducted via personal cell-phones, or smart devices, as they cannot be properly managed and retained. If a text contains informational content that needs to be preserved, it should be memorialized via another record (memorandum, letter, or e-mail) that is saved for its retention period (based upon the content of the record.)
8. **Protection of Confidential E-mail.** In addition to #3 (Forwarding e-mails only to appropriate persons with a need to know the information,) write "Confidential" or on protected e-mail. Do not "interfile" e-mail or other privileged correspondence from VSLOC's Attorney's office with public documents (documents that are accessible to the public). These e-mails may be subject to the Attorney-Client and or the Attorney Work

Product privileges, and the contents should not be disclosed without first checking with VSLOC's President & CEO.

9. **Litigation Holds / Other Types of Holds.** E-mails subject to litigation (including a reasonable expectation of litigation,) claims, complaints, audits, records requests and/or investigations suspend normal retention periods (retention resumes after settlement or completion of the triggering hold).

10. **Separation / Transfer of Employees.**

- i) Departments must inform the Human Resources and Information Technology providers, as well as the Operations Manager, as soon as an employee, volunteer, intern or other e-mail user separates from VSLOC.
- ii) Human Resources will ensure / confirm that Information Technology knows an e-mail user has been terminated.
- iii) Information Technology shall ensure that employees that separate from VSLOC do not have access to VSLOC e-mail on any device immediately after notification from the Operations Manager, and that the Supervisor has access to the former employee's e-mail account.
- iv) The records stored in the e-mail account of an employee who separates or transfers shall be the responsibility of that former employee's supervisor.
- v) The Supervisor shall review the e-mails of the former employee, ensure the content of their e-mail account are preliminary drafts not retained in the ordinary course of business, then authorize their deletion (after appropriate records are retained for their retention period, if appropriate).
- vi) E-mails that remain in an account (that are not saved in a subject / project file folder outside the e-mail system) will be routinely deleted after 2 years.

ELECTRONIC FILE NAMING STANDARDS (TAXONOMY)

Store all official records on the Server (don't use Desktops or C: Drives)

Folders by Functional Areas / Programs

File Folders by **PROGRAM, PROJECT or RECORD DESCRIPTION (NOT employee name.)**

(Even if one person is authoring the record, place it in the **FUNCTIONAL AREA OR PROGRAM** to which it relates.)

Examples:

- 📁 **_To Be Deleted Later** - use this to download junk records, or as a holding place
- 📁 Accounting
 - 📁 Invoices (R=7 yrs)
 - 📁 FY2016-17
 - 📁 FY2015-16
- 📁 Marketing
 - 📁 Visit SLO County (Min 2 years)
 - 📁 Reference Material, Samples

Do not delete or re-name documents that you aren't the Office of Record for; except that "successor" employees are responsible for managing their "predecessor's" files. Coordinators also may be given permission by their supervisors to manage subfolders within their designated file class (Ex. Director of Travel Trade manages all "6. TRAVEL TRADE," but the Membership & Travel Trade Sales Coordinator manages all files and folders within the "Member Relations" subfolder within this folder, and so forth). The folder hierarchy is set up by Budget Class so the individual responsible for that budget class has the authority to delete and re-name documents.

Save any e-mail that you need to retain for future reference in the project file folder (**print it out, or "Save As," or both.**)

Try to limit your folders to **less than 4 folders "deep"** and keep your document names **descriptive, but short**. Microsoft limits the **total number of characters to 256**, which includes the file folder path and document name.

Document Naming Convention:

Major Topic – Detailed Topic – Date (optional)

Version control options: v1, v2 v1 drg, v2 shc, 2014-07-21

Date Standard: yyyy-mm-dd (yyyy-mm-dd will sort chronologically)

Photos: Store photos in the **project folder to which they relate**. Destroy unnecessary photos as they are downloaded. No specific naming convention for the actual files are required. Minimize personal photos or documents on District computer drives.

Address Standard (each space is a separate data segment / data field):

919 20th St, Sacramento, CA 95811
PO Box 1678, Sacramento, CA 95811

Street Designators: Common street and site designators are listed below. For a full list, please visit:
http://www.usps.com/ncsc/lookups/usps_abbreviations.html#secunitdesig

Avenue	Ave	Drive	Dr	Loop	Loop	Road	Rd
Alley	Aly	Expressway	Epy	Parkway	Pkwy	Square	Sq
Boulevard	Blvd	Freeway	Fwy	Path	Path	Street	St
Circle	Cir	Highway	Hwy	Place	Pl	Terrace	Ter
Court	Ct	Lane	Ln	Plaza	Plz	Way	Way

Unit Designators:

ELECTRONIC FILE NAMING STANDARDS (TAXONOMY)

Apartment	Apt	Room	Rm
Building	Bldg	Space	Spc
Basement	Bsmt	Suite	Ste
Department	Dept	Trailer	Trlr
Floor	Fl	Unit	Unit

Directional Designators:

N – North	NE – Northeast	NEC – North East Corner
S – South	NW – Northwest	NWC – North West Corner
E – East	SE – Southeast	SEC – South East Corner
W – West	SW – Southwest	SWC – South West Corner

DRAFT

DRAFT**VISIT SAN LUIS OBISPO COUNTY Records Retention Schedule**

Adopted by the Board of Directors on: _____

GENERAL (Type of Record)	Retention Requirement
Copies	None
Correspondence (Historical)	Permanently
Correspondence (Letters and Memoranda)	2 years
Drafts / Preliminary Drafts / Transmittals, Schedules, etc.	None
Requests for Proposals	3 years
ADMINISTRATION / BOARD OF DIRECTORS	
Agenda Packets (Board of Directors, Executive Committee, Marketing Committee Advisory Committee)	Permanently
Agenda Packets (Ad Hoc Committees)	Minimum 2 years
Attendance Sheets / Trackers	None
Contracts, Agreements (includes insurance certificates)	Completion + 5 years
District Formation, Boundaries, District Areas), Management District Plan	Permanently
Insurance Policies	Completion + 5 years
Minutes, by-laws	Permanently
Public Notices / Advertising	2 years
Public Records Requests	2 years
Records Destruction Authorization Forms	10 years
INDUSTRY RESEARCH & RESOURCES	
Advocacy / Legislation	Minimum 2 years
Industry Reports (STR, VisaVue, etc)	Permanently
MARKETING	
Communications and Marketing	Minimum 2 years
Events / Farmers Market / Festivals / Gala / District Promotions	Minimum 2 years
Marketing Projects and Programs	Minimum 2 years
Website Content (CRM)	Minimum 2 years
Newsletters / Brochures / Marketing Material	Minimum 2 years
FINANCE	
Accounts Payable, Accounts Receivable, Invoices, Deposit Statements, Checks	7 years
Audit Prep Work	3 Years
Audit Reports	Permanently
Bank Reconciliations, statements, deposit slips	7 years
Depreciation Schedules	7 years
Journal Entries / Journal Vouchers	7 years
Membership Invoices (in Quickbooks)	5 years
Payroll records, timesheets, reports (quarterly, etc.)	7 years
Reports to the State and Federal Government	5 years
Taxes: 1096s, 1099s, Payroll tax forms, all tax filings	5 years
W-2s	7 years
W-9s	5 years
Year End Financial Statements	Permanently
HUMAN RESOURCES / RISK MANAGEMENT	
Accident Reports that don't result in a claim	2 years
Claims for Damages and Litigation	Resolved + 5 years
Drug and Alcohol Test Results	5 years
Employment Applications / Recruitment	3 Years
OSHA Logs, Records	5 years
Personnel files - MEDICAL (Pre-employment Clearance, etc.)	Separation + 30 years
Personnel files - REGULAR (Application, Performance Evaluations, etc.)	Separation + 30 years
Retirement and pension records	Permanently
W-4s	No Longer in Effect + 4 years
Workers Compensation Files	Separation + 30 years
TRAVEL TRADE/MEMBERSHIP DEPARTMENT	
Membership Applications	2 years
Historical Projects and Programs / Special Projects	Permanently
Leads	5 years
Projects and Programs / Special Projects	Minimum 2 years
TOURISM MARKETING DISTRICT	
TMD Assessment Remittance Forms	5 years
TMD Documentation	Minimum 5 years
FILM COMMISSION	
Film Commission Related Documents (Outside of Communications)	5 years
COMMUNICATIONS	
Press Releases	2 years
FAM (Familiarization) Tour Itineraries	2 years
OPERATIONS	
Grant Funded Projects (State or Federal Funding Only)	Minimum 5 years
Historical Projects and Programs / Special Projects	Permanently
IT Information	None
Maintenance / Building Maintenance of Properties	Minimum 2 years
Permits	Expiration of Permit
Projects and Programs / Special Projects	Minimum 2 years
Strategic Planning Documents (Including Operational Planning Documents)	Permanently

Date: _____

Department: _____

RECORDS DESTRUCTION AUTHORIZATION FORM

Copies, drafts and notes may be destroyed without placing them on this form. This form only applies to paper records.

The records listed below (or on the attached list) are **scheduled to be destroyed**, as indicated on the Records Retention Schedule.

The records are not the subject of any claim, litigation, investigation, or audit.

(List records here, or attach a list)

Records Description	From (Start Date)	To (End Date)	Box #	Retention Period

Check one option for destruction:

- Shredding is Required (Records contain private information) OR
- Recycle (Records do NOT contain private information)

DOCUMENTS HAVE BEEN REVIEWED AND APPROVED FOR DESTRUCTION

_____	_____
Employee	Date
_____	_____
President & CEO	Date
_____	_____
Board Secretary	Date

Return this form to the Operations Manager following approval (they coordinate the shredder arrangements)

(Complete after destruction has been performed, if done by Agency Employees. If destruction is performed by a commercial vendor, have them provide you with a certificate.)

I HEREBY CERTIFY that the items listed above have been destroyed in accordance with Agency policies and procedures:

Employee Performing Destruction

Date

Dept.:	Box #:
Description and Dates:	
Destroy Date:	

Dept.:	Box #:
Description and Dates:	
Destroy Date:	

CONFERENCE CENTER FEASIBILITY STUDY PROPOSAL
PREPARED FOR

VISIT SAN LUIS OBISPO COUNTY

OCTOBER 31, 2016





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

October 31, 2016

Chuck Davison
President & CEO
Visit San Luis Obispo County
1334 Marsh Street
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 22 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 was 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 its 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.

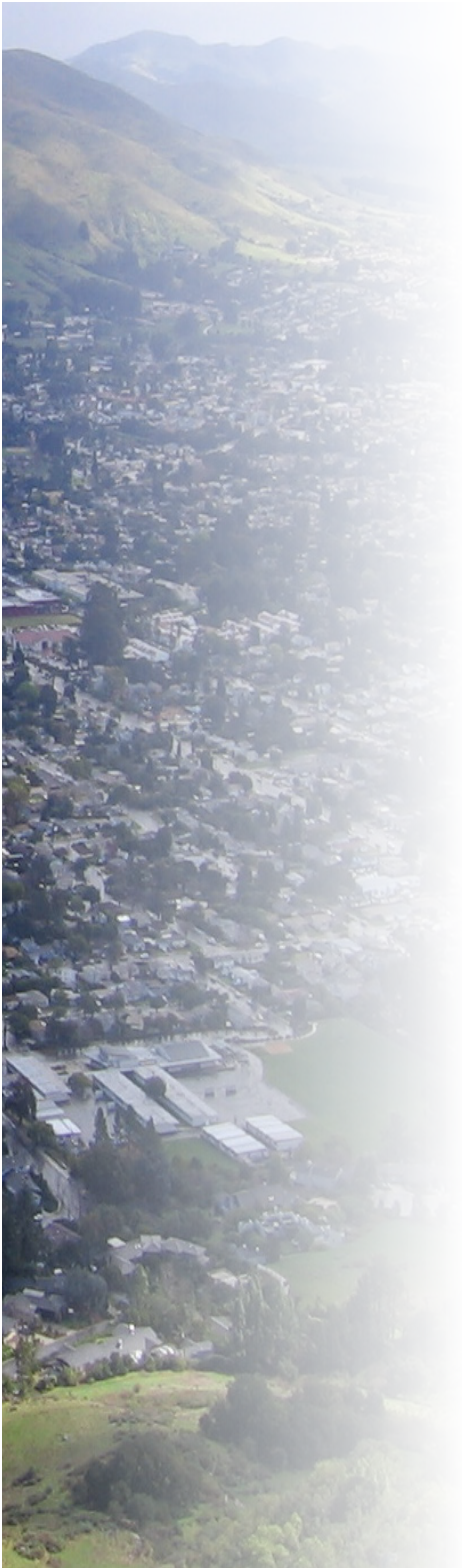
Of course, written materials are limited in their capacity to convey the passion and interest we have in serving Visit SLOC on this assignment. If you have any questions or require additional materials, please do not hesitate to contact me at 949-861-8340 or bslater@programmanagers.com.

Sincerely,

A handwritten signature in black ink that reads "Bryan Slater". The signature is written in a cursive, flowing style.

Bryan Slater
Project Manager

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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 four (4) 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 four (4) 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. 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. The final report structure will be presented in “briefing document” form, which places a heavy emphasis on charts and graphs.
- 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.

ADDITIONAL SERVICES

- A. On the basis of the outline program and site analysis findings, an architectural partner (TBD) will develop conceptual renderings and a site plan for the conference center concept. B&D will collaborate with the Client to identify a suitable partner.

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
I. Project Initiation	
A. Project Initiation / Visioning Meeting with Client (Trip #1)	
B. Tour Potential Sites (Up to 4 Sites)	
C. Review and Analysis of Previously Prepared Documents	
Sub-Total	\$2,100
II. Local Market Conditions (Update)	
A. Secondary Research	
1 Demographics	
2 Transportation	
3 Hotel Facilities	
4 Local Facilities	
5 Visitation Statistics	
Sub-Total	\$3,000
III. Demand Analysis	
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	
Sub-Total	\$14,500
IV. Site Analysis	
A. Analyze Site Factors (Up to 4 Sites)	
B. Working Session (Trip #2)	
Sub-Total	\$5,900
V. Financial Analysis	
A. Conceptual Budget by Preferred Site	
B. Estimated Utilization Levels	
C. Pro Forma and Integrated Financial Model	
D. Sensitivity Analysis	
E. Identify Funding Options	
Sub-Total	\$9,600
VI. Economic and Fiscal Benefits Analysis	
A. Quantify Economic Benefits	
B. Intangible Benefits	
C. Quantify Fiscal Benefits	
Sub-Total	\$8,100
VII. Reporting	
A. Issue Draft Report	
B. Final Presentation (Trip #3)	
C. Issue Final Report	
Sub-Total	\$6,100
Total Professional Fees	\$49,300
Estimated Reimbursable Expenses	\$3,036
Architectural Partner Allotment	\$5,000

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B&D *VENUES*

A BRAILSFORD & DUNLAVEY
PRACTICE GROUP

INSPIRE. EMPOWER. ADVANCE.

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STAY ENGAGED WITH B&D





Proposal for a Market Feasibility
and Financial Analysis Study:

Proposed Conference Center
San Luis Obispo County, California

Prepared for Visit San Luis Obispo County

Our Mission

Providing thorough and thoughtful
analysis to our clients in all
sectors of the hospitality industry

14805 Detroit Avenue, Suite 420
Cleveland, Ohio 44107
www.hladvisors.com





HOTEL & LEISURE ADVISORS

October 25, 2016

Chuck Davison
President & CEO
Visit San Luis Obispo County
chuck@visitsanluisobispocounty.com

**RE: Market Feasibility and Financial Analysis Study
Proposed Conference Center, San Luis Obispo County, California**

Dear Mr. Davison:

Thank you for the opportunity to submit a proposal for the feasibility analysis of a proposed conference center in San Luis Obispo County, California. We have completed numerous conference center, hotel, and other leisure property studies throughout the United States. Hotel & Leisure Advisors would be pleased to prepare a market study and make financial projections for the proposed conference center as outlined in the attached proposal.

On the basis of our hospitality experience and our understanding of the proposed facility concepts, I am confident that Hotel & Leisure Advisors is well qualified to respond to your consulting requirements. We have developed sophisticated and innovative research techniques, resulting in thorough analyses that incorporate in-depth local, regional, and state market information. For additional information about our firm, I have included our company qualifications with this proposal package. Over the years, H&LA has served more than 500 clients on a wide variety of projects. Upon request, we will provide you with a list of references relevant to your project whom you can contact.

This letter contains our proposal for the assignment. In order to proceed with our engagement, please sign this proposal and return it to our office with a retainer check. I look forward to working with you on this assignment. If you have any questions or require any additional information, please contact me.

Sincerely,

Hotel & Leisure Advisors, LLC

A handwritten signature in black ink that reads 'Eric B. Hansen'.

Eric B. Hansen, AIA, ISHC
Director of Development Services



HOTEL & LEISURE ADVISORS

Proposal

I. Market Feasibility and Financial Analysis Study Proposed Conference Center, San Luis Obispo County, California

Objective

The objective of this engagement is to estimate the market feasibility of the proposed development of a conference center in San Luis Obispo County, California. It is our understanding that the estimate of feasibility will be used for decision-making purposes in determining whether to develop the conference center. We will produce a detailed financial analysis for the project and estimate its probable operating performance for an 11-year holding period.

In addition to a full financial analysis, our estimate of market feasibility will include recommendations on the following:

- Determination of optimal business model:
 - Non-residential vs. Residential
 - Extent of private sector participation through potential public/private partnership arrangements
- Determination of optimal location and site analyses for up to three potential sites
- Sizing of and amenities for the conference center, including sizes of various meeting rooms, ballroom, symposium room, and other spaces common to conference centers
- Sizing of back of the house areas, including kitchen, pre-function area, etc.
- Sizing of and amenities for the adjacent and nearby properties, including hotels, restaurants, etc.
- IACC compliance potential
- Expansion possibilities for the property
- Amenities the property could use to attract additional demand

Project Definition: Before beginning our study, we will confer with you to determine the exact scope of the project and address specific issues or requests you may have. In defining the project, we will:

- Review the overall business objectives and goals for the proposed conference center development
- Identify project issues and opportunities

- Discuss the development concepts, including sizes and level of investment. Defining the proposed scope of the concept will serve as a basis for refining the potential market for the project, and provide a framework of assumptions to use in our feasibility analysis.
- Request a list of people with whom you wish for us to consult during our research
- Request relevant data concerning the subject, such as site plan, tax & zoning information, neighborhood information, etc.
- Identify any confidentiality issues
- Review previous market research and information developed for the concept
- Review the overall county master/strategic plan and projected development within the county
- Review our previous work and relationships in the region of the proposed conference center

Data Collection:

- Review and analyze the performance of other similar properties in the United States and California to determine the proposed conference center's competition
- Examine the market area and competing markets for the proposed project
- Analyze the proposed project site(s), including traffic counts, access, visibility, proximity and travel time, nearby visitor attractions, and nearby corporate and group demand generators relative to competitive properties
- Identify primary leisure, group, and commercial attractions and organizations within the market and indicate their growth and changes

Interviews:

- Conduct research and interviews with potential users of the facility to gauge interest in the proposed conference center. These interviews will focus on which facilities the interviewee currently uses and what type of amenities, size of meeting space, number of rooms, and room rates would be necessary for them to consider the subject. These research techniques may include in-person meetings, phone interviews, online surveys, and other research methods as appropriate.
- Meet with managers or owners of existing competitive conference centers or hotel properties
- Confer with people on the contact list you provide
- Interview representatives of various hotel chains to determine performance of area hotels and proposed new supply additions



- In addition to meeting with you (CVB), meet with representatives of the local chamber of commerce, and assessor's office, as well as city, county, and economic development officials to collect information concerning the proposed site and region
- Confer with other relevant parties who are knowledgeable about the market

Analysis:

- Analyze national trends in the conference center industry by reviewing various publications and databases
- Assess the economic and demographic factors of the general area to determine the economic environment of the subject conference center and the sources from which business is generated within the area. This will include a review of the local and larger region's population, household growth, employment, income levels, transportation, etc.
- Examine current conference center supply and review the impact of any recent conference center openings on the existing conference center market and its projections for future demand
- Analyze demand generators within the conference center market and potential demand generators that may be entering or leaving the market
- Identify a comparable set of local and regional facilities and analyze profiles of each property's facilities and performance levels
- Analyze the proposed expansion of any existing facilities and how it would impact the subject market
- Analyze the amount of lost business at existing hotels and conference facilities in the subject market from meetings and events they cannot accommodate
- Identify new conference centers and hotels with conference space that are under construction, planned, or proposed in the market
- Evaluate trends in the supply of and demand for conference space to estimate future supply and demand potential
- Analyze the historical performance of the market and make projections for the market and the subject property utilizing our detailed conference center supply and demand computer model
- Provide general parameters and requirements that yield successful conference center facilities in comparable urban environments utilizing a weighted matrix template
- Compare the projected performance of the subject to similar properties in similar markets throughout the region

Prospective Financial Analysis: Utilizing the results from the market analysis, we will estimate the probable future operating performance of the conference center for the standard



holding period. In preparing the financial analysis, we will draw on various resources including:

- The available operating results of existing similar properties in the market area
- Our database of actual financial statements of comparable hotels, resorts, and conference centers
- Conference center-related operating data from industry publications, including Smith Travel Research's *Host Report*, *Compass Report*, and PKF's *Trends*
- The experience of our consultants and their daily interaction with industry contacts

This analysis will reflect the effects of estimated future inflation on revenues and expenses and will arrive at the estimated cash flow from operations. The financial analysis report will include detailed comparisons with actual operating statements of other similar properties and will provide a line-by-line discussion of each of the major departments of a conference center. Based on typical discount and capitalization rates of a conference center, we will project the net present value. We will compare this to typical construction costs for a development similar to the project. The analysis will consider whether the conference center should be residential, with an attached hotel. If a hotel is warranted, we will not make financial projections for a hotel, but will utilize its demand to determine performance of the conference center.

Narrative Report: We will communicate our findings in a full narrative market study report. Our analysis will confirm the strength and growth of available markets, trends in usage patterns, utilization levels, and other factors important to the success of comparable conference center properties. We will estimate usage levels and average rates for an 11-year holding period. We will recommend facilities, including but not limited to area guest rooms, food and beverage facilities, and meeting rooms, and any expansion potential for the property. We will suggest amenity offerings that the property could use to attract additional demand.

Additional Services

Hotel & Leisure Advisors offers additional consulting services such as an economic impact study or a management company analysis. We are also available to prepare a full narrative appraisal report that will conform to the Uniform Standards of Professional Appraisal Practice (USPAP) and Office of the Comptroller.

Please feel free to contact me or refer to our website, www.hladvisors.com for more information about our firm and services.

Staffing and Qualifications

Eric Hansen will lead the engagement, assisted by various staff members. Our full company qualifications accompany this proposal. Our specialized staff has more than 100 years of hospitality industry consulting and work experience. We assure you meaningful results based on specific knowledge of hotels and leisure properties and our experience in analyzing hospitality projects.



- H&LA consultants have completed market analyses and financial studies of more than 2,000 hotels and resorts and 400 indoor and outdoor waterpark resorts across the United States and Canada. We have completed studies on and have contacts with nearly all franchise hotel companies.

- H&LA has an extensive database of information concerning the performance of leisure real estate including hotels, resorts, waterparks, golf courses, amusement parks, conference and convention centers, casinos, ski resorts and restaurants.

- Our consultants have analyzed numerous conference and convention center facilities, both attached to hotels and standalone ventures, across North America.
- Our reports are thorough, analytical, and clearly written to assist the client in the real estate decision-making process.
- H&LA staff are members of the Appraisal Institute, International Association of Amusement Parks and Attractions (IAAPA), International Society of Hospitality Consultants (ISHC), National Golf Foundation, National Ski Areas Association, and World Waterpark Association, all of which provide extensive data sources for conference centers, hotels, resorts, waterparks, golf courses, and ski resorts.
- Consultants have shared their expertise on hotels, resorts, and waterparks in published articles with *Hotel Management Magazine*, *Hotel Online*, *World Waterpark Magazine*, *Midwest Real Estate News*, *Aquatics Magazine*, and *Lodging Hospitality*. He regularly presents at conferences sponsored by *Aquatics International Magazine*, World Waterpark Association, International Society of Hospitality Consultants and International Association of Amusement Parks and Attractions. They have also presented at America's Lodging Investment Summit, Waterpark Resorts Leadership and Development Conference, Midwest Lodging Conference, Hunter Hotel Investment Conference and others. Eric Hansen has shared his expertise on hotels and resorts at speaking engagements sponsored by the Ohio Hotel & Lodging Association, the National Association of Sports Commissions, the Ohio Travel Association and the Hunter Hotel Investment Conference. Mr. Hansen is currently the president of the Ohio Travel Association, and has served on their board since 2009.





Fees & Payment Schedule

Project Fees	
Component	Fee
I - Market Feasibility and Financial Analysis Study	\$22,000
Travel, subsistence, and out-of-pocket expenses including Smith Travel Research report (\$475-\$825)	Not to exceed \$3,000

These fee estimates are subject to revision if the scope of the engagement is altered. In such an event, we will discuss the matter with you so that a mutually acceptable revision can be made. Our price quote is valid for 90 days from the date of this proposal. Projected expenses exclude any applicable state sales taxes. If at any point during the course of the engagement a decision is made to discontinue our services, our professional fees will be based on the time expended through that date.

Payment Schedule
We require a 50% retainer prior to beginning the assignment.
After conclusion of our fieldwork, we will issue an invoice for 25% of the project fee. This payment is due prior to our issuing the draft report.
The final invoice, balance plus expenses, will be billed when we send the draft copy of the completed report. Payment of this invoice is required prior to our issuance of final reports. Up to five hard copies of the report are available upon request.
Any revisions to the report made within 30 days of issuance of the draft are included in the fee. Any revisions after 30 days of issuance of the draft will require an additional 10% of the project fee. If we do not receive any revisions within 30 days, we will issue the final report, provided we have received payment of the final invoice.
Any invoice that is 60 days past due is subject to a 1.5% monthly finance charge. Client agrees to pay any fees incurred as a result of collections activity.

We will negotiate fees for any additional services when you request them. Our consulting services are available at a rate of \$150-\$400 per hour, depending on the staff person involved, or we will determine a specific fee quote once we outline the scope of the services we will provide.

Timing

We will work with your representative to determine a mutually acceptable start date. The report documenting our conclusions is typically prepared within 50 to 70 days of receiving the retainer payment and the signed engagement letter.

We will work with your appointed representative to ensure the required data is made available. *The delivery date of the draft and final reports is contingent upon receiving the data requested for the property on a timely basis.*



We will communicate with you on a regular basis through fieldwork, research, report writing, and presentations. Chronologically, we will:

- Issue a data request list indicating the variety of items we need to review as part of our analysis.
- Schedule appointments to meet with you and tour the potential site. Our fieldwork will include visits to a wide range of other comparable facilities in the region.
- Conduct a variety of telephone interviews and Internet research from our offices and begin to prepare our usage analysis. It typically takes a few weeks to analyze the various components and an additional few weeks to write the full report.
- Engage multiple staff members in reading the full report for quality control purposes.
- Issue the report to you in a draft format. After you review the draft, we will issue the final version of the report including addenda items.

Conditions

The report will be prepared in accordance with our Standard Conditions, which are attached. To indicate your acceptance of this proposal, please sign this proposal and return it to us with a retainer of 50% as authorization for us to proceed with the engagement.

As a material inducement for Hotel & Leisure Advisors to enter into this agreement for services and for value received, and the consideration of Hotel & Leisure Advisors' performance in providing appraisal and consulting services for the client, the signature on this letter guarantees the company's timely payment of this agreement. This includes, but is not limited to, the payment of any and all sums due pursuant to the agreement. This guarantee applies to appraisal and consulting services that have been rendered prior to the above date and appraisal and consulting services that are rendered after the above date.

The terms of this agreement shall be interpreted and construed in accordance with the laws of the State of Ohio. The client hereby submits to the nonexclusive jurisdiction of the court having jurisdiction in the County of Cuyahoga, State of Ohio, and agrees not to raise and waive any objection based upon forum non conveniens.

Thank you for this opportunity to be of service. We look forward to working with you on this assignment.

Hotel & Leisure Advisors, LLC

Eric B. Hansen, AIA, ISHC
Director of Development Services



By signing below I agree to the fees and terms associated with Component I as described in the attached proposal. I agree to pay fees for the report in the amount of _____ plus expenses no greater than _____. I have read and understood the proposal and the attached standard conditions, and I agree to the terms and conditions therein.

Signature

Name (print)

Title

Company

Date

**SAMPLE TABLE OF CONTENTS FOR MARKET FEASIBILITY AND FINANCIAL
ANALYSIS STUDY
OF THE
PROPOSED CONFERENCE CENTER
ADDRESS
CITY, COUNTY, STATE
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Standard Conditions: The following Standard Conditions apply to real estate consulting engagements and appraisals by Hotel & Leisure Advisors, LLC (H&LA). Extraordinary Assumptions are added as required.

1. The report is to be used in whole and not in part. The report, engagement letter and these standard conditions constitute the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes any and all prior or current agreements or understandings between the parties, whether in writing or orally. The report and engagement letter may not be amended except in writing signed by the parties hereto. These standard conditions shall survive the completion of the assignment.
2. Publication of the report or engagement letter without the prior written consent of H&LA is prohibited unless otherwise stated in the letter of engagement. Neither the report nor engagement letter may be used by any person other than the party to whom they are addressed nor may they be used for purposes other than that for which they were prepared. Neither the engagement letter, nor the report, nor their contents, nor any reference to the appraisers or H&LA or any reference to the Appraisal Institute, International Society of Hospitality Consultants, American Institute of Certified Public Accountants, or the American Institute of Architects, (or the MAI, ISHC, CPA or AIA designations) may be included or quoted in any offering circular or registration statement, prospectus, sales brochure, other appraisal, loan, or other agreement or document without H&LA's prior written permission, in its sole discretion. Moreover, "H&LA" is a registered trademark of Hotel & Leisure Advisors, LLC. The client agrees that in event of a breach of this Section 2, in addition to any other rights and remedies of H&LA, and hereby consents to injunctive relief.
3. No responsibility is assumed for the legal description or any matters which are legal in nature. Title to the property is assumed to be good and marketable and the property is assumed to be free and clear of all liens unless otherwise stated. No survey of the property was performed. Sketches, maps, photos, or other graphic aids included in the reports are intended to assist the reader in ready identification and visualization of the property and are not intended for technical purposes.
4. The information contained in the assignment is based upon data gathered from sources the consultant or appraiser assumes to be reliable and accurate. Some of this information may have been provided by the owner of the property. Neither the consultants nor H&LA shall be responsible for the accuracy or completeness of such information including the correctness of public records or filings, estimates, opinions, dimensions, sketches, exhibits, and other factual matters.
5. The report may contain prospective financial information, estimates, or opinions that represent the consultants' or appraisers' view of reasonable expectations at a particular point in time. Such information, estimates, or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by H&LA's prospective financial analyses will vary from those described in the report, and the variations may be material. The financial projections stated in the report and any opinions of value are as of the date stated in the report. Changes since that date in external and market factors or in the property itself can significantly affect property value or performance.
6. H&LA has not considered the presence of potentially hazardous materials and contaminants such as asbestos, urea formaldehyde foam insulation, toxic waste, PCBs, pesticides, mold, lead-based paints, or other materials. The appraisers and consultants are not qualified to detect or report on hazardous material contamination and H&LA urges the client to retain an expert in this field if desired.
7. Unless noted, H&LA assumes there are no encroachments, zoning violations, or building violations encumbering the subject property. It is assumed that the property will not be operated in violation of any applicable government regulations, zoning, codes, ordinances, or statutes. No responsibility is assumed for architectural design and building codes. The analysis and concept drawings included in the report are not intended for technical purposes.
8. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless specified otherwise.
9. Real estate consulting engagements and appraisal assignments are accepted with the understanding that there is no obligation to furnish services after completion of the original assignment. We are not required to give testimony or attendance in court by reason of this analysis without previous arrangements, and the client will be obligated to pay in advance for the standard per diem fees and travel costs.
10. No significant change is assumed in the supply and demand patterns indicated in the report. The appraisal or consulting engagement assumes market conditions as observed as of the current date of the market research stated in the letter of transmittal. These market conditions are believed



- to be correct; however, H&LA or the consultants assume no liability should market conditions materially change because of unusual or unforeseen circumstances.
11. The quality of a lodging facility or other leisure property's management has a direct effect on the property's economic viability. It should be specifically noted by any prospective reader that the engagement assumes that the property will be competently managed, leased, and maintained by financially sound owners over the expected period of ownership. H&LA is not responsible for future marketing efforts and other management or ownership actions upon which actual results will depend.
 12. The forecast of income and expenses are not predictions of the future. Rather, they are the consultants' best estimates of current market thinking on future income and expenses. We do not warrant that the estimates will be obtained, but that they have been prepared in a conscientious manner on the basis of information obtained during the course of this study.
 13. The subject property is valued assuming all items of furniture, fixtures, equipment, working capital, and inventory are in place. Should items essential in the operation of the subject property prove to be missing, we reserve the right to amend the opinion of value expressed in an appraisal report.
 14. H&LA does not, as part of this consulting report or appraisal, perform an audit, review, or examination (as defined by the American Institute of Certified Public Accountants) of any of the historical or prospective financial information used and therefore, does not express any opinion with regard to it.
 15. The consulting engagement or appraisal report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the Appraisal Institute. No other code, ordinance, rule or regulation of any kind or nature whatsoever shall apply.
 16. It is agreed that the maximum damages recoverable from H&LA or its affiliates or their respective employees relative to this engagement shall be the amount of the money actually collected by H&LA or its affiliates for work performed pursuant to the engagement letter. The client acknowledges that H&LA cannot and does not guarantee and makes no representations as to the success of the project. H&LA shall not be liable for any incidental, breach of warranty, consequential or punitive damages, expenses, costs or losses whatsoever directly or indirectly arising out of the services performed hereunder (including negligence and/or gross negligence). In addition, there is no accountability or liability to any third party.
 17. The client hereby releases and discharges H&LA, its directors, officers, and employees, from and against any and all claims and demands of any nature or kind whatsoever arising as a result of the design, development, operations, and performance of the proposed or existing project. The client furthermore agrees to indemnify, defend and hold harmless H&LA and its directors, officers and employees, from any and all claims of any nature whatsoever, including attorney fees, expenses and costs.
 18. The report does not address the project's compliance with the federal statute commonly known as the Americans with Disabilities Act as well as regulations and accessibility guidelines promulgated thereunder.
 19. The provisions of the report, the engagement letter and these standard conditions shall be severable, and if a court of competent jurisdiction holds any provisions of the report, engagement letter and these standard conditions invalid, illegal or unenforceable, the remaining provisions shall nevertheless remain in full force and effect as written.



PROPOSAL TO PROVIDE CONSULTING SERVICES

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

October 25, 2016



Convention, Sports & Entertainment
Facilities Consulting
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October 25, 2016

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Mr. Chuck Davison, President & CEO
Visit San Luis Obispo County
Phone: 805.541.8000
Email: 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.

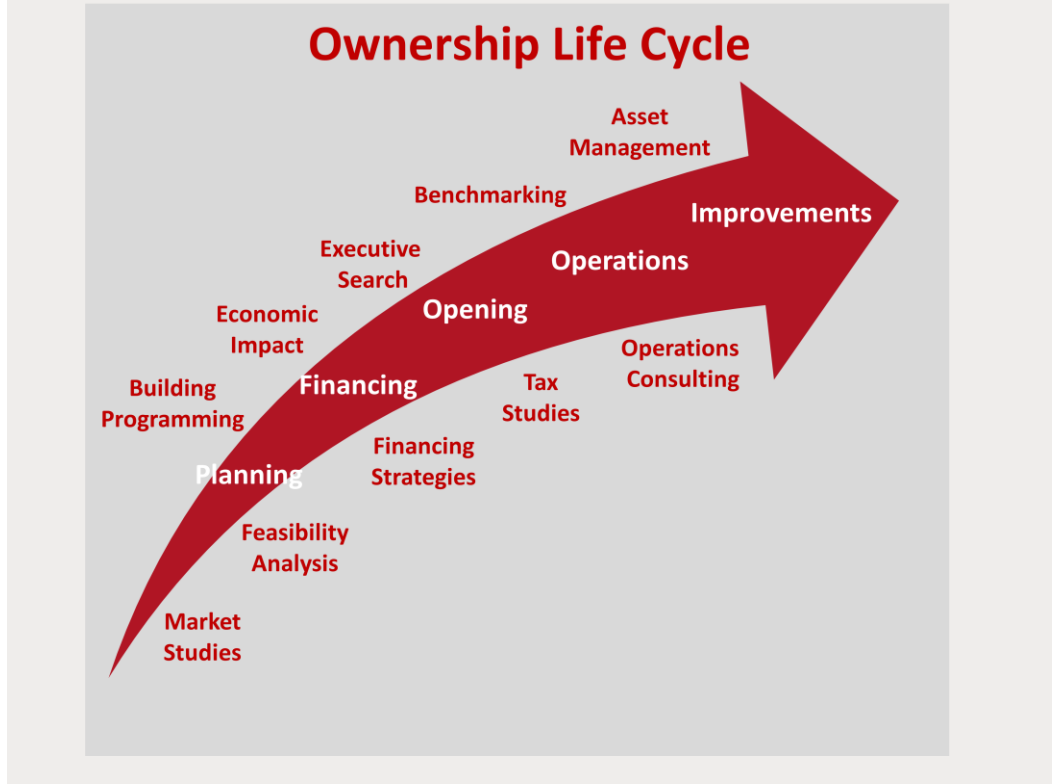
By engaging HVS for this assignment, you will benefit from access to some of the most experienced hospitality consultants in the industry and the industry's most comprehensive databases. Our reputation among investors, bankers, rating agencies, developers, and public officials is extremely important 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 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 non-profit and 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 non-profit and municipal clients - approximately 90 percent of our work is conducted for these types of 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 non-profit 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 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, non-profit entities, 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. Suzanne would serve as advisor.

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 non-profits and 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

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 CRITERIA¹

	Criteria	Weight ²	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
Sub-Total Site Considerations			21	17	16	14
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
Sub-Total Urban Impact			12	11	6	6
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
Sub-Total Access			20	16	17	16
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
Sub-Total Financial Considerations			7	8	10	9
Total All Criteria			60	52	49	45
Weighted Scores³		MAX	Site 1	Site 2	Site 3	Site 4
	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
Total		252	209	187	174	159
Percent of Maximum			83%	74%	69%	63%

- 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

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[®] (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 November 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
Phase 1: Market and Demand Analysis	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				
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												
<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 and are not expected to exceed \$8,000. We would ask for at least a 2 week notice to purchase any airfare in order to keep airfare costs reasonable. 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

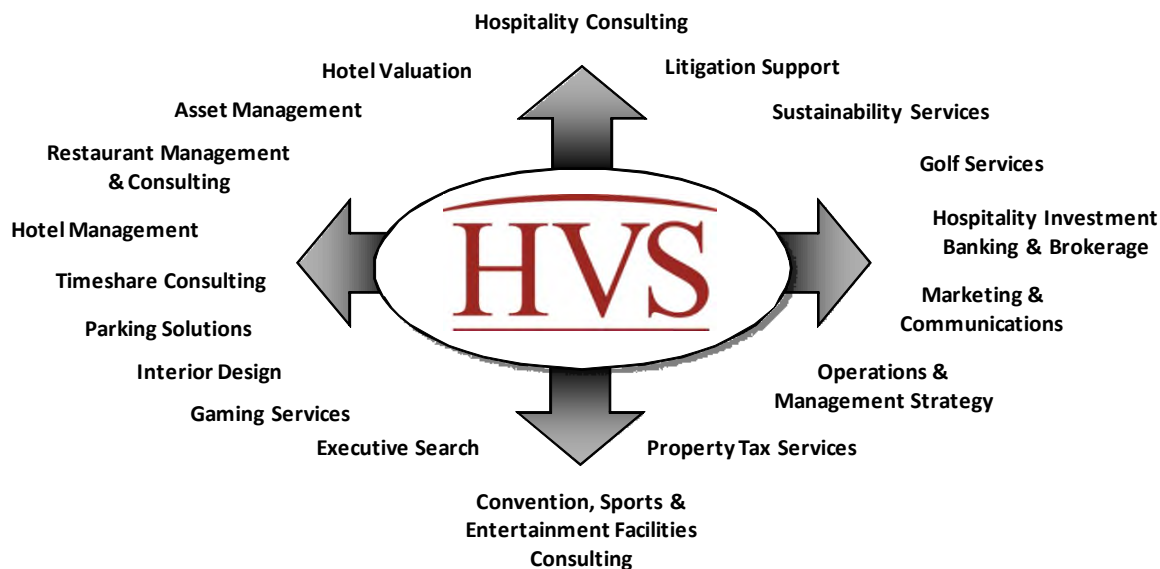
Included in this section are team qualifications materials, including resumes and a full project/client list.



CONVENTION, SPORTS
& ENTERTAINMENT
FACILITIES CONSULTING

Since 1980, HVS Global Hospitality Consulting has provided consulting and valuation services throughout the world for nearly every major industry participant. Our professional staff of more than 400 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 30 offices in 10 countries, we offer one of the most comprehensive knowledge bases in the industry. Last year alone, HVS completed more than 2,000 appraisals, feasibility studies, 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.

Divisions of HVS



HVS Convention, Sports, & Entertainment Facilities Consulting, a division of HVS Global Hospitality Services, based in Chicago, Illinois, provides independent and objective economic and financial consultant and advisory services to public clients and private developers of convention, sports, and entertainment facilities. Our staff is dedicated to helping implement your projects by providing rigorous analysis during the planning process and expert advice on development decisions.

The specialized staff of HVS Convention, Sports, & Entertainment Facilities Consulting has performed over 350 assignments analyzing the feasibility of convention centers, stadiums, arenas, civic centers, tourism attractions, performing arts venues, water parks, and other economic development initiatives. We serve our clients from the early planning stages through financing and implementation of our projects. Our studies often appear in municipal bond offering statements. Rating agencies, bond insurers, and investors rely on our studies for independent and objective assessment of the costs, benefits and risks of real estate development. We specialize in planning and negotiating public/private partnerships and are one of the few firms that understand both the public and private sides of development issues.



CONVENTION, SPORTS
& ENTERTAINMENT
FACILITIES CONSULTING

Our Clients

- Public Facility Authorities
- Planning Departments
- Convention and Tourism Agencies
- Universities
- Private Developers
- Economic Development Agencies
- Municipal Finance Departments
- Lenders, Investment Banks

Types of Services

Independent Feasibility Studies

- Independent and expert opinions on project feasibility
- Studies used to support project financing
- Reports are available to use in municipal bond offering statements, public offering documents and private placement memorandums
- Financial modeling
- Extensive experience in presenting studies to policy makers and to the investment community

Market Research

- Analysis of relationship between economics and demographics of a community and its proposed development initiative
- Extensive databases on comparable facilities
- Variety of survey and interview techniques targeted to potential users

Development Assistance

- Business and financial plan creation
- Market-based building program plans and development
- Development of team solicitation and selection
- Development and operating agreement negotiation
- Market strategies development
- Familiarity with all phases of the development process, including the early phases of project conceptualization, physical planning, deal structuring, project delivery and operations

Economic and Fiscal Impact Analysis

- Proven methodologies for estimating economic and fiscal impacts for public development initiatives
- Sophisticated economic “input/output models” for estimation of the potential for induced and indirect project impacts
- Fiscal impact analysis to measure the benefit of new tax revenue generated by the project

Tax Projections

- Accurate forecasting of public economic development projects revenues for creating and implementing a financial plan
- Forecasts of sales, income, property, hotel occupancy, auto rental, and food and beverage taxes, as well as numerous other taxes that support publicly financed projects
- HVS understands the market fundamentals and economics that drive the underlying tax base

Financial & Transaction Assistance

- Financial debt capacity analysis
- Structure and develop financing plan
- Prepare, structure, and negotiate transaction documents

HVS Project Experience

Market and Feasibility Studies

Akron, Ohio

*John S. Knight Convention Center
Expansion*

Albany, New York

Convention Center and Hotel

Albertisa, Hungary

Sports Complex

Albuquerque, New Mexico

*Convention Center
Headquarters Hotel Study*

Alexandria, Minnesota

Events Center

Alpena, Michigan

Civic Center

Alsip, Illinois

Conventions Center

Amarillo, Texas

Civic Center Analysis

Apopka, Florida

Civic Center

Arlington, Texas

Convention Center Expansion

Ashland, Kentucky

Motor Speedway

Athens, Greece

*Mixed-use Development
(Convention Center, hotel, casino,
retail, museum, amusement park)*

Austin, Texas

*Austin Convention Center and
Hotel*

*Austin Long Center for the
Performing Arts*

Baltimore, Maryland

*Convention Center Hotel
Feasibility Study*

Bangkok, Thailand

Amari Hotels Convention Center

Bangor, Maine

Proposed Conference Center

Berlin, Germany

*Hotel, Convention and
Entertainment Facility*

Bethlehem, Pennsylvania

Convention Center

Bexar County, Texas

*Multi-Purpose Event Center &
Fairgrounds*

Big Spring, Texas

*Hotel Conference Center
Feasibility Analysis*

Bloomington, Illinois

Arena

Bloomington, Indiana

*Convention Center Expansion and
Hotel Feasibility*

Birmingham, Alabama

Hotel Feasibility

Boone County, Indiana

Multi-purpose Event Center

Boston, Massachusetts

*Convention & Exhibition Center
Boston Duck Tours*

Aurora, Colorado

*Convention Center &
Headquarters Hotel*

Branson, Missouri

*Convention Center &
Headquarters Hotel*

Brookings, South Dakota

Swiftel Center Expansion

Buffalo, New York

Buffalo Convention Center

Butler, Pennsylvania

Exhibit Hall Analysis

Canonsburg, Pennsylvania

*Convention Center Feasibility
Analysis*

Cedar Rapids, Iowa

*Convention Center Feasibility
Analysis*

Chandler, Arizona

*Rawhide Theme park
Operations Review & Valuation*

Charleston, South Carolina

Citadel Stadium

Charlotte, North Carolina

Convention Center Master Plan

Chennai, India

Trade & Exposition Center

Chesterfield, Michigan

Exposition Center

Chicago, Illinois

*Kino Factory Theater
Hotel Feasibility – Private
Developer
Hyatt McCormick Place Expansion
Hotel at University of Chicago*

Cleveland, Ohio

*Mixed-use Lakefront Report
Development*

Clovis, California

Convention Center & Hotel

Colorado Springs, Colorado

*Hotel and Conference Center
Feasibility Analysis*

Columbus, Ohio

*Greater Columbus Convention
Center*

Copenhagen, Denmark

Congress Facilities

Coralville, Iowa

Convention Center & Hotel

Corpus Christi, Texas

*American Bank Center Expansion
Bayfront Convention Center
Expansion
Hotel, Restaurant & Retail
Masterplan*

Council Bluffs, Iowa

Mid-America Center Market Study

Dallas, Texas

Convention Center Complex

Davenport, Iowa

Convention Center

Denver, Colorado

Convention Center Expansion

Detroit, Michigan

Regional Convention Center

*Ford Field Entertainment-Retail
Center*

Drumheller, Alberta, Canada

Banquet Facility

Durango, Colorado

*Conference Center Feasibility
Study*

Durham, North Carolina

Convention Center

Edmonton, Alberta

*Resort Hotel & Entertainment
Complex*

Edmonton, Alberta

Conference Center

Erie, Pennsylvania

Headquarters Hotel

Estes Park, Colorado

Auditorium/Film Center

Evanston, Illinois

*Multi-purpose Community/Sports
Center*

Fargo, North Dakota

Fargodome Expansion

Fargo, North Dakota

Performing Arts Theater

Fishkill, New York

Sports Dome Appraisal

Flagstaff, Arizona

Hotel Conference Center

Fort Lauderdale, Florida

*Convention Center Expansion and
Hotel Feasibility*

Fort Worth, Texas

Hotel

Foxwoods, Connecticut

*Casino & Resort – Convention
Facilities*

Galveston, Texas

Convention Center

Gary, Indiana

*Civic Center Maximization
Casino Amphitheater*

Glens Falls, New York

Arena, Hotel and Parking

Goodard, Kansas

*Aquatics Center and Sports
Complex*

Grand Forks, North Dakota

*Alerus Center Convention Center
Hotel*

Grand Haven, Michigan

Conference Center and Hotel

Green Bay, Wisconsin

*Titletown Entertainment Retail
Attraction (Lambeau Field)*

Greenville, South Carolina

BI-LO Arena

Hagerstown, Maryland

*Multi-Purpose Events Center
Complex*

Hammond, Indiana

Cine Art Movie Theater

Hartford, Connecticut

*Convention Center Demand
Analysis*

Harvard, Illinois

Waterpark Resort & Expo Center

Holland, Michigan

Holland Area Center

Hopkins, Minnesota

*Hopkins High School Performing
Arts & Activities*

Houston, Texas

*Redevelopment of Reliant
Astrodome*

Indianapolis, Indiana

Hotel and Conference Center

Indianapolis, Indiana

Outdoor Amphitheater

Jackson, Mississippi

Youth/Amateur Sports Complex

Jacksonville, Florida

Soccer Stadium

Jamaica (Queens), New York

Hotel & Conference Center

Jerusalem, Israel

International Convention Center

Kingsport, Tennessee

*Hotel Conference Center
Expansion*

Knoxville, Tennessee

Hotel Feasibility

Lake Junaluska, North Carolina

Conference and Retreat Center

Las Cruces, New Mexico

Hotel Conference Center

Las Vegas, Nevada

*Convention Center Expansion
Financing*

Lawton, Oklahoma

*Convention Center/Arena/Hotel
Feasibility*

Lee's Summit, Missouri

Outdoor Sports Complex

Little Rock, Arkansas

Convention Center Expansion

Loudoun County, Virginia

Convention Center & Arena

Madison, South Dakota

Multi-purpose Event Center

Madrid, Spain

Integrated Resort

Mammoth Lakes, California

*Conference Center
Cultural Events Center*

Manchester, New Hampshire

*Verizon Wireless Arena
Convention Center Feasibility
Performing Arts Center Feasibility*

Manila, Philippines

*Ayala Development Makati
Business District
Convention Center*

Marbella, Spain

Waterpark

Melbourne, Australia

Convention Center and Hotel

Memphis, Tennessee

*Convention Center Market
Analysis*

Mesa, Arizona

Domed Stadium

Mexico City, Mexico

Conference Center

Merrillville, Indiana

Convention Center

Mission, Texas

Convention Center

Monterey, California

*Conference Center Expansion
Feasibility*

Mumbai, India

Bandra Kurla Convention Center

Milwaukee, Wisconsin

*Auditorium Renovation
Wisconsin Center Phase II, III & IV
Expansion
City-wide Hotel Analysis*

Montego Bay, Jamaica

Convention Center Feasibility

Muskegon, Michigan

*Convention Center Feasibility
Entertainment Complex*

Naperville, Illinois

Hotel and Convention Center

Nashville, Tennessee

*Convention Center &
Headquarters Hotel*

New Morgan, Pennsylvania

Formula Motor Sports Park

New Orleans, Louisiana

*Convention Center District
Assessment*

*Grammy Exposition Hall & Hall of
Fame*

New York, New York

*Pier 94 – the “UnConvention
Center”*

*Madison Square Garden-
Assessment of Stadium’s
use of Convention Center*

Norfolk, Virginia

Convention Center & Hotel

Norman, Oklahoma

Hotel & Conference Center

Omaha, Nebraska

*Convention Center, Arena &
Headquarters Hotel*

Ottawa, Ontario

*Rideau Carleton Trade Show and
Exhibition Centre*

Overland Park, Kansas

*Arena Feasibility Study
Arena Impact Study
Convention Center and Hotel
Feasibility Study
Soccer Stadium*

Oyster Bay, New York

Banquet Hall Venue

Palmdale, California

Conference Center

Park City, Utah

Conference Center Study

Philadelphia, Pennsylvania

Convention Center Labor Study

Phoenix, Arizona

Convention Center Demand Study

Pigeon Forge, Tennessee

Convention Center/Hotel Analysis

Plano, Texas

*Convention Center/Arena/Hotel
Feasibility*

Portland, Oregon

*MLS Stadium Analysis
Veteran’s Memorial Coliseum
Analysis*

Quad Cities, Illinois

*Quad Cities International
Raceway Park*

Queens, New York

Convention Center & Hotel

Racine, Wisconsin

Convention Center

Racine, Wisconsin

DeKoven Center Expansion

Raleigh, North Carolina

*Convention Center and
Headquarters Hotel
Stadium Feasibility*

Rancho Mirage, California

Agua Caliente Casino and Resort

Richmond, Virginia

*Greater Richmond Convention
Center*

Riviera Beach, Florida

Community Civic Center

Saint Louis, Missouri

*Headquarters Hotel Market Study
Industry Market Study
Due Diligence for Hotel Investor*

Salt Lake City, Utah

*Performing Arts Center &
Cultural District Planning*

Salem, Oregon

Oregon State Fair

Salem, Virginia

Convention Center

San Antonio, Texas

*Alamodome Analysis
Convention Center
Freeman Coliseum
Multi-purpose Event Center*

Soccer Stadium Analysis

Toyota Field Appraisal

San Bernadino, California

Arena

Santa Fe, New Mexico

*Cerrillos Road Convention Center
Survey
Downtown Convention Center
Feasibility Study*

St. Louis, Missouri

*Soccer and Sports Complex
Feasibility*

San Juan, Puerto Rico

*America's World Trade
Convention Center District*

Saratoga Springs, New York

*Concert Venue Analysis
Multi-Purpose Entertainment
Venue*

Schaumburg, IL

*Convention Center & Hotel
Feasibility Study*

*Convention Center and
Headquarters Hotel Asset
Management*

Skagit County, Washington

Northern State Recreation Center

Seattle, Washington

*Washington State Convention
Center Expansion*

South Lake Tahoe, California

*Hotel Conference Center & Event
Center*

Suffolk, Virginia

Hotel Conference Center

Sydney, Australia

Convention Center

Syracuse, New York

*DestiNY –Tourism, Retail &
Entertainment Center*

Tallahassee, Florida

*Convention Center &
Headquarters Hotel*

Thackerville, Oklahoma

Conference Center Study

The Colony, Texas

Conference Center Study

Tioga Downs, New York

Waterpark

Tinley Park, Illinois

Convention Center Expansion

Tipperary, Ireland

*Mixed-use Development
(Convention Center, hotel, casino,
retail, equestrian center)*

Torrance, California

Hotel Conference Center

Tucson, Arizona

Convention Center/Hotel/Arena

Vail, Colorado

Conference Center

Valley View, Pennsylvania

*Rausch Motor Sports / Motor
Sports Park*

Vancouver, British Columbia

Convention Center

Visalia, California

Convention Center Expansion

Wausau, Wisconsin

Convention Center & Hotel

Washington, DC

Wardman Park Hotel

West Allis, Wisconsin

*State Fair Park Hotel
Hotel Feasibility Study and
Request for Proposals*

Wichita, Kansas

*Century II
Modernization/Expansion Phase I
Century II
Modernization/Expansion Phase II*

Winston-Salem, North Carolina

Convention Center

Xenia, Ohio

Entertainment Center Analysis

Youngstown, Ohio

Hotel Conference Center

Zanesville, Ohio

Convention Center

Hotel Studies

Albany, New York

Hotel & Convention Center

Albany, New York

Hotel at Rensselaer Rail Station

Albuquerque, New Mexico

Headquarters Hotel Study

Atlanta, Georgia

Headquarters Hotel Study

Austin, Texas

Headquarters Hotel

Condo-Hotel Development

Baltimore, Maryland

Convention Center Hotel

Feasibility Study &

Hotel Development

Hotel/Parking Structure Appraisal

Bangkok, Thailand

Amari Hotels Convention Center

Bangor, Maine

Proposed Hotel and Conference

Center Development

Beach Park, Illinois

Hotel Feasibility

Bethlehem, Pennsylvania

Hotel Feasibility

Big Spring, Texas

Hotel Conference Center

Feasibility

Birmingham, Alabama

Hotel Feasibility

Boston, Massachusetts

Headquarters Hotel Feasibility

Branson, Missouri

Convention Center &

Headquarters Hotel

Cedar Rapids, Iowa

Hotel Feasibility

Charlotte, North Carolina

Headquarters Hotel Development

Convention Center Financing

Room Tax Analysis

Chesterfield, Michigan

Hotel Feasibility

Chicago, Illinois

Hotel Feasibility for Private

Developer

University of Chicago Hotel

Hotel Feasibility – near downtown

Clovis, California

Convention Center & Hotel

Colorado Springs, Colorado

Hotel and Conference Center

Feasibility Analysis

Costa Rica

Hotel/Condo Resort Development

Columbus, Ohio

Fort Rapids Waterpark Hotel

Coralville, Iowa

Convention Center & Hotel

Corpus Christi, Texas

American Bank Center Hotel

Bayfront Convention Center

Expansion

Hotel, Restaurant & Retail

Masterplan

Davenport, Iowa

Management RFP

Blackhawk Hotel Redevelopment

Dayton, Ohio

Hotel

Decatur, Illinois

Hotel and Conference Center

Des Moines, Iowa

Hotel Feasibility

Erie, Pennsylvania

Hotel Feasibility

Estes Park, Colorado

Hotel Feasibility

Fishers, Indiana

Hotel Feasibility

Flagstaff, Arizona

Hotel Conference Center

Fort Lauderdale, Florida

Convention Center Hotel

Fort Worth, Texas

Headquarters Hotel

Franklin, Tennessee

Hotel Feasibility

Frederick, Maryland

Hotel Conference Center

Feasibility

Grand Forks, North Dakota

Alerus Center Convention Center

Hotel

Grand Haven, Michigan

Hotel and Conference Center

Feasibility

Greenville, South Carolina

Greenville Auditorium District

Hotel Tax Revenue Bonds

Harvey, Illinois

Hotel Feasibility

Henderson, Nevada

Headquarters Hotel Feasibility

Honolulu, Hawai'i

Headquarters Hotel Feasibility

Highland Park, Illinois

Hotel Feasibility

Houston, Texas

Hotel Feasibility

Headquarters Hotel Feasibility

Huntsville, Alabama

Headquarters Hotel Development

Indianapolis, Indiana

Hotel Conference Center

Feasibility

Jamaica (Queens), New York

Hotel & Conference Center

Kingston, Oklahoma

Hotel Feasibility

Knoxville, Tennessee

Hotel Feasibility

Lawton, Oklahoma

Hotel Feasibility

Lawrenceburg, Indiana

Hotel

Manchester, New Hampshire

Hotel Feasibility

Milwaukee, Wisconsin

City-wide Hotel Market Analysis

Hotel Appraisal

Minneapolis, Minnesota

*Suburban Hotel Waterpark
Feasibility*

Moline, Illinois

Hotel Feasibility

Mount Pleasant, South Carolina

Hotel Feasibility

Naperville, Illinois

Hotel and Convention Center

Nashville, Tennessee

Headquarters Hotel Feasibility

New Orleans, Louisiana

Headquarters Hotel

New York City, New York

Hotel

Norfolk, Virginia

Convention Center & Hotel

Normal, Illinois

*Hotel, Conference Center & Multi-
Use Facility
Development*

Norman, Oklahoma

Hotel & Conference Center

North Augusta, South Carolina

Hotel Feasibility

Oakbrook, Illinois

Hotel Feasibility

Omaha, Nebraska

*Convention Center & Hotel
Convention Center, Arena &
Headquarters Hotel*

Palm Beach Gardens, Florida

Hotel Feasibility

Park City, Utah

Hotel Market Analysis

Phoenix, Arizona

Hotel Feasibility

Pigeon Forge, Tennessee

Hotel Feasibility

Peoria, Illinois

Hotel Feasibility

Plano, Texas

Hotel Feasibility

Plymouth, Michigan

Inn at St. John's Expansion

Portland, Oregon

Headquarters Hotel

Queens, New York

*Convention Center & Hotel
Hotel Conference Center*

Raleigh, North Carolina

*Headquarters Hotel & Convention
Center*

*Centennial Authority of North
Carolina – Hotel Tax*

Revenue Bonds

*Downtown Hotel Development
Strategy*

Richmond, Virginia

*Greater Richmond Convention
Center Authority*

Hotel Tax Revenue Bonds

Saint Louis, Missouri

*Headquarters Hotel Market Study
Hotel Industry Analysis*

Saint Louis, Minnesota

Hotel

San Juan, Puerto Rico

Room Tax Analysis

Santa Fe, New Mexico

*Civic Center Hotel Room Tax
Analysis*

Schaumburg, IL

*Convention Center & Hotel
Feasibility Study*

*Convention Center and
Headquarters Hotel Asset
Management*

Shasta Lake, California

Hotel Conference Center

South Lake Tahoe, California

*Hotel Conference Center & Event
Center*

Suffolk, Virginia

Hotel Conference Center

Tinley Park, Illinois

Hotel Feasibility

Tucson, Arizona

Headquarters Hotel Feasibility

Virginia Beach, Virginia

*Headquarters Hotel Feasibility
and Development Assistance*

Wailuku, Hawaii

Hotel Feasibility

Washington, DC

Wardman Park Hotel

Wausau, Wisconsin

*Convention Center & Hotel
Hotel-Motel Room Tax Analysis*

West Allis, Wisconsin

*State Fair Park Hotel
Hotel Feasibility Study and
Request for Proposals*

Youngstown, Ohio

Hotel Conference Center

Economic Impact Analysis

Alexandria, Minnesota

Events Center

Arlington, Texas

Arlington Convention Center

Albany, New York

*Convention Center and
Headquarters Hotel*

Austin, Texas

Austin Convention Center

Bimini Bahamas

Casino Development

Boston, Massachusetts

*Boston Convention
Center/Headquarters Hotel*

Buffalo, New York

Buffalo Convention Center

Chesterfield Township, Michigan

Proposed Convention Center

Chicago, Illinois

Navy Pier

Colorado Springs, Colorado

Proposed Convention Center

Columbus, Ohio

*Greater Columbus Convention
Center*

Copenhagen, Denmark

Proposed Congress Centre

Corpus Christi, Texas

American Bank Center

Council Bluffs, Iowa

Mid-America Center

Dallas, Texas

*Hotel Impact on Convention
Center*

Denver, Colorado

*Convention Center Headquarters
Hotel*

Fargo, North Dakota

Fargodome Expansion

Fort Lauderdale, Florida

Headquarters Hotel

Henderson, Nevada

Headquarters Hotel Impact

Houston, Texas

*Redevelopment of Reliant
Astrodome*

Huntsville, Alabama

Headquarters Hotel Development

Jerusalem, Israel

International Convention Center

Honolulu, Hawaii

Mixed-use Resort

Lenox, Massachusetts

National Music Foundation

Lombard, Illinois

Proposed Hotel Conference Center

Louisville, Kentucky

Henry Clay Hotel Restoration

Madison, South Dakota

Multi-purpose Event Center

Mammoth Lakes, California

Proposed Conference Center

Milwaukee, Wisconsin

Convention Center & CVB

Monterey, California

Conference Center

Naperville, Illinois

Proposed Conference Center

New Orleans, Louisiana

Hotel Industry Impact Study

New York, New York

World Trade Center

Madison Square Garden

*Economic Impact Analysis of
Hudson Gardens*

Nashville, Tennessee

Headquarters Hotel

Norfolk, Virginia

Convention Center

Normal, Illinois

Conference Center

Norman, Oklahoma

Conference Center

Overland Park, Kansas

Convention Center

Palmdale, California

Conference Center

Park City, Utah

Conference Center

Phoenix, Arizona

Phoenix Convention Center

Plano, Texas

Convention Center/Arena/Hotel

Providence, Rhode Island

Convention Center

Raleigh, North Carolina

Proposed Convention Center

Richmond, Virginia

*Greater Richmond Convention
Center*

Salem, Virginia

Convention Center

Salt Lake City, Utah

Performing Arts Center

Santa Fe, New Mexico

Downtown Convention Center

St. Charles, Illinois

Downtown Theater

Suffolk, Virginia

Hotel Conference Center

Santa Fe, New Mexico

Downtown Convention Center

Tallahassee, Florida

Conference Center

Vail, Colorado

Conference Center

Virginia Beach, Virginia

Headquarters Hotel

Visalia, California

Convention Center

Washington D.C.

Convention Center

Tax Forecasts

Austin, Texas

*Convention Center/Waller Creek
Venue*

Project Bonds

Charlotte, North Carolina

*Convention Center Financing
Room Tax Analysis*

Chicago, Illinois

City of Chicago, Revenue

Estimates Books

(1989 through 1993)

O'Hare International Terminal

Special Revenue

Bond Financing

Motor Fuel Tax Bond Issue

Dallas, Texas

City of Dallas Hotel/Motel

*Occupancy Tax and Alcohol
and Beverage Tax*

Green Bay, Wisconsin

Lambeau Field Sales Tax Analysis

*Arena & Convention Center, Room
Tax Analysis*

Greenville, South Carolina

*Greenville Auditorium District
Hotel Tax*

Revenue Bonds

Henderson, Nevada

Transit Lodging Tax

Mecklenburg County, North Carolina

*Room Occupancy & Prepared
Food & Beverage Tax Analysis*

Milwaukee, Wisconsin

*Southeast Wisconsin Professional
Baseball*

Park – District Sales Tax

Revenue Bonds

1996, 1997, 1999

*Wisconsin Center District – Senior
and Junior Dedicated (2012)*

Tax Revenue Refunding Bond

*Wisconsin Center District Junior
Dedicated*

Tax Revenue Refunding Bond

Nashville, Tennessee

*Convention Center Financing- Tax
Revenue Projections:*

Hotel/Motel Tax

Airport Tax

Vehicle Rental Tax

TDZ Tax

New York, New York

Jacob Javits Convention Center

Expansion Financing

Tax Revenue Bonds

North Charleston, South Carolina

*Charleston County Municipal
Accommodations Fee Analysis*

Orlando, Florida

*Orange County Convention Center
Tax Revenue*

Analysis

Overland Park, Kansas

General Obligation Bonds –

Transient Guest Tax Study

Overland Park Development Corp.

– Senior Revenue Bonds

Raleigh, North Carolina

*Centennial Authority of North
Carolina – Hotel*

Tax Revenue Bonds

Richmond, Virginia

*Greater Richmond Convention
Center Authority Hotel*

Tax Revenue Bonds

San Juan, Puerto Rico

Room Tax Analysis

Santa Fe, New Mexico

*Civic Center Hotel Room Tax
Analysis*

Washington DC

Lodging Tax Revenue Projections

Wausau, Wisconsin

Hotel-Motel Room Tax Analysis

Development Assistance

Akron, Ohio

*Football Stadium & Mixed-Use
Development*

Augusta, Georgia

*Convention Center and Hotel
Development*

Albany, New York

Headquarters Hotel Task Force

Albuquerque, New Mexico

Headquarters Hotel Task Force

Arlington, Texas

*Headquarters Hotel and
Convention Center Expansion*

Baltimore, Maryland

Headquarters Hotel Development

Bangor, Maine

*Proposed Hotel and Conference
Center Development*

Cairo, Egypt

*Convention Center Management
Study*

Charleston, South Carolina

College of Charleston Arena

Charlotte, North Carolina

Headquarters Hotel Development

Chicago, Illinois

*O'Hare International
Management*

*Headquarter Hotel Operator
Selection*

Columbus, Ohio

*COSI Science & Industry Museum
Feasibility Study – Peer Review*

Council Bluffs, Iowa

*Negotiation Assistance –
Arena/Convention Center
Operator*

Davenport, Iowa

*Management RFP
Blackhawk Hotel Redevelopment*

Frenchtown, St. Thomas

US Virgin Islands

Resort Hotel Development

Greenville, South Carolina

*BI-LO Center
Proposed Ballpark & Mixed-use
Development*

Harlingen, Texas

Conference Hotel Development

Huntsville, Alabama

Headquarters Hotel Development

Jacksonville, Florida

*Jacksonville Arena
Jacksonville Baseball Park*

Macon, Georgia

*Arena & Ballpark Mixed-use
Development*

Madison, Wisconsin

*Headquarter Hotel/Mixed Use
District*

Manchester, New Hampshire

Verizon Wireless Arena

Milwaukee, Wisconsin

*Wisconsin Center District –
Financial Advisory Services
Construction*

Minneapolis, Minnesota

Airport Hotel Development

Naperville, Illinois

*Hotel and Conference Center
Development*

Normal, Illinois

*Hotel, Conference Center &
Mixed-Use Development*

Norman, Oklahoma

*Development Contract
Negotiation Assistance
Development*

Omaha, Nebraska

*Headquarters Hotel & Convention
Center Development*

Overland Park, Kansas

*Headquarters Hotel & Convention
Center Development*

Owensboro, Kentucky

Mixed-use Development

Perth Amboy, New Jersey

Ballpark Development

Portland, Oregon

Headquarters Hotel Development

Prospect Heights, Illinois

Arena Development

Queens, New York

*Madison Square Garden Stadium
Commentary*

Raleigh, North Carolina

*Headquarters Hotel & Convention
Center Development*

Saint Louis, Missouri

*Saint Louis University Arena &
Mixed-use Development*

San Antonio, Texas

Convention Center

San Antonio, Texas

CVB

San Juan, Puerto Rico

*America's World Trade Center
District*

Savannah, Georgia

Arena Development

Schaumburg, Illinois

*Convention Center and
Headquarters Hotel*

Stamford, Connecticut

*Arena Development
Ballpark & Mixed-use
Development*

Stillwater, Oklahoma

*Oklahoma State Football Stadium
Renovation*

Wauwatosa, Wisconsin

*Milwaukee Regional Medical
Center Organizational Analysis*

West Allis, Wisconsin

*Hotel Feasibility Study and
Request for Proposals*

Financial Services and Financial Analytical Services

Augusta, Georgia

*Purchase of the Augusta Lynx of
the East Coast Hockey League,
Investment Banker*

Chatham County, Georgia

*Naming Rights Marketing
Assistance Services*

Columbia, South Carolina

*New Ballpark and Mixed-use
Development, Financial Advisor
to Team and Developer*

Council Bluffs, Iowa

*Mid-America Center Operational
Review*

Davenport, Iowa

*Convention Center Operational
Review*

Denver, Colorado

*Convention Center Expansion,
Financial Advisor*

Greenville, South Carolina

*BI-LO Center - Arena Lease,
Operating Agreements,
Financing Documents*

Jacksonville, Florida

*Ballpark Lease Negotiations
between the City of Jacksonville
and the Jacksonville Suns for a
Long-term Lease of the new
Baseball Grounds*

*Comparative Study of 9 NFL Small
Market Stadium Lease,
Financing and Operations*

*Program Manager, Overseeing
development of \$170million
Sports Complex including new
Arena and Ballpark*

Manchester, New Hampshire

*Verizon Wireless Arena,
Investment Banker*

Milwaukee, Wisconsin

Buck Arena Financing Analysis

Omaha, Nebraska

*Omaha Royals New Downtown
Ballpark and Mixed-use
Development, Financial Advisor*

St. Augustine, Florida

*World Golf Village, Financial
Advisor*

St. Petersburg, Florida

*St. Petersburg Times Forum (NHL's
Lightning), Investment Banker
and Financial Analyst*

Tampa Bay, Florida

*Tropicana Field (MLB's Devil Rays),
Investment Banker and Financial
Analyst*

*Raymond James Field, Investment
Banker and
Financial Analyst*

Vero Beach, Florida

*4 Spring Training Facilities including
renovation of Dodgertown,
Investment Banker and Financial
Analyst*

Worcester, Massachusetts

*Valuation and Allocation of the
Naming Rights for Convention
Center and Arena*

Leagues

Af2 League

*Venue and Team Services
Consultants to the af2*

National Basketball Association

*Venue and Market Consultants to
the NBA on the creation and
initial market selection of the
NBDL*



CONVENTION, SPORTS
& ENTERTAINMENT
FACILITIES CONSULTING



Thomas Hazinski

MANAGING DIRECTOR

Thomas A. Hazinski has 20 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 twenty years, Hazinski has specialized in the analysis of convention, sports and entertainment markets and the associated real estate developments. In January 2000, he started the Chicago office of HVS as its Managing Director.

Formerly, Mr. Hazinski served as Senior Vice President of C.H. Johnson Consulting, Inc., a firm that specialized in market analyses and feasibility studies for convention, sports, hospitality, and entertainment facilities. Mr. Hazinski has managed up to 25 engagements each year helping many of his clients to successfully plan and finance their projects.

Mr. Hazinski has studied and helped to implement convention center and hotel initiatives in major U.S. markets such as Chicago, Baltimore, Raleigh, Nashville, New Orleans, San Antonio, Boston, New York, Austin, Kansas City, and Portland, OR. His sports facility project experience includes Miller Park in Milwaukee, WI; the BI-LO Arena in Greenville, SC; the Citadel Stadium in Charleston, SC; the Centennial Arena in Raleigh, NC; Lambeau Field in Green Bay, WI; and various other stadium, arena and motorsports facilities. His performing arts facility project experience includes the Milwaukee Theater; the Long Center for the Performing Arts in Austin, Texas; and arts venues in Little Rock, Amarillo, Farmington, New Mexico, and Salt Lake City.

Internationally, he has worked on convention center and/or mixed-use resort projects in Berlin, Cairo, Copenhagen, Geneva, Mexico City, Sydney, Melbourne, and other cities in India, Thailand, South Africa, and the Philippines. He has worked on mixed-use resort, casino, entertainment and convention center developments in Ireland, Macau, Singapore, and Madrid.

Before starting his consulting career, Mr. Hazinski served in government positions dealing with various aspects of municipal finance. Formerly Assistant Budget Director for the City of Chicago, he managed the City's revenue analysis unit and was responsible for revenue estimation, legislative review and fiscal impact analyses for numerous city projects. Mr. Hazinski also served as the Assistant Commissioner of the Department of Aviation for the City of Chicago, where he coordinated the completion and opening of the new International Terminal at O'Hare Airport.

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. He has lectured at DePaul University in the Masters of Public Services Program, teaching a course entitled "Financial and Economic Foundations of Public Service."

Consulting Experience

- Managing Director, HVS Convention, Sports & Entertainment Facilities Consulting
- Senior Vice President, C.H. Johnson Consulting, Inc.
- Vice President, Midwest Management Consultants

Government Experience

- Assistant Budget Director for Revenue Analysis, City of Chicago
- Assistant Commissioner of Aviation and International Terminal Manager
- Revenue Analysis, Chicago Park District

Academic Background

- M.A. Public Policy Studies, University of Chicago
- B.A. University of Wisconsin - Madison
- Lecturer, DePaul University



CONVENTION, SPORTS
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Catherine Sarrett

SENIOR DIRECTOR

Consulting Experience

- Senior Director, HVS Convention, Sports & Entertainment Facilities Consulting
- Project Manager, C.H. Johnson Consulting, Chicago
- Program Manager, Stein & Company, Chicago

Academic Background

- M.B.A., Finance and Marketing, Wharton School, University of Pennsylvania
- B.S. Civil Engineering, Duke University

Catherine Sarrett consults for public and private clients seeking to plan, develop, and operate convention, sports, cultural, and entertainment facilities. Ms. Sarrett is currently a Project Manager at HVS Convention, Sports & Entertainment Facilities Consulting, which is dedicated to objective and independent market and financial analysis of public assembly facilities.

Ms. Sarrett began her career in the convention, sports and entertainment field as the Owner's Representative for the Philadelphia Spectrum Arena during the development stages of the Wachovia Center. She oversaw all stages of arena design, managed the development budget and served as the liaison between design professionals and facility operations and management. As a Program Manager with Stein & Company, Ms. Sarrett served as the lender representative on a variety of construction projects preparing monthly due diligence reports, ensuring that construction proceeded on schedule and approving construction draws for the lender. She also prepared a number of financial projections for a variety of land uses. With Johnson Consulting, Ms. Sarrett prepared market and feasibility studies including demand and financial projections, operational analyses, and funding models.

Catherine received her Bachelor of Science in Civil Engineering from Duke University and spent several years as a structural engineer with Hanson Engineers, Inc. before entering the Wharton School of the University of Pennsylvania where she received her Master's of Business Administration in Finance and Marketing.

Catherine has provided the following services:

- feasibility analysis of a hotel and conference center in suburban Columbus, Ohio,
- expansion analysis of the Telluride Conference Center,
- feasibility analyses for proposed conference centers in Park City, Utah; Thackerville, Oklahoma; and Eagle River, Wisconsin,
- a feasibility analysis for a conference/convention center development in Cedar Rapids, Iowa,
- an expansion analysis for the Broward County, FL Convention Center,
- feasibility analysis for a convention center development in Tallahassee, Florida,
- feasibility analysis for the expansion of the Amarillo Civic Center in Amarillo, Texas,
- expansion options for the Fargodome in Fargo, North Dakota and the Wisconsin Center in Milwaukee.



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Brian Harris

DIRECTOR

Consulting Experience

- Director, HVS Convention, Sports & Entertainment Facilities Consulting
- Senior Vice President, ScheerGame Sports Development, LLC

Finance Investment Banking Experience

- Senior Vice President, William R. Hough & Company
- Senior Vice President, Raymond James & Assoc.
- Vice President, Arch Roberts & Company
- Vice President, Florida Municipal Securities, Inc.

Academic Background

- B.S. Business Administration, Finance, University of Central Florida

Brian Harris brings extensive experience in public facility financing to HVS. He served as Vice President of Analytical Services, ScheerGame Sports Development, LLC and previously 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.

Harris' major activities in financing began in 1985 with the financing of the Devil Ray's Tropicana Field for the City of St. Petersburg/Pinellas County FL. That financing involved financial participation and risk sharing by the City, County, State, and the franchise holders of the sports team. After the Tropicana Field original financing was completed, Harris later worked on the refunding of that transaction in order to lower overall debt service payments.

Harris continued to be involved in numerous financing for public facilities, including the \$200 million Raymond James Stadium in Tampa Bay and the BI-LO Center in Greenville, S.C., including its 1999 refinancing that lowered its overall debt service. He was lead financial analyst for the Verizon Wireless Arena, a 10,000-seat minor league hockey arena constructed in Manchester, N.H. Mr. Harris worked on the World Golf Village financing outside Jacksonville, FL and numerous minor league ballparks throughout the southeast. He provided both project budget analytical support for the program management team and operating pro-forma analyses for the lease negotiating team on the 170 million dollar ballpark and arena improvements to Jacksonville's Sports Complex.

In Harris' more than 25 years of experience in the sports facility financing section of the municipal bond market, he has experienced many variations of public/private partnerships and techniques to enable the issuance of the maximum amount of tax-exempt bonds while permitting franchise teams to play in the arena. Harris also has focused on the investment of bond proceeds in municipal escrow accounts and on the reinvestment of reserve accounts for the purpose of maximizing earnings.

His experience providing analysis for convention centers and financing strategies includes the Dallas Convention Center Complex, the proposed Albany, NY Convention Center and Hotel, the Tucson Convention Center, and McCormick Place in Chicago. He has also conducted analyses for headquarter hotels in Virginia Beach, VA, Houston, TX, Portland, OR, Tucson, AZ, and Albany, NY.



www.nbbj.com

November 1, 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
Total (Phases 1, 2, 3)	\$94,710

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
November 1, 2016
Page 6

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



April 15, 2016

Mr. Robert C. Mankin, Jr.
NBBJ
523 West 6th Street, Suite 300
Los Angeles, California 90014

Dear Ms. Mankin:

This letter ("Letter") sets forth our understanding of the terms and objectives of an engagement to conduct feasibility research for a potential conference center and hotel development in San Luis Obispo. This Letter also provides the nature and limitations of the services to be provided and the related fee arrangement.

Scope of Services

A description of the work plan is provided below.

Phase 1. Market Demand Analysis

- Task 1. Study Kickoff and Initial Project Planning
- Task 2. Local Market Conditions Analysis
- Task 3: Industry Characteristics and Trends Analysis
- Task 4. Comparable and Competitive Facility Analysis
- Task 5. Event Planner Research

Phase 2. Facility Concept Development, Site and Event Levels Analysis

- Task 1. Analysis of Programming Options
- Task 2. Event Levels Analysis

Phase 1. Market Demand Analysis

The purpose of this Phase is to analyze existing and potential future market demand for the proposed conference center. The analysis will allow us to quantify potential market demand for conference facilities under various assumptions with respect to program development and site options. Specific tasks comprising this Phase include those summarized below and on the following pages.

Task 1. Study Kickoff and Initial Project Planning

As an initial step in the engagement, we will work with key Visit San Luis Obispo, City, industry and other stakeholders to establish the specific project goals and timeframe. An initial planning meeting will take place to collect pertinent project data and to identify the local organizations, officials and others that we will need to meet with at the study's outset. This is a critical first-step, and we will spend several days in the community conducting local interviews, reviewing existing data and visiting existing convention and visitor industry assets.

These meetings will help us in understanding the vision of the overall convention and meetings market in San Luis Obispo and will provide significant insight regarding opportunities and constraints in terms of attracting greater event market share, as well as important physical and programmatic elements required to accommodate market demand.

Task 2. Local Market Conditions Analysis

We will define and evaluate local visitor industry characteristics within the San Luis Obispo area that impact the ability to compete for conferences, conventions, tradeshow and meetings. The primary components of a successful event/destination package will be evaluated in order to assess the area's ability to support added event activity.

Characteristics to be evaluated as part of this overall analysis task include:

- Lost business data maintained by Visit San Luis Obispo.
- Location/size of committable, convention-quality hotel properties/rooms.
- Existing/planned conference space and hotel facilities in the local area.
- Hotel cost structures.
- Location of visitor amenities such as restaurants, retail offerings, entertainment, attractions and other such offerings.
- Proximity to other major metropolitan markets.
- Air, rail, ground transportation and shuttle access.
- Corporate and other potential local demand generators.

The results of this task will be used in combination with data prepared throughout the study to assess the market's competitive position within the local, state, regional and national marketplace and its ability to accommodate additional event demand.

Task 3: Industry Characteristics and Trends Analysis

The conference, convention, tradeshow and meeting event industries have undergone significant change over the past decade. Issues impacting the industry, including increased demand for event space, technological amenities, hotel availability, service levels and other such characteristics, have been joined by events during this period such as fluctuations in nationwide economic conditions. Event planners are also increasingly seeking destinations that provide walkable center, hotel and entertainment environments. In addition, supply growth has impacted demand levels in individual markets.

The purpose of this task is to evaluate recent trends in the industry that may impact conference, convention and hotel space development and event levels in San Luis Obispo. An evaluation of these trends will be important in “framing” and placing overall market demand estimates into the context of the industry, presently and into the foreseeable future.

Task 4. Comparable and Competitive Facility Analysis

In evaluating the market demand for the proposed development, it is important to gain an understanding of the competitive and comparable facility environment. Within this task, we will assemble and review the operational and physical characteristics of existing and planned facilities in the region that could compete with the proposed conference center.

Additionally, projects around the country that may offer some element of comparable insight will also be evaluated. As available, the types of data that will be assembled for comparable and competitive projects include the following:

- facility type and marketing focus;
- exhibit, meeting, ballroom space and capacities;
- fixed and temporary seating components;
- technology amenities;
- future expansion plans;
- layout, staging and design features;
- event characteristics (booking levels, attendance, occupancy, utilization, room nights, future bookings, etc.);
- operating revenues and expenses;
- rental terms;
- available parking;
- area demographics;
- hotel availability, quality and proximity to the facility;
- visitor industry tax rates (i.e., hotel/motel tax);
- destination marketing organization (DMO, or CVB) resources;
- location characteristics and transportation access; and
- other such characteristics.

This analysis will assist in providing data as to how a new conference center in San Luis Obispo could compete within specific event markets, as well as later assisting in the evaluation of the associated financial operations, site and economic and fiscal impacts of such development.

Task 5. Event Planner Research

The purpose of this task is to develop primary industry market demand research specific to the San Luis Obispo market. We will interview a representative sample of potential users of a new center, both locally and from a state, regional and national basis. Such interviews are an important component of our study approach, allowing us to go beyond simply relying on competitive and comparable facility data. We will work with the CVB to ensure that past, existing and lost pieces of business are appropriately included in the survey process, in addition to a

comprehensive sample of potential users. The analysis may include organizations or individuals from the following event segments:

- Association conventions and conferences;
- Corporate meeting planners (locally and nationally);
- Banquets and receptions;
- Trade events;
- Multi-level marketing events;
- Public/consumer shows;
- SMERF events (social, military, education, religious, fraternal); and
- Various local events.

Event organizer survey results will be analyzed to provide summaries of the following data specific to added facilities:

- likelihood of utilizing a potential new San Luis Obispo conference center;
- reasons for not choosing San Luis Obispo (if applicable);
- space/seating levels required to attract the event;
- overall hotel room requirements;
- parking requirements;
- other important community requirements to attract the event;
- event seasonality;
- length of event data;
- event attendance data;
- past facility use;
- issues with respect to the proximity of nearby airports;
- perceptions of the existing area; and
- other related event information and relevant opinions.

Phase 2. Facility Concept Development, Site and Event Levels Analysis

Task 1. Analysis of Programming Options

We will prepare an analysis of the programming option or options for a new conference center that is deemed supportable, based on market demand and related data developed as part of the previous Phase. This assessment will also include an assessment of the impact of existing and planned hotel room inventory on the ability of the center to attract events.

In developing these options, we will balance the importance of matching the size of the facility with existing short and long-term future market support and local market requirements that will provide the center with the greatest opportunity for generating event bookings, room nights, revenue and occupancy.

The analysis will focus on:

- ballroom, meeting and exhibit space;
- technology amenities;
- design features including use of outdoor areas and open space learning capabilities; and
- amount and type of other revenue-producing areas.

These data will also be used to identify external factors that could significantly affect the ability of a new center to maximize event potential. Factors to be identified include:

- hotel room inventory and proximity to potential sites required to support the full potential of a new center;
- adjacencies and access to restaurant, retail and night life amenities;
- parking needs;
- transportation infrastructure/accessibility;
- event attendee transportation within the area; and
- other such characteristics.

The results of this task will provide project representatives with a clear understanding of the sizing, configuration, amenities and adjacencies that will be required for any new conference center to succeed.

Task 2. Event Levels Analysis

Based on the results of the market demand, sizing and site options analyses, we will quantify the level and characteristics of events and activities that could be attracted by and retained at a new San Luis Obispo conference center during a stabilized year of operations. The measures of event demand to be focused on will include, but will not be limited to the following:

- event levels by event segment;
- potential attendance levels by activity or use;
- origin of attendees/exhibitors (i.e., local vs. non-local);
- length of event data;
- hotel requirements (number of rooms and proximity);
- parking requirements; and
- seasonality data.

Professional Fees, Expenses and Timing

As outlined below, professional fees associated with the scope of work described above are \$36,620. Travel related expense will be billed separately at cost and are estimated at \$5,500. Fees will be billed on a monthly basis, and will not exceed the budgeted levels described above without written approval of the client.

		Total Costs
Phase 1 Market Demand Analysis		
Task 1. Study Kickoff and Initial Project Planning		\$4,400
Task 2. Local Market Conditions Analysis		4,200
Task 3. Industry Characteristics and Trends Analysis		3,220
Task 4. Comparable and Competitive Facility Analysis		4,900
Task 5. Event Planner Research		8,800
Phase 2 Facility Concept Development, Site and Event Levels Analysis		
Task 1. Analysis of Programming Options		6,000
Task 3. Event Levels Analysis		5,100
Total Professional Fees		\$36,620
Expenses		\$5,500
Total Project Costs		\$42,120

Conditions of Work

Information and Data. CSL is entitled to assume, without independent verification, the accuracy of all information and data that the Client provides to CSL. All information and data to be supplied will be complete and accurate to the best of the Client's knowledge. CSL will use information and data furnished by others if CSL in good faith believes such information and data to be reliable; however, CSL shall not be responsible for, and CSL shall provide no assurance regarding, the accuracy of any such information or data. CSL shall be providing advice and recommendations to the Client; however, all decisions in connection with the implementation of such advice and recommendations shall be the Client's responsibility. CSL shall have no responsibility for any decisions made by the Client relating to CSL's services hereunder. CSL shall have no responsibility for any assumptions provided by the Client, which assumptions shall be the Client's responsibility. The reports may include estimates of annual operating results based upon courses of action that the Client expects to take prior to and during the period under analysis. The Client is responsible for representations about its plans and expectations, and for the disclosure of significant information that might affect the estimated results.

Reports. Any reports prepared by CSL are valid only when presented in their entirety and only for the purpose stated therein. It is expressly understood that (a) CSL's reports, suggestions, analyses and conclusions, if any, do not, in whole or in part, constitute a fairness or solvency opinion and (b) CSL will not perform any review, audit or other attestation procedures with respect to financial information as defined by the American Institute of Certified Public Accountants and will not issue any opinion, report or other form of assurance with respect to any financial information. There will usually be differences between the estimated and actual results because events and circumstances frequently do not occur as expected, and those differences

San Luis Obispo Conference Center
 Donald Grinberg, FAIA
 Revised proposal to NBBJ
 March 29, 2016

Phase	Task	Hours	Fee by Phase
Phase 1 - Project Startup and Market Analysis			\$ 1,380
	A) Mobilize; participate in start-up meeting by phone	2	
	B) Review market study findings and conclusions	4	
Phase 2 - Preliminary Programming, Site Selection and Concept Design			\$ 22,310
	A) Develop Preliminary Building Program	16	
	B) Site Analysis and Recommendation	16	
	C) Assist with development of concept plan	35	
	D) Three (3) meetings in SLO and/or Los Angeles	30	
Phase 3 - Visioning			\$ 4,140
	A) Input to/review NBBJ's concept visioning	4	
	B) Assist with development of preliminary cost estimate	4	
	C) One (1) Final Presentation in SLO	10	
	TOTAL HOURS and FEE	121	\$ 27,830
	Estimated Expenses		\$ 4,000



Visit San Luis Obispo County

Activity Report, October 2016

- What's New -

VSLOC Board Approves Marketing Plan

On October 19, the Visit San Luis Obispo County Board of Directors approved VSLOC's FY2016-18 Marketing Plan, which includes the markets and personas that VSLOC will be targeting under its new brand. The Board also approved the brand positioning as VSLOC works with its marketing agency-of-record to finalize its Media Plan and launch its shoulder season campaign in January.



VSLOC Set to Host Visit California Global Ready China Seminar



On December 7, Visit San Luis Obispo County will host a first-of-its-kind Visit California's Global Ready China Seminar in San Luis Obispo County. The event will take place at the Courtyard by Marriott, SLO from 8:30am-11:30am. This seminar will provide insight into China's unique market and culture so as to better serve travelers' needs. It is perfect for front-line employees, managers, marketing and sales staff, or anyone interested in learning how to better understand and welcome the Chinese tourist, regardless of business size. The cost is \$30. Space is limited, so RSVP now at <http://bit.ly/globalreadychina>.

San Luis Obispo County Air Service Development

On the heels of securing nonstop service to Seattle, VSLOC is working with SLO County Regional Airport and Sixel Consulting Group on the facilitation of an Economic Impact study regarding future air service routes (Denver & Dallas). Results are expected in the coming weeks. Also, on December 2nd, Davison will join the Airport and Sixel in a meeting with United Airlines officials at their headquarters in Chicago to discuss San Luis Obispo County air service. Last month, VSLOC secured Wines Fly Free for San Luis Obispo County on Alaska Airlines' new air service to Seattle as part of its meeting with Alaska at their Seattle headquarters. This program is expected to begin when the flight launches in April 2017.



AMGEN Tour of California Set to Return to San Luis Obispo County

Visit San Luis Obispo County is excited to welcome the AMGEN Tour of California back to San Luis Obispo County in 2017. This year, VSLOC contributed \$50,000 in sponsorship funds to keep the Tour here in SLO County. The race will start in Pismo Beach and will finish in Morro Bay. VSLOC continues to work to keep the Tour in the County, focusing on the national and international NBC Sports television exposure the race brings to our region, giving viewers a glimpse of our dynamic and beautiful county. 2017 marks five years in a row that the Tour has included San Luis Obispo County.

2017 Southern California Lodging Forecast

On October 18, the Collins College of Hospitality held their 28th Annual Southern California Visitor Industry Outlook Conference in Los Angeles. VSLOC's Operations Manager, Brendan Pringle, attended the event on behalf of San Luis Obispo County's lodging constituents. Speakers noted that tourism is expected to grow through 2017, but will continue to slow down, and that a recession is not forecasted for the near future. Also, they forecasted that San Luis Obispo County's active supply should be absorbed in the next 1-2 years. The full 2017 Southern California Lodging Forecast is linked here: <http://bit.ly/socalforecast>. San Luis Obispo County-specific information is on pages 101-111 of the PDF.



January is Restaurant Month in San Luis Obispo County

Registration is now underway for the 10th Annual SLO County Restaurant Month, happening January 2-31. Restaurants must offer a three-course prix-fixe meal for \$30 per person or \$40 per person, and must be a VSLOC member. Please encourage restaurants in your community to **sign up by November 11, 2016!** Contact Jordan Carson at Jordan@VisitSanLuisObispoCounty.com for details.



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



Featured in *UK Daily Telegraph*: Cottage Inn by the Sea, Pismo Beach (left); and in *101USA*: Downtown San Luis Obispo (right).



VISIT SLO COUNTY WEB ACTIVITY

VISITS:	40,780
UNIQUE VISITORS:	33,806
PAGE VIEWS:	122,415
AVG. PAGE VIEWS/VISIT:	3.00
AVG. TIME ON SITE:	2:13
TOTAL ORGANIC TRAFFIC:	33,020
% OF ORGANIC:	81%
MOBILE VISITS:	24,723
MOST VISITED EVENT PAGE:	
CAMBRIA SCARECROW FESTIVAL (1,904 VIEWS)	
TOTAL BLOG VISITS:	10,463
MOST SHARED BLOG:	2016 HALLOWEEN HAPPENINGS IN SAN LUIS O'BOO'SPO COUNTY
	bit.ly/HalloweenSLOC16 (425 VISITS)

Trending

Media

- 101USA: Top 15 Small Cities in California <http://bit.ly/2en0FqI>
- UK Daily Express: 10 of the wildest West Coast experiences all the way from Frisco to LA <http://bit.ly/2fMLyfb>
- UK Daily Telegraph: Cottage Inn by the Sea (review) <http://bit.ly/2ea4xQh>
- UK Daily Telegraph: The Dolphin Bay (review) <http://bit.ly/2fokj8e>

Public Relations

- Visit California Chicago Media Boot Camp: November 14-15
- Visit California Japan FAM: November 15-16 (Paso Robles, San Simeon, Morro Bay)
- Sarah Bergeron-Ouellet, QMI Agency: November 17-18 (Pismo Beach/Arroyo Grande)

Travel Trade

- Meeting & Conference Sales Mission: November 7-9 (Sacramento)
- CalSAE Seasonal Spectacular: December 1
- US Travel Association's IPW: June 3-7 (Washington D.C.) – *co-op opportunities available!*

VSLOC Hosts Visit California UK SuperFAM

On October 1-2, Visit San Luis Obispo County hosted 10 travel agents from the UK and Ireland. The group enjoyed Hummer rides at the Pismo Beach/Oceano Dunes, ziplining at Margarita Adventures, dinner at SLO Brew, wine tasting and lunch at Ancient Peaks Winery and a farm tour and dinner at Windrose Farm by FARMSteadED. The group stayed overnight at both the Holiday Inn Express Hotel & Suites of Atascadero and the Lamplighter Inn & Suites in San Luis Obispo.



Italian Social Media Influencers Take on SLO County

On October 28, VSLOC hosted two popular Italian social media influencers in San Luis Obispo County in partnership with Visit California. Andrea Tamburrini and Francesco Innocenti, who boast a combined Instagram following of nearly 500k, visited San Luis Obispo on their drive from San Francisco to Los Angeles.

VSLOC's Jordan Carson Attends eTourism Summit

On October 19-21, VSLOC's Marketing Coordinator, Jordan Carson, attended the eTourism Summit, where she heard from DMOs, industry partners and digital media companies like BuzzFeed and The Onion. Speakers noted that utilizing key influencers who are experts in their photo fields (food, lifestyle, etc) to help market your brand and region is the newest way to reach consumers who might not have originally sought you out. Also, the ideal video is around 8-15 seconds.



VISIT SLO COUNTY SOCIAL MEDIA ACTIVITY

FACEBOOK

LIKES:	18,010	NEW:	306
TOT. IMPRESSIONS:	386,148		
HIGHEST ENGAGEMENT:	VISIT CAMBRIA ON THE CA HIGHWAY 1 DISCOVERY ROUTE		
	#SCENICSATURDAY (2.1K ENGAGEMENTS)		
MOST REACTIONS:	VISIT CAMBRIA ON THE CA HWY 1 DISCOVERY ROUTE		
	#SCENICSATURDAY (1.8K REACTIONS)		

	FOLLOWERS	NEW
TWITTER:	6,706	54
29.4K IMPRESSIONS		
TWEETS: 6,890		
PINTEREST:	684	1
PINS: 802		
INSTAGRAM:	7,260	319
POSTS: 864		

VISITOR GUIDE DIST.

WEB DOWNLOADS:	60
GUIDES DISTRIBUTED:	616
TOTAL:	676

THIS MONTH IN SLO COUNTY

SUBSCRIBERS:	36,294
# OF OPENS:	6,401
# OF CLICK-THROUGHS:	1,370

THIS WEEK IN SLO COUNTY

CIRCULATION:	920
MOST CLICKED LINK:	SoCal Lodging Forecast

September 2016 vs September 2015 Lodging Statistics (STR, Inc.)

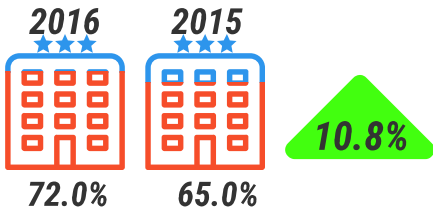
Current Month - September 2016 vs September 2015												
	Occ %		ADR		RevPAR		Percent Change from September 2015					
	2016	2015	2016	2015	2016	2015	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold
Atascadero, CA+	72.0	65.0	127.37	128.42	91.72	83.47	10.8	-0.8	9.9	9.9	0.0	10.8
Morro Bay, CA+	73.1	72.9	137.06	128.31	100.26	93.54	0.3	6.8	7.2	7.3	0.1	0.5
Paso Robles, CA+	77.7	76.1	143.50	136.84	111.47	104.08	2.1	4.9	7.1	7.1	0.0	2.1
Pismo Beach, CA+	77.5	80.9	173.67	159.51	134.59	129.07	-4.2	8.9	4.3	4.2	-0.1	-4.3
San Luis Obispo, CA+	74.8	78.0	152.37	140.93	114.03	109.94	-4.1	8.1	3.7	3.7	0.0	-4.1
San Simeon, CA+	64.0	71.6	123.75	133.31	79.20	95.47	-10.6	-7.2	-17.0	-17.0	0.0	-10.6
Five Cities+	76.1	78.8	166.20	154.06	126.46	121.43	-3.5	7.9	4.1	4.0	-0.1	-3.6
North Coast+	71.6	75.6	189.26	157.75	135.46	119.30	-5.4	20.0	13.5	13.6	0.1	-5.3
North County+	76.2	73.1	139.45	134.85	106.23	98.61	4.2	3.4	7.7	7.7	0.0	4.2
South County+	75.5	78.4	159.73	147.91	120.60	116.02	-3.8	8.0	3.9	3.9	-0.0	-3.8
San Luis Obispo County	74.8	76.3	158.00	145.15	118.24	110.75	-1.9	8.8	6.8	6.8	0.0	-1.9

Santa Barbara/Santa Maria	79.4	78.0	200.73	184.01	159.42	143.57	1.8	9.1	11.0	12.0	0.9	2.7
Monterey/Salinas	83.1	81.1	205.70	205.95	170.99	166.97	2.5	-0.1	2.4	2.5	0.1	2.7
California	78.4	76.9	161.65	155.09	126.66	119.23	1.9	4.2	6.2	7.0	0.7	2.6

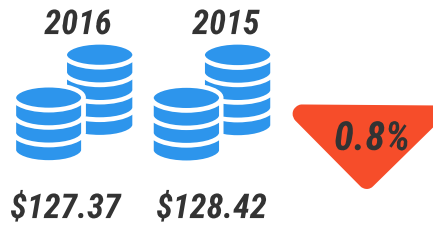
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September 2016 vs September 2015 Lodging Statistics (STR, Inc.)

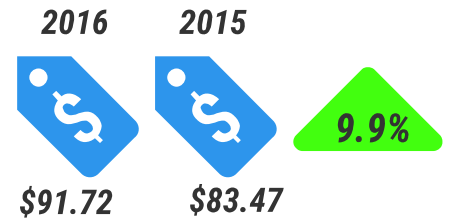
Atascadero



Occupancy

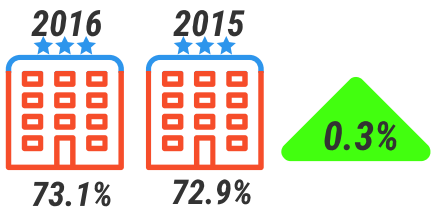


ADR

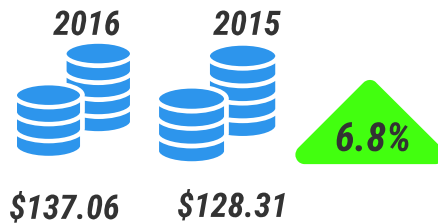


RevPAR

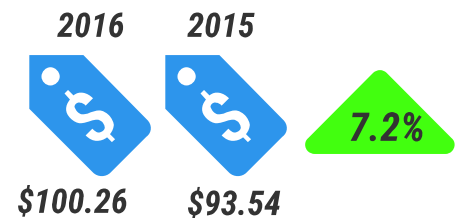
Morro Bay



Occupancy

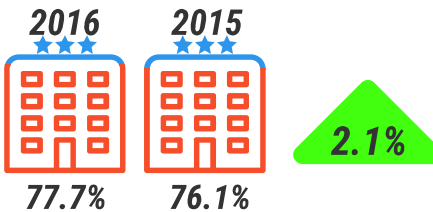


ADR

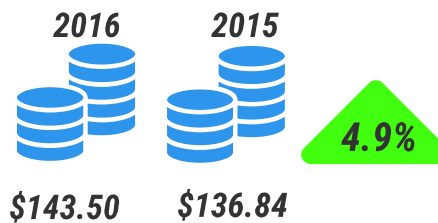


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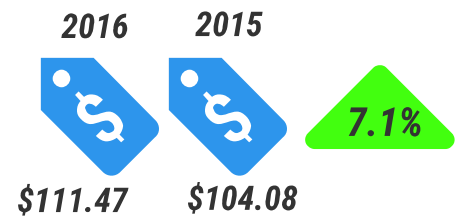
Paso Robles



Occupancy

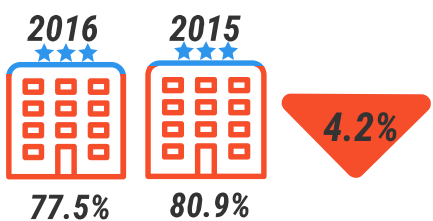


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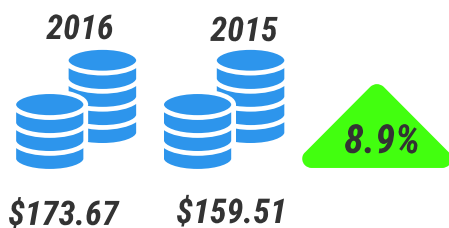


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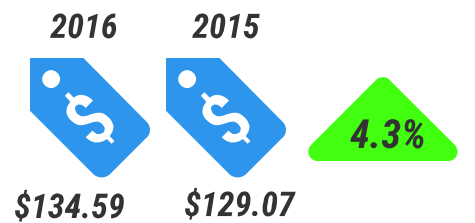
Pismo Beach



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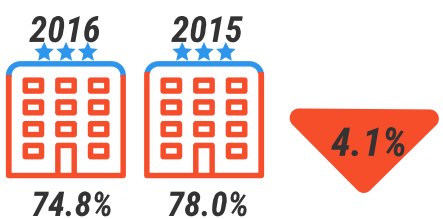


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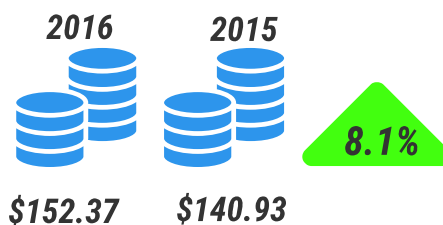


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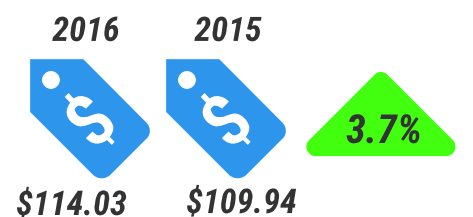
San Luis Obispo



Occupancy

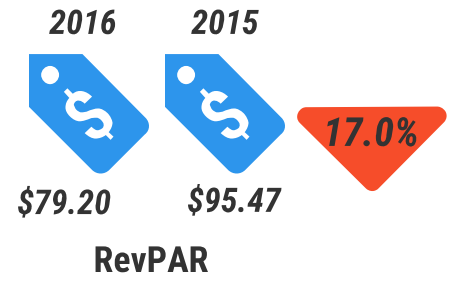
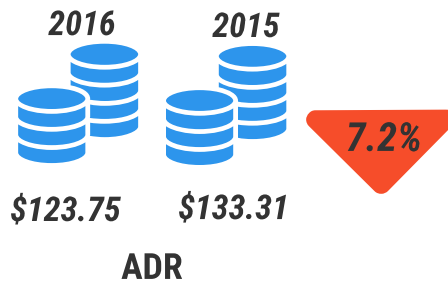
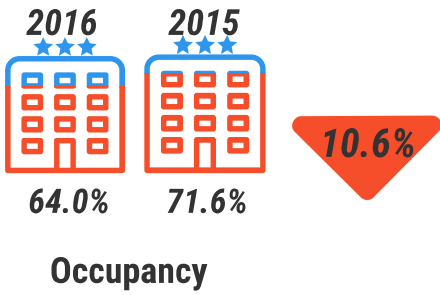


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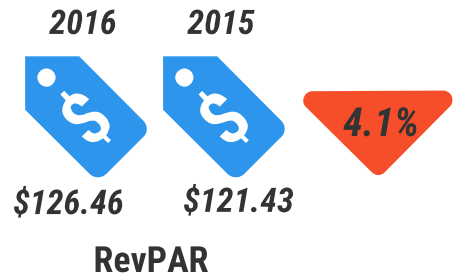
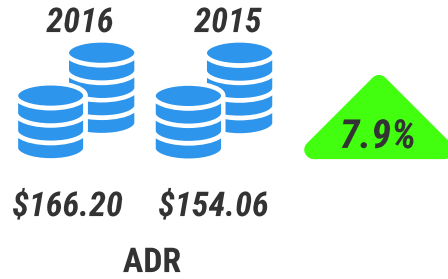
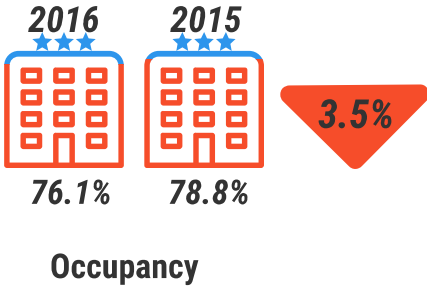


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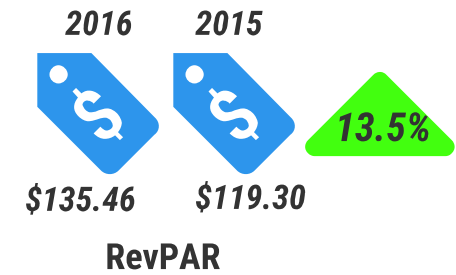
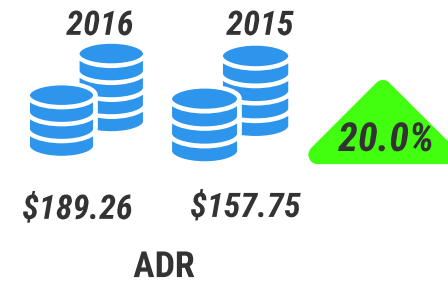
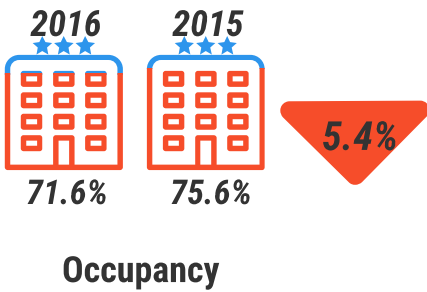
San Simeon



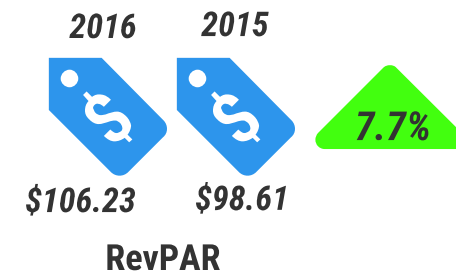
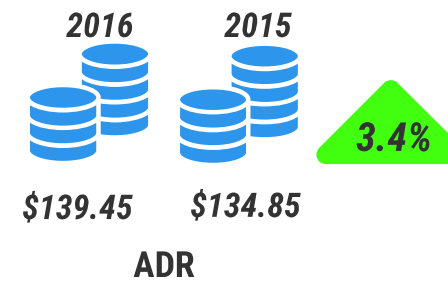
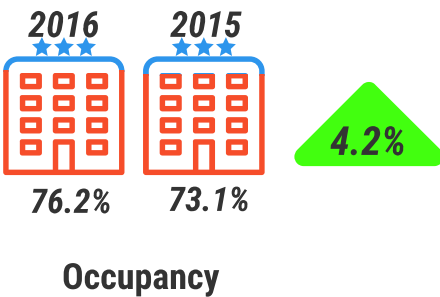
Five Cities



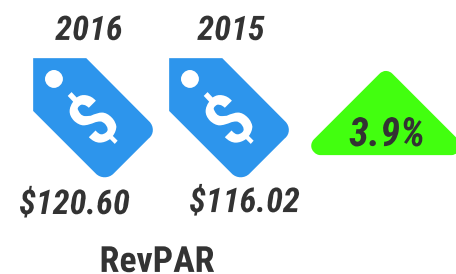
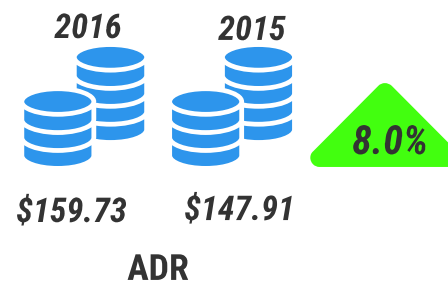
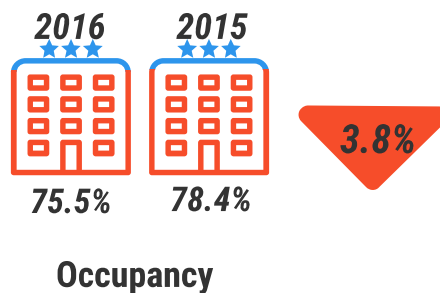
North Coast



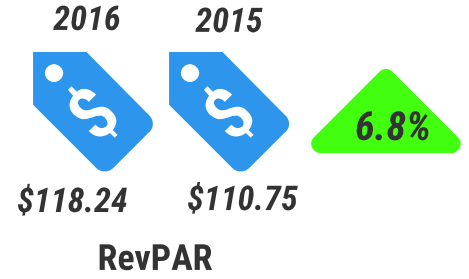
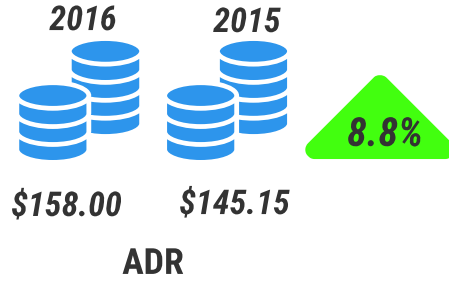
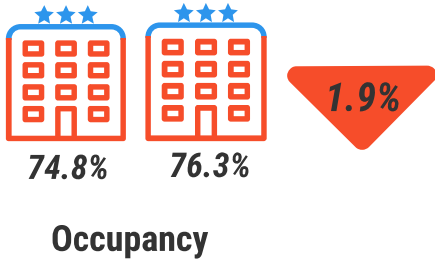
North County



South County

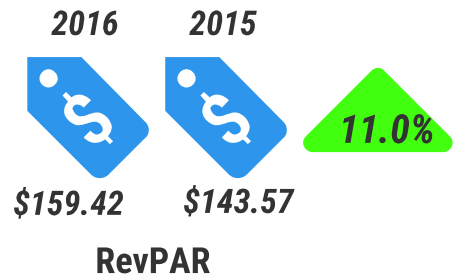
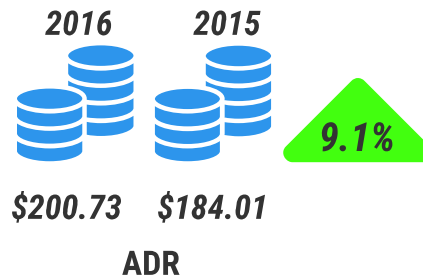
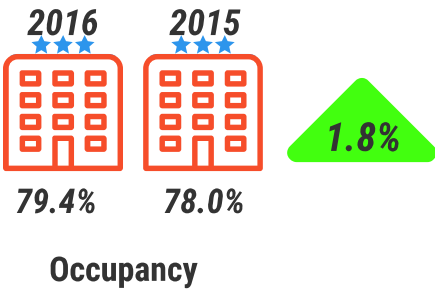


San Luis Obispo County

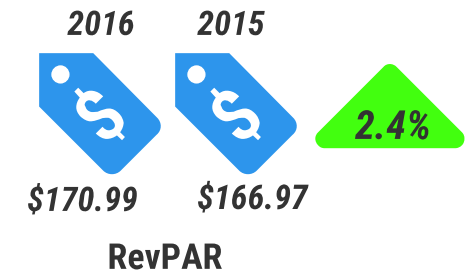
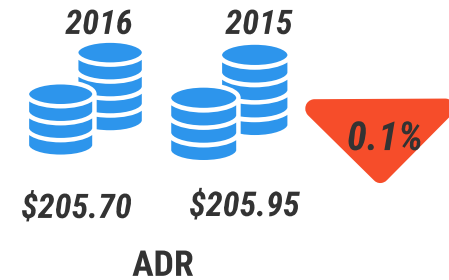
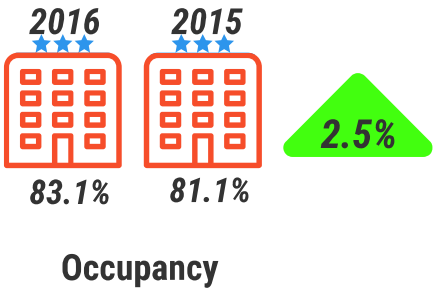


Comparatives:

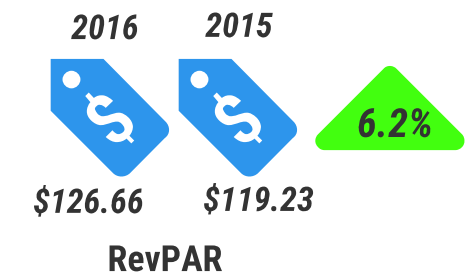
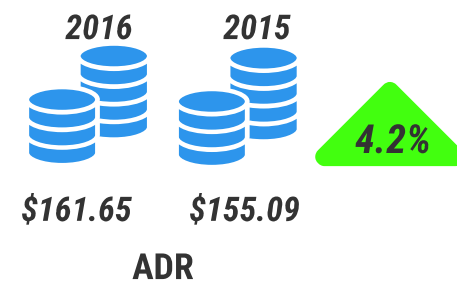
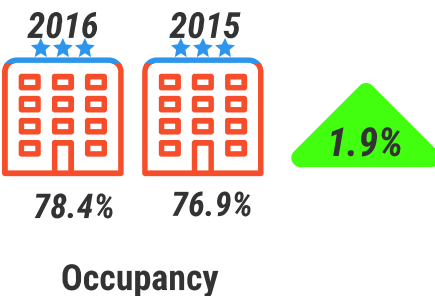
Santa Barbara/Santa Maria



Monterey/Salinas



California



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Executive Overview

SEO Overview

SEO Activities Completed Last Month:

- * Monthly SEO strategy call.
- * Google Analytics check. No unusual activity noted.
- * Crawl error check and corrections.
- * Added internal links.
- * Broken link + spell-check scans and corrections.
- * SEO content recommendations.

Organic Traffic Overview:

Organic sessions increased 24% over last year. Some pages with the best year-over-year organic growth were: Holiday Activities by 30%, Children's Activities by 8%, Events by 6%, Your Guide to Thanksgiving Dining on the Central Coast blog post by 518%, and Morro Bay by 402%.

Other Notes:

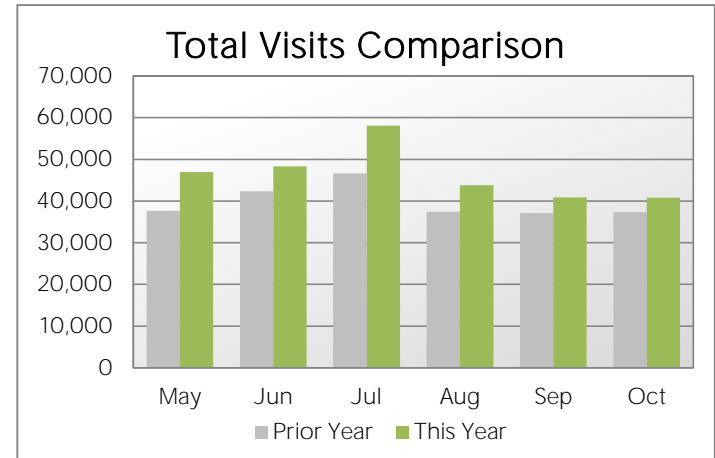
- * Total sessions increased by 9%, users increased by 11% and pageviews increased by 11.5%.
- * The blog home page received 180 pageviews last month.
- * The entire blog received 10,463 pageviews last month.

Industry Averages

Engagement Metrics	Industry Average	Your Website		% Difference
Total Pages Per Visit:	2.28	3.00	●	24.05%
Total Average Visit Duration:	0:02:02	0:02:13	●	8.18%
Total Bounce Rate:	56.43%	49.66%	●	-13.63%
Organic Pages Per Visit:	2.25	3.11	●	27.68%
Organic Average Visit Duration:	0:02:00	0:02:19	●	13.89%
Organic Bounce Rate:	56.31%	46.79%	●	-20.35%

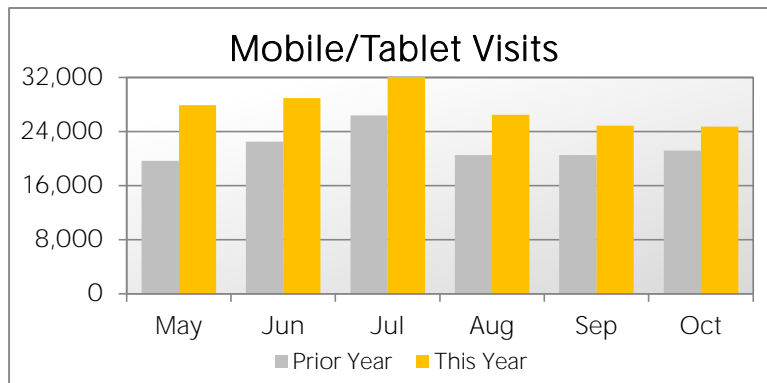
Total Traffic Overview:

	May	Jun	Jul	Aug	Sep	Oct
Visits:	46,916	48,327	58,075	43,809	40,843	40,780
Unique Visitors:	39,349	40,379	47,698	36,664	33,635	33,806
Bounce Rate:	48%	47%	47%	48%	48%	50%
Pageviews:	132,744	141,856	172,916	128,985	124,889	122,415
Avg Pageviews Per Visit:	2.83	2.94	2.98	2.94	3.06	3.00
Avg Time on Site:	0:02:07	0:02:15	0:02:13	0:02:13	0:02:17	0:02:13
Total Organic Search Traffic:	36,032	37,646	46,079	34,060	32,285	33,020
% of Traffic Organic Search:	77%	78%	79%	78%	79%	81%
Entry Pages From Search:	1,966	1,904	2,045	1,935	1,957	1,903
VisitSLOCounty Visits:	6,854	555	286	110	110	84
VisitSLOCounty Bounce Rate:	80%	55%	79%	49%	64%	40%

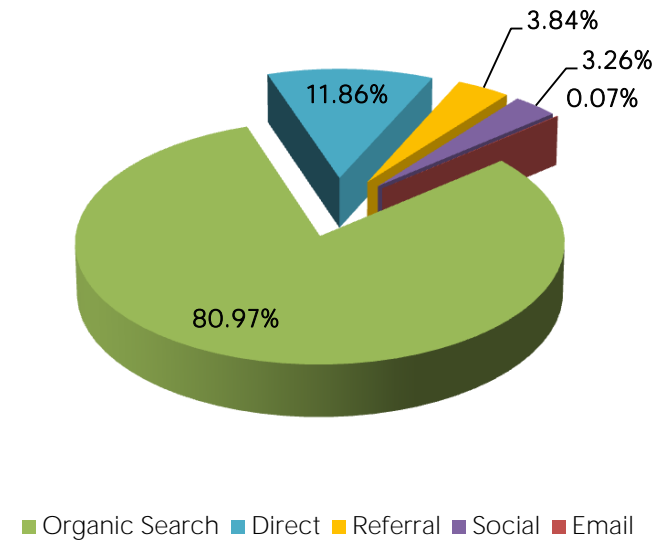


Mobile/Tablet SnapShot:

	May	Jun	Jul	Aug	Sep	Oct
Visits:	27,916	28,965	38,096	26,506	24,857	24,723
% of visits	60%	60%	66%	61%	61%	61%
Bounce Rate:	51%	51%	51%	52%	50%	53%
Pageviews:	70,124	74,402	100,032	69,193	68,494	65,112
Avg Time on Site:	0:01:49	0:01:49	0:01:52	0:01:54	0:02:01	0:01:53



Traffic Sources



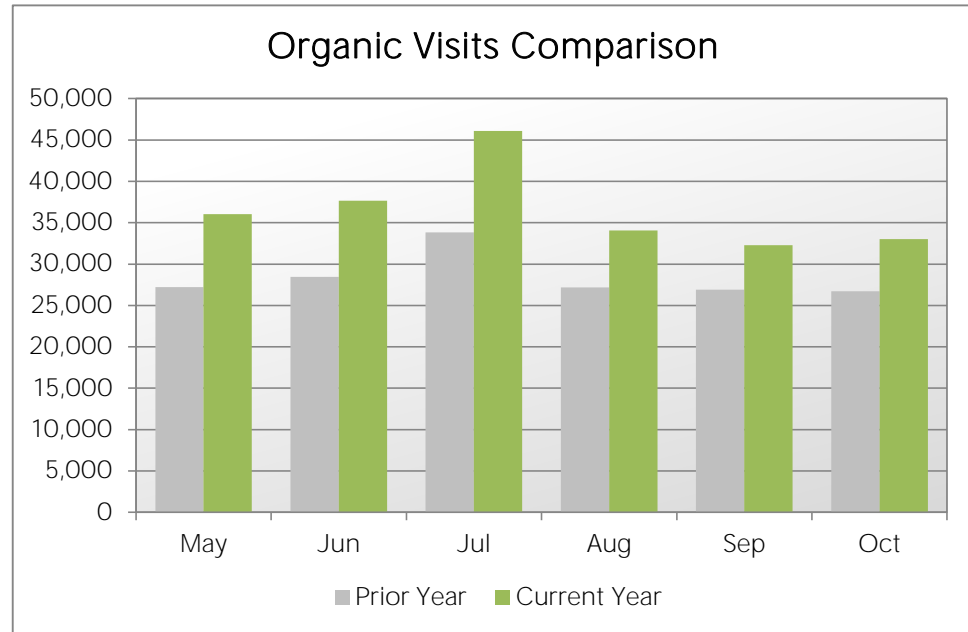
Organic Search Traffic:

Organic Traffic		% of Total Site Traffic
Visits	33,020	80.97%

Organic Engagement Compared to Site Engagement		
Pageviews Per Visit	3.11	3.64%
Avg. Time on Site	0:02:19	4.89%
New Visits	74.98%	-0.31%
Bounce Rate	46.79%	-5.78%

Search Engine	Visits	Percent
google	30,811	93.31%
yahoo	1,281	3.88%
bing	845	2.56%
aol	53	0.16%
ask	14	0.04%
baidu	6	0.02%

Exact Keyword	Visits	Percent
(not provided)	32,086	97.17%
san luis obispo	53	0.16%
san luis obispo events	20	0.06%
morro bay	17	0.05%
wirkshop about wine in san luis obispo	10	0.03%
cdn front.to	9	0.03%
paso robles	9	0.03%
(not set)	7	0.02%
events in san luis obispo	7	0.02%
pismo beach	7	0.02%



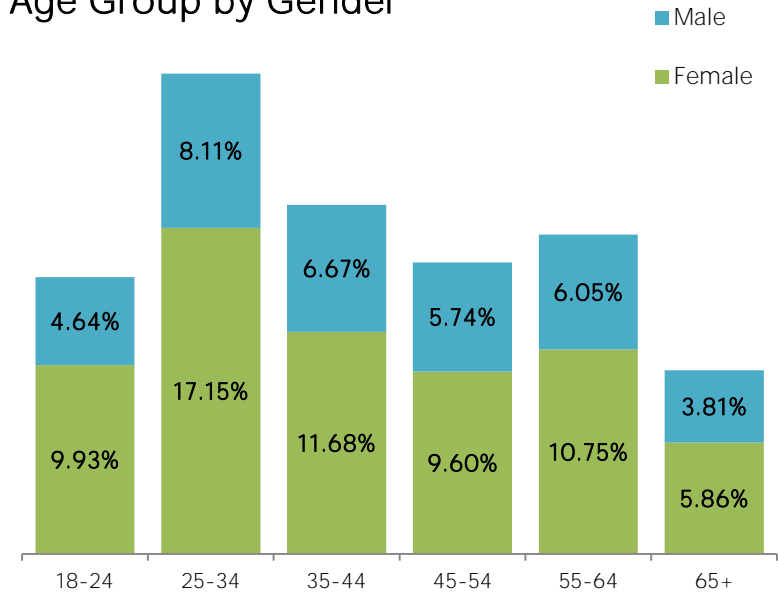
Landing Page	Visits	Percent
/events	6,675	20.22%
/	2,214	6.71%
/events/all/fairs_and_festivals	1,121	3.39%
/community/morro-bay	719	2.18%
/events/1729/pumpkins-on-the-pier	639	1.94%
/our-area	633	1.92%
/events/461	566	1.71%
/hearst-castle	519	1.57%
/blog/770/your-guide-to-thanksgiving-dining-on-the-central-coast	516	1.56%
/community/paso-robles	492	1.49%

Demographics & Interests

Affinity Categories:

Top 10 Affinity Categories	Visits
Movie Lovers	18,511
News Junkies/Entertainment & Celebrity News Junkies	16,056
Travel Buffs	15,800
TV Lovers	15,622
Shoppers/Shopaholics	14,779
Home Decor Enthusiasts	14,455
Technophiles	14,441
Cooking Enthusiasts/Aspiring Chefs	14,362
Political News Junkies	13,514
News Junkies	12,602

Age Group by Gender



Other Categories:

Top 10 Categories	Visits
Arts & Entertainment/Celebrities & Entertainment News	9,195
News/Politics/Campaigns & Elections	7,307
News/Weather	6,529
Food & Drink/Cooking & Recipes	5,575
Arts & Entertainment/TV & Video/Online Video	5,244
Travel/Hotels & Accommodations	3,965
Sports/Team Sports/American Football	3,946
News/Sports News	3,934
Reference/General Reference/Dictionaries & Encyclopedias	3,161
Travel/Air Travel	3,126

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:

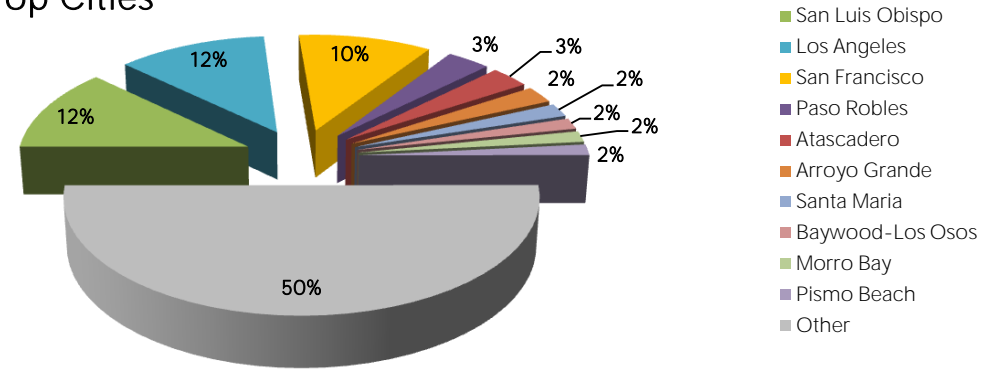
Top Landing Pages	Entrances
/events	7,405
/	3,455
/events/all/fairs_and_festivals	1,185
/community/morro-bay	785
/our-area	718
/events/1729/pumpkins-on-the-pier	710
/events/461	592
spo-county	589
/hearst-castle	578
coast	565

Top Content Pages	Pageviews
/events	12,845
/	5,591
/events/all/fairs_and_festivals	3,054
/events?page=1	2,238
/events/2968/cambria-scarecrow-festival	1,904
/our-area	1,505
/events/all/childrens_activities	1,416
/events/2412/70th-annual-pismo-beach-clam-festival	1,170
coast	1,069
/community/morro-bay	1,044

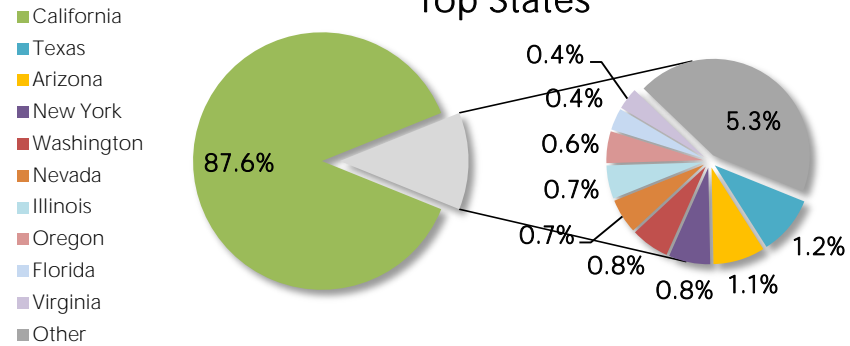
Top Exit Pages	Exits
/events	3,354
/	1,910
/events/all/fairs_and_festivals	788
/our-area	760
/events/1729/pumpkins-on-the-pier	676
/blog/930/2016-halloween-happenings-in-san-luis-o-boo-spo	574
/hearst-castle	550
/events/461	519
/events/2968/cambria-scarecrow-festival	497
/community/morro-bay	452

Geographic:

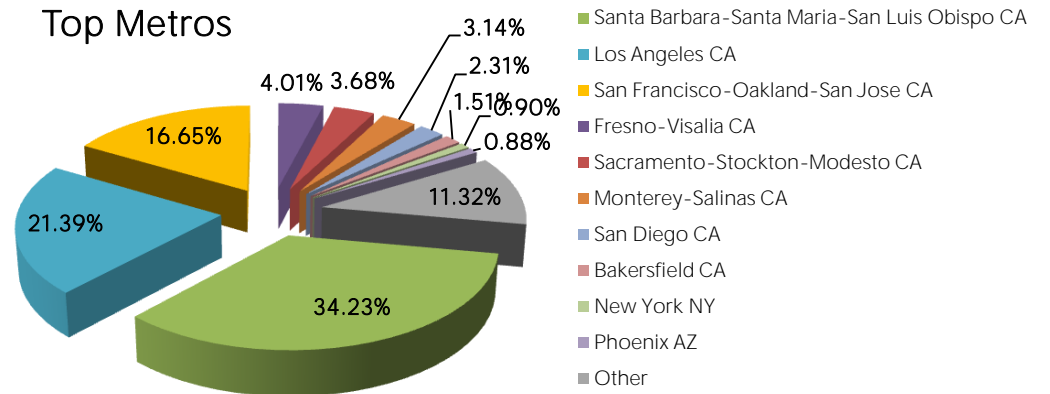
Top Cities



Top States

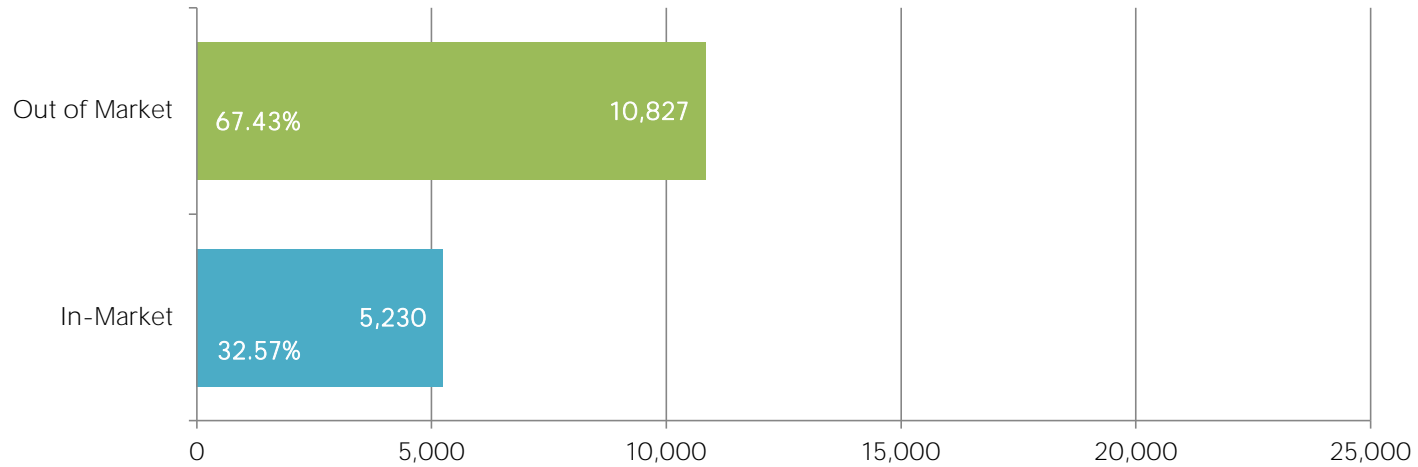


Top Metros



In-MarketVsVisitor:

Desktop Visits



Mobile/Tablet Visits

