



Proposal to Evaluate Options for
**CONVENTION CENTER/PUBLIC
ASSEMBLY FACILITY OR OTHER
VISITOR-ORIENTED DEVELOPMENT**
In Orange County, North Carolina

January 5, 2016





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Mr. David Cannell
Purchasing Agent
Orange County Financial & Administrative Services
200 S. Cameron Street
PO Box 8181
Hillsborough, North Carolina 27278

Dear Mr. Cannell:

Conventions, Sports and Leisure International (CSL) is pleased to submit our proposal to evaluate options for convention center/public assembly facility or other visitor-oriented development in Orange County, North Carolina. The results of these services would assist the Chapel Hill/Orange County Visitors Bureau (CHOCVB), Orange County (County) and other community stakeholders in identifying and evaluating facility and infrastructure development/investment opportunities that would provide the Chapel Hill/Orange County destination with the greatest return-on-investment with respect to enhancing visitor industry growth.

CSL was founded in 1988 specifically to provide focused and independent research to the event facility industry. The professional resources at CSL include more than 150 years of combined industry experience and a large staff of highly-trained consultants. We have provided consulting services concerning more than 500 convention, conference, exposition, meeting and other visitor industry-related event facility projects throughout North America. Importantly, we have recently performed an extensive number of event facility planning studies throughout North Carolina including engagements in Chapel Hill, Charlotte, Raleigh, New Bern, Hendersonville, Hickory, Moore County, Salisbury, Statesville, Wilmington, Winston-Salem, Dunn and Mooresville among others. Additionally, our experience includes work with several communities investigating potential partnerships with major local universities.

Each market is unique, and there is no substitute for the extensive research that is necessary to ensure that decisions made regarding your project accurately reflect these distinctive characteristics. More so than any other firm performing these types of studies, CSL conducts more direct outreach to competitive and comparable venues and current and/or potential new users of event space in your market. This research-based approach not only ensures that the findings and recommendations reflect the unique conditions of your individual community, but it provides you with a comprehensive understanding of how these findings and recommendations were reached. The objectivity and value that we bring to each project is highlighted by the large number of clients who have retained us for multiple engagements over the years. Very simply, no other firm has the overall research capabilities, relevant convention and event facility industry planning experience or approach that we offer.

The contents of this proposal highlight the extensive experience of the professionals who would be assigned to this project and the proposed study methods designed to provide you with the analysis needed for key decision-making. We are enthusiastic about the prospect of assisting you with this important project. Should you have any questions or require any additional information, please feel free to contact me at (612) 294-2003 or bkrueger@cslintl.com.

We greatly appreciate your consideration.

Sincerely,

Bill Krueger
Principal
CSL International

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FIRM INFO

**THE LEADING ADVISORY AND PLANNING FIRM
SPECIALIZING IN PROVIDING CONSULTING SERVICES TO
THE SPORTS, ENTERTAINMENT & LEISURE INDUSTRIES.**

CSL was established for the specific purpose of providing focused and independent research to the conference, convention, event, hospitality and other multi-use event facility industries. Members of our firm have been providing services to these specialized industries since the mid-1980's and have been involved in over 500 engagements. We assist our clients from the earliest stages of project planning, ensuring that all decisions are informed ones. Our consultants provide in-depth information, creative solutions to underlying issues, a thorough analysis of financial implications, and various measurements of risk and return surrounding alternative courses of action.

CSL has built its reputation on meeting client needs by delivering quality services that have credibility in the marketplace. Our firm is able to provide these services by drawing upon the years of experience of its professional staff. Being consistently involved in many projects and transactions throughout North America allows our professionals to obtain knowledge of both tangible and intangible components of successful projects/transactions, the reasons for failed efforts, and changes in the marketplace affecting financial and economic characteristics.

Our project team has extensive experience in providing assistance for a variety of facilities and entities in the meeting, entertainment, hospitality and leisure industries. Collectively, with over 150 years of specific consulting experience, no other competing firm has the depth or breadth of experience to match CSL. This level of broad and extensive experience is unmatched and provides CSL with a platform from which to assist our clients from a base of working knowledge in every major U.S. market, each of the major convention facilities, collegiate facilities and municipal venues. Our diversity of experience provides us with a broad and comprehensive perspective of the issues facing our clients.

CSL brings the experience of numerous prior engagements to the planning phases of your project. This experience will help you recognize the issues your project will be facing and efficiently identify solutions to each. Our experience will ensure that you are maximizing the potential revenues from your development project.



BUSINESS PLANNING
IMPLEMENTATION STRATEGY

BUILDING PROGRAM

LOCAL MARKET
FOCUS GROUPS
TELEPHONE SURVEYS
EMAIL SURVEYS
COMPARABLES
COMPETITIVE

MARKET
DEMAND

FINANCIAL

ECONOMIC

IMPLEMENTATION

In nearly all of our projects, MARKET DEMAND forms the basis of the evaluation of a facility project, development initiative, or strategic planning exercise. Without a clear and accurate understanding of demand potential unique to a specific market and project, all later analysis of programmatic, financial, economic and implementation issues may be misdirected. As such, we utilize the most comprehensive set of research and analysis tools and techniques in the industry to comprehensively evaluate and estimate the unique market demand and potential for each project. Our methods have been employed and refined through hundreds of diverse projects over the past 20 years.

Building on market conclusions, FINANCIAL and ECONOMIC issues are often central to the consideration of facility development, performance enhancement, and economic development projects. Our extensive database of comparable projects collected over hundreds of engagements is a critical asset during our analysis of project financial and economic issues. Being consistently involved in many projects and transactions throughout North America allows our professionals to obtain knowledge of both tangible and intangible components of successful projects/transactions, the reasons for failed efforts, and changes in the marketplace affecting financial and economic characteristics.

IMPLEMENTATION is key to any successful project. Our professionals bring a wealth of industry-specific experience to every one of our engagements, delivering objective answers, creative solutions and focused recommendations to complex projects. We provide our clients with the detailed information they need to make informed decisions regarding project implementation.



The following provides a brief summary of services that CSL provides with regard to feasibility planning:

- **MARKET ANALYSIS** – To estimate market demand for new or expanded/renovated projects through tailored, primary market research and analysis, resulting in a determination of the appropriate market(s) in which the facility will compete.
- **FINANCIAL ANALYSIS** – To develop financial operating models based upon estimated levels of utilization and patron spending reflecting important variables that will impact the cash flow of the proposed facility, public and private sectors and tenants.
- **ECONOMIC IMPACT ANALYSIS** – To provide an estimate of the quantitative and qualitative short and long-term economic and fiscal impacts of the construction and operations of the project on the local area. This analysis will produce estimates of the direct spending, total output, employment, earnings and tax revenues generated by the project.
- **FACILITY PROGRAM/DESIGN CRITERIA** – To assist in defining optimal size, configuration and amenity criteria for an event facility within a given market
- **FACILITY FUNDING ANALYSIS** – Identify funding alternatives that could be available to support various initiatives and to develop a strategic funding plan. This analysis can also be used to initiate the process of identifying prospective interest in all components of the financing plan and to evaluate the level of private or public sector funding that may be necessary.
- **STRATEGIC PROJECT PLANNING** – To establish the framework for the initial planning phases of a project and to design an action plan to bring a project from planning to successful operation.
- **OPERATIONS ANALYSIS** – To comprehensively evaluate the existing operations of venues, using benchmarking analysis, industry best practices and review of mission, policies, procedures, staffing and financial performance metrics.
- **NEGOTIATION ASSISTANCE** – Assist in reaching negotiated development, relocation, lease and management agreements with a variety of parties, including facility management, concessionaire and other such parties.
- **STRATEGIC PLAN DEVELOPMENT AND IMPLEMENTATION** – Assist in the development and implementation of a strategic business plan. This includes the consideration of the organization of the development, construction, operational and legal teams. In addition, this step will assist in developing the appropriate pricing and inventories for general and premium seating, establishing a marketing plan, and selecting various facility contractors (i.e. concessionaires, media, etc.).
- **PEER REVIEW** – To conduct review and independent analysis concerning third-party-produced feasibility studies and market/financial estimates, as well as architectural concept work. To provide comment based on extensive industry experience as to areas that may require additional focus or are deficient, if any, as well as to identify areas where research and methods appear sound and reasonable.



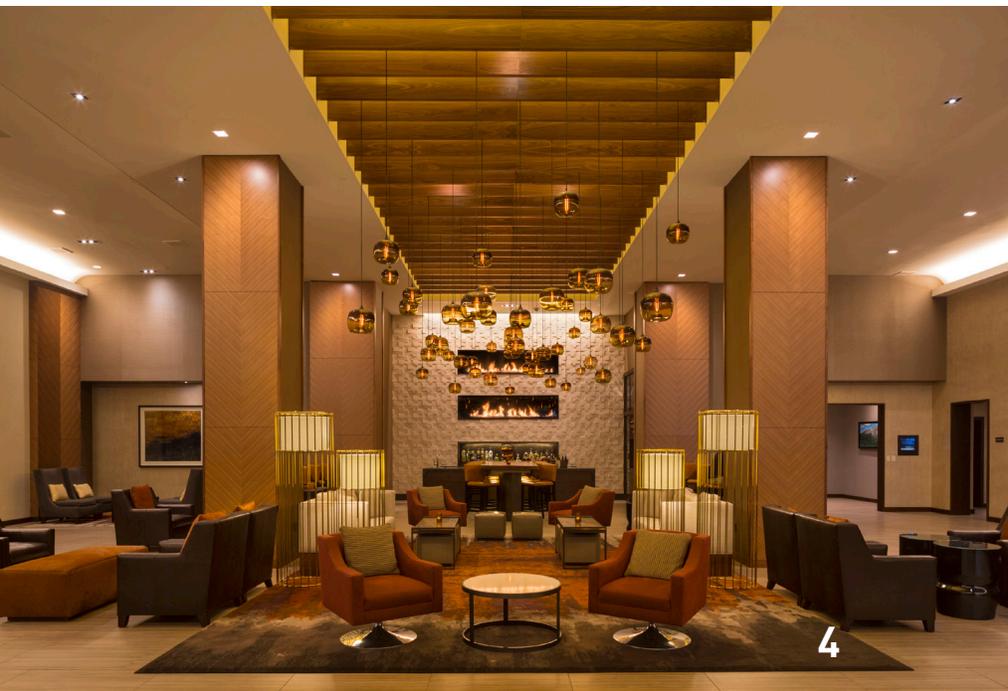
FULL SERVICE HOTEL AND CONFERENCE CENTER AT UNC-CHARLOTTE

Charlotte, North Carolina

In late 2013, CSL was engaged by the University of North Carolina at Charlotte Foundation to conduct a feasibility study for a proposed new hotel and conference center adjacent to the University's campus. The envisioned hotel would consist of a 375-room, upper-upscale chain scale property with a national brand such as Hilton, Hyatt, Marriott, Renaissance, or Westin. With its main campus located approximately ten miles from downtown Charlotte in the University City area, UNC-Charlotte has a student enrollment of more than 25,000.

The first phase of work included a detailed array of outreach, research and analysis tasks that provided a thorough assessment of the market potential for the proposed hotel. Projections of market performance and analysis of income and expense were completed. A project valuation was completed, along with a feasibility gap analysis that estimated the level of outside support required to provide a sufficient hotel investor return-on-investment. We also assessed sources of funding typically used within the industry and their applicability for the proposed project.

An important goal of the study also entailed optimally sizing the integrated conference space to maximize its benefit to the project and the university, as well as discussing market and financial implications of various conference space sizing alternatives. Specifically, the second phase of the study included analysis of local UNC-Charlotte conditions, competitive/comparable facilities and primary market research via telephone and in-person interviews and surveys of planners of rotating conferences and meetings. The results provided the basis for refining a supportable conference space program and further analysis of the associated cost/benefit and return-on-investment conclusions reached within the initial phase of work.



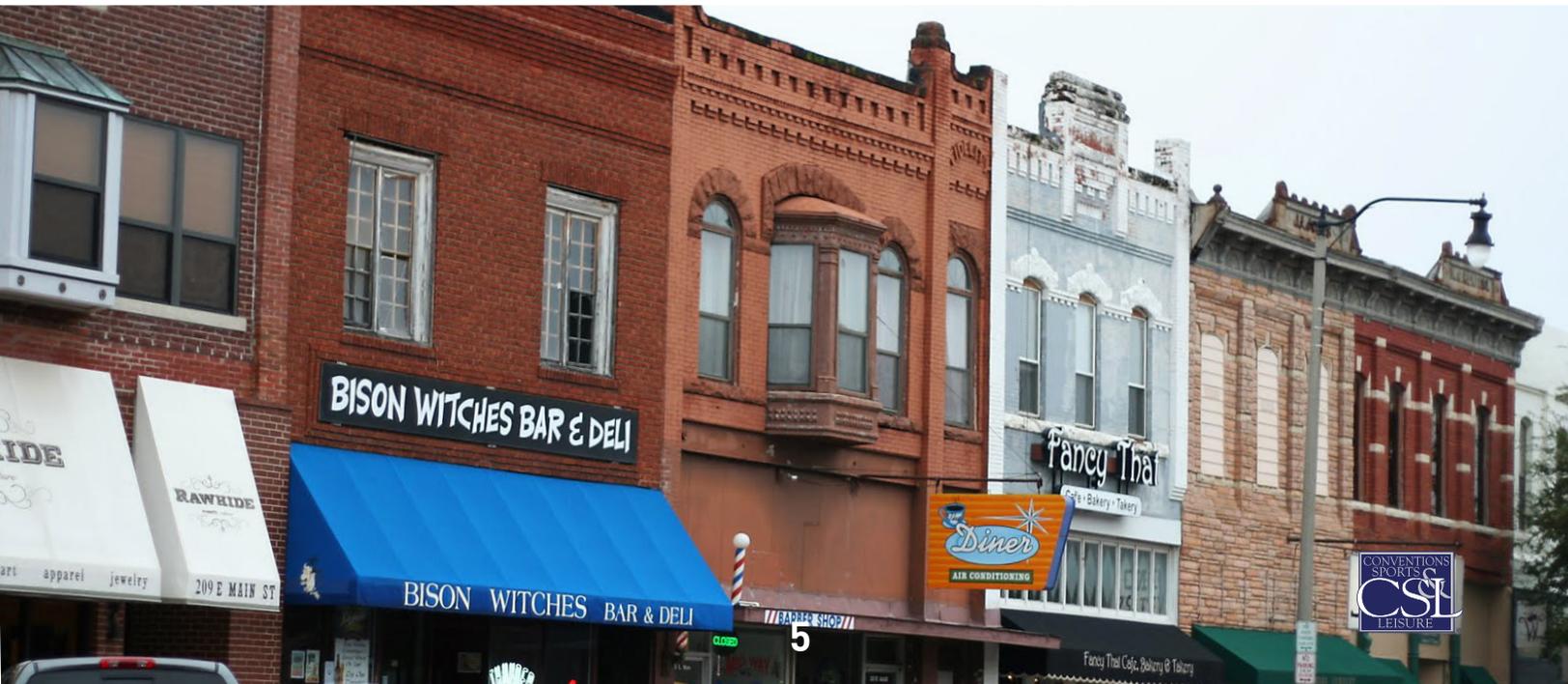


NEW/ENHANCED CONVENTION CENTER

Norman, Oklahoma

CSL was recently engaged by Norman, Oklahoma's convention and visitors bureau, Visit Norman, to conduct a feasibility study for a potential new/expanded convention center in Norman. Norman is the third-largest city in Oklahoma and is home to The University of Oklahoma and the National Weather Center. Several facility scenarios were evaluated, including an expansion of existing convention facility products, partnerships with new or existing hotels, and a University-affiliated model.

Key objectives of this study were to assess the convention market demand, including an analysis of expanding Norman's capture of state, regional and national convention, conference and tradeshow business. Additionally, the analysis is evaluated whether various visitor industry infrastructure such as lodging, dining and entertainment options currently available in Norman are sufficient to support new/expanded convention product; the projected costs and benefits (including economic impacts) associated with developing, marketing and operations; potential sites/locations; potential development options funding mechanisms, and other such aspects. Forming a critical foundation for the feasibility assessment, CSL conducted a comprehensive market demand assessment, including interviews with meeting planners of more than 100 or more individual events.





BLUE WATER CONVENTION CENTER & HEADQUARTERS HOTEL

Port Huron, Michigan

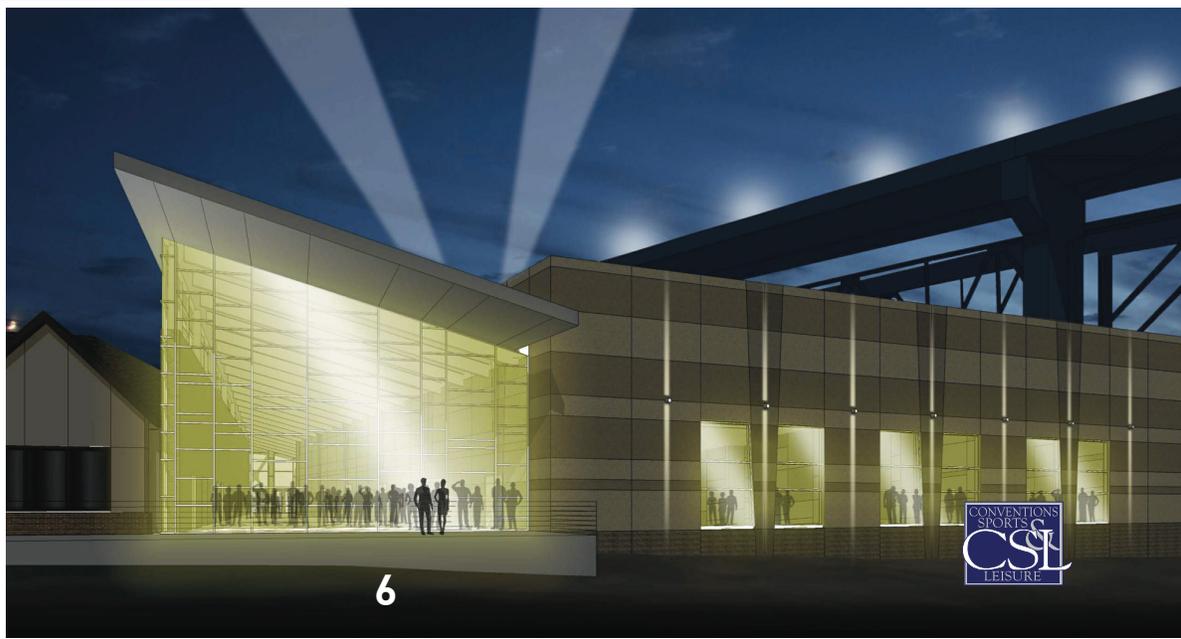
In 2010, CSL was engaged by the City of Port Huron to conduct a feasibility study of a new convention center. The original study contemplated the development of convention space adjacent to McMorran Place, the community's existing arena/civic venue located in downtown Port Huron.

The study included analysis of local market conditions, industry trends, competitive/comparable facilities, market surveys, supportable program, financial operations, economic impacts and funding alternatives. Study results emphasized the need for an appropriate supporting headquarters hotel in order to make the convention center project feasible.

The following year, St. Clair County retained CSL to update its financial and economic impact analysis to consider a new convention center concept that would be attached to a renovated existing hotel property at the waterfront, and operated under a public/private partnership model.

Since 2011, CSL has been retained for a third engagement that has provided a variety of planning assistance, including analysis and recommendations concerning management models, architectural layout and design issues, along with assistance in developing and reviewing a variety of agreements with the private partners. CSL had an instrumental role throughout the entire process of contracting private management for the Convention Center, including developing the RFP, evaluating proposals, interviewing candidates, and negotiating contract terms. CSL also had a lead role in developing and negotiating a room block agreement with the headquarters hotel, a booking policy, and a cooperative marketing agreement for the project.

The County approved bond financing for the convention center in August 2012 and the BWCC opened in April 2015. The attached headquarters hotel, a 149-room Hilton Doubletree Hotel, completed a major renovation and opened in early 2014, along with a new attached third-party operated restaurant.



UTAH VALLEY CONVENTION CENTER AND HOTEL

Provo, Utah

CSL conducted the original feasibility study for the new Utah Valley Convention Center in downtown Provo, Utah, as well as a market study for new downtown hotel development to support the project. CSL led a project team that was engaged by the Provo City Redevelopment Agency, the Utah Valley Economic Development Association and the Utah Valley Convention and Visitors Bureau.

The study developed an understanding of local conditions and dynamics influencing the demand and support for the convention center, analyzed market demand, and outlined finance strategies to be implemented to fund the center, identifying financing gaps the private sector may not be able to fill. The engagement resulted in a detailed market and economic feasibility assessment of a new convention center that outlined various development scenarios, including public/private partnerships with hotel developers and other private organizations.

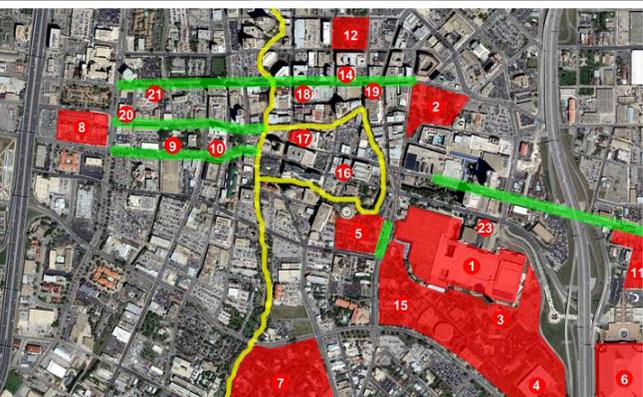
CSL was again retained in 2010 by Utah County to assist in the solicitation of third-party private management firms, evaluate operator proposals and structure and negotiate an operator agreement for the new convention center.

The County broke ground on the \$40 million UVCC in October 2010, mirroring the programmatic space recommendations of CSL. The building was completed in May 2012.



HENRY B. GONZALEZ CONVENTION CENTER & VISITOR INDUSTRY STRATEGIC PLAN

San Antonio, Texas



CONVENTION CENTER DEVELOPMENT PLANNING

CSL was retained in 2010 to update our previous convention center master planning research. The research encompassed an expansion and improvement analysis for the Henry B. Gonzalez Convention Center in San Antonio. CSL also recently prepared financial operating analyses for an expanded/renovated Center.

The facility was originally constructed in 1968 and has undergone several improvement projects. This includes the current \$325 million expansion of the Center that is scheduled to be completed in 2016, which is being developed largely based on the results of a 2010 CSL analysis that provided recommendations regarding the direction of growth and improvements which may be needed to maximize the Center's competitive position and ability to attract both larger revenue generating conventions, as well as multiple overlapping events. The study provided analysis of financial operating impacts, economic impacts, hotel needs, funding options. We worked closely with project architects to help refine the program to address current and future customer needs, including the potential implications of developing

Finally, CSL was recently retained by the City of San Antonio to conduct a comprehensive pricing, discounting and related policy bench-marking analysis for the Henry B. Gonzalez Convention Center. The planning project included extensive analysis of conditions at competitive and similar centers, and a careful analysis of data to ensure comparability to conditions in San Antonio. It was critical that data were interpreted thoroughly in order to prevent reaching faulty conclusion based on misinterpretation of published data.

CONVENTION & VISITOR DESTINATION DEVELOPMENT PLANNING

CSL was retained by the San Antonio Convention & Visitors Bureau and the San Antonio Hospitality and Industry Strategic Planning Group to perform an update to destination planning services (Destination SA) previously conducted by CSL in 2006. Destination SA is a formal long-range Master Plan for the San Antonio visitor industry. The basic objectives of the Master Plan are to provide the community with strategies to: (1) enhance the attractiveness of the destination for visitors and residents; (2) protect and enhance the unique cultural and historical visitor industry infrastructure of the San Antonio destination; and (3) enhance the ability of the visitor industry to create significant economic benefits for the residents of San Antonio.

The planning and research efforts for Destination SA go well beyond a traditional master planning document by tying together relevant infrastructure, policy, organizational structures, resource allocation, investment and related elements that impact the tourism and visitor industry in San Antonio.

CSL research efforts included surveys of more than 1,500 leisure visitors and event planners via telephone, Internet and intercept survey instruments. Our efforts also included interviews with more than 60 San Antonio area stakeholders, public officials, visitor industry personnel, event facility managers, business leaders and local residents. Web based surveys and focus groups were conducted with local visitor organizations (i.e. concierge and other service groups) and major travel writers. On-site analysis of all key visitor industry features in the broader San Antonio area were conducted, and best practices analysis against major competitive and comparable destinations were provided.

Louisville, Kentucky Destination Development Plan

Louisville, Kentucky

CSL assisted the Louisville Convention and Visitors Bureau with the creation of a Destination Development Plan for Louisville, Kentucky. The objective of this research was to provide a strategic foundation for investment in the visitor industry, helping to create substantial increases in visitor impact. The results of the study clearly identified strengths and weaknesses of the visitor and convention assets in the Louisville area, gaps in product, strategies for improvement, and roles/responsibilities for particular entities in implementing the recommendations. The Plan presented specific strategies for enhancing the competitiveness of the destination, drawing from aspects and attributes that are unique to the history, culture, industry, convention and sports/entertainment aspects of Louisville. Key elements of the Destination Development Planning process are described below.

- Extensive review and site tours of local market attractions, entertainment districts, sports and convention facilities, hotel properties and other such visitor industry amenities.
- In-person interviews/meetings with approximately 70 Louisville political, business, community and visitor industry leaders.
- Analysis of previously-conducted intercept interviews with thousands of visitors to Louisville.
- Review of extensive past visitor industry research and planning.
- Internet-based surveys of approximately 125 national travel writers.
- Research of national and regional trends in the visitor, convention and hospitality industries.
- Analysis of efforts underway in competitive and comparable markets to build a more attractive destination.
- Approximately 50 interviews with past Kentucky International Convention Center and past Kentucky Exposition Center users.
- Internet-based surveys of members of the Louisville Restaurant Association.

CSL also recently completed an expansion feasibility study for the Kentucky International Convention Center in Louisville, focusing on market demand, supportable facility square footage, financial operating and economic impact potential.





FEASIBILITY STUDY OF A NEW OR REDEVELOPED CONVENTION CENTER

Wichita, Kansas

In 2013, CSL was engaged by Wichita's convention and visitors bureau, Go Wichita, to conduct an assessment of the market potential for the Wichita convention product. Our research effort is intended to identify and evaluate the market viability of convention center enhancement and to provide a thorough overview of competing facilities, event planner opinions, local convention industry conditions, industry trends and the impact of a new or expanded facility on the marketplace.

As part of this study effort, the primary components of a successful convention/destination package were evaluated in order to assess the types of added/enhanced convention facilities best suited to the local market. Specific tasks included an assessment of the existing convention center operations, inventorying the visitor industry infrastructure in and around downtown Wichita, an analysis of competitive convention facilities throughout the state and region, a review of the convention product within national markets comparable to Wichita, analysis of recent and ongoing industry trends and a comprehensive assessment of the market demand unique to the Wichita convention product.

This data provided an understanding of the competitive strengths and challenges of the Wichita destination from the perspective of convention, tradeshow and other event planners. The resulting analysis provided valuable insight as to how the Wichita convention product should be positioned to reflect the unique conditions of the local marketplace. Should sufficient market demand be established, a second phase of the study would develop estimates of event levels (by type) associated with future convention product investment, and the projected net new economic impacts that could be generated by an improved convention product in downtown Wichita.





VISITOR INDUSTRY AND DESTINATION STRATEGIC MASTER PLAN DEVELOPMENT

Arlington, Texas

In May 2015, CSL was retained to conduct a Destination Strategic Planning process for the City of Arlington, Texas. The planning process is designed to create a coordinated vision for public investment, public/private partnerships, municipal policies and related areas needed to grow the magnitude and impact of the convention and visitor industry in Arlington. A primary objective of the Destination Strategic Plan is to identify and define market-supportable initiatives that combine to help grow the community's convention, sports, entertainment and tourism industry.

CSL is implementing numerous external research methods in order to gain insight into how visitors and residents view the destination, characteristics and perceptions of the traveling public that have not visited the community, and how specific initiatives could serve to increase the magnitude of the Arlington visitor industry.





BRANSON CONVENTION CENTER

Branson, Missouri

CSL assisted the City of Branson with two detailed feasibility studies of a new multipurpose convention and entertainment center, as well as ongoing advisory assistance. The center was envisioned to be a component of a larger Branson Landing mixed-use district developed on the downtown lakefront. The Branson community is unique with respect to its small resident population, unique entertainment products and strong history of tourism.

Components of the analysis included an evaluation of primary market research of potential events, market supportable facility program, financial operations, economic and fiscal impacts of the proposed convention and entertainment center and overall costs and benefits.

In 2006, the Branson Convention Center opened in the heart of the \$420 million Branson Landing Development. The Center incorporates 220,000 square feet of event space, including two exhibit halls totaling 50,000 square feet which connect to the 23,000-square foot ballroom. Additionally, the Center connects to the Hilton Branson Convention Hotel, a 12-story hotel with 290 rooms and suites.





PROPOSED MULTIPURPOSE EVENT CENTER AT VILLAGE WEST

Kansas City, Kansas

The Unified Government of Wyandotte County/Kansas City, Kansas (WCKC) recently retained CSL to conduct a market analysis and financial feasibility study of a new multipurpose event center project at Village West. Village West is a \$1.2 billion, 1,500-acre retail, dining and entertainment development that opened in 2002 at the intersection of Interstates 70 and 435, approximately 11 miles from downtown Kansas City, Kansas. It also consists of a number of other attractions including the Kansas Speedway (a 1.5-mile race track that hosts two annual NASCAR race weekends); the \$368-million Hollywood Casino at Kansas Speedway; Sporting Park, a 18,000-seat soccer stadium home to Kansas City's Major League Soccer team; and, Schlitterbahn Vacation Village, a \$750-million, 370-acre resort and waterpark. As a whole, the Village West development is flourishing, and the Unified Government is excited by the prospect of adding a multipurpose event center to the District.

The study tasks undertaken by CSL were developed to provide a foundation of research to provide WCKC decision makers with the information necessary to strategically plan for their future in the event center industry. Importantly, this research provided direction not only as to the facility components that may be supportable from a market demand perspective, but also the visitor amenities surrounding the potential event center.

Specifically, CSL evaluated local market characteristics, analyzed industry characteristics and trends, assembled and reviewed operational and physical characteristics of existing and planned facilities in the region that could compete with the proposed project, or may offer some element of comparable insight, and conducted direct market research through interviewing potential event space users to gain an understanding of specific preferences and requirements of events that would consider utilizing new event space at Village West.

The culmination of this research effort resulted in the development of one or more market supportable facility program and development options and projections of expected event and utilization levels. These projections lead into an analysis of cost/ benefit elements such as order-of-magnitude construction cost estimates, financial operations implications and economic and fiscal impact projections.

HEADQUARTERS HOTEL AND EXPANSION ANALYSIS FOR THE VON BRAUN CENTER Huntsville, Alabama



In 2014, CSL was retained by the City of Huntsville and the Von Braun Center to conduct a feasibility study of a potential new full service hotel to serve as the headquarters hotel for the Von Braun Center located in downtown Huntsville. At the same time, CSL also studied expansion/improvement options to best position the Von Braun Center within the convention industry marketplace. Specifically, the analysis focused on the feasibility of a potential new 200- to 300-room upper-upscale chain scale hotel development via public/private partnership, in addition to the market, program, financial, economic and funding implications of potential Von Braun Center expansion/improvement scenarios. In determining the potential feasibility of the proposed subject hotel property, we analyzed the lodging market, researched the area's economics, reviewed the estimated development cost, and prepared a ten-year forecast of income and expense, which was based on our review of the current and historical market conditions, as well as comparable income and expense statements. The estimated cash flows were then converted to an estimated current market value, which was compared to the estimated construction costs as a test of the facility's viability.

With regard to the Von Braun Center expansion/improvement study process, we analyzed the local market conditions, evaluated the historical operations of event facilities within the complex, reviewed a set of competitive/regional and comparable national venues, interviewed more than 200 individual event planners in various market segments, identified supportable building program and development options, estimated event levels and facility utilization, analyzed the financial operations of the existing complex and compared this to what could be expected at an expanded/improved complex, quantified economic and fiscal (tax) impacts of potential development scenarios and explored possible funding options.



PORT OF FORT LAUDERDALE / BROWARD COUNTY CONVENTION CENTER & HOTEL

Fort Lauderdale, Florida

CSL recently prepared market research focusing on the long term facility needs for the Greater Fort Lauderdale/Broward County Convention Center located within Port of Fort Lauderdale property. The study included an assessment of the impact of operating a center within Port property. In addition, the analysis considered the market and financial performance of a potential new headquarters hotel adjacent to the Center.

This research is generally preliminary in nature, but will be very useful as part of the ongoing master planning work being considered by the County. The market surveys and competitive facility case studies that have been conducted will allow us to very quickly begin providing important input into the master planning process.

Study tasks included the analysis of local market characteristics, historical operations, competitive and comparable facilities, market demand, building program and event levels and economic impacts and financial operations.



MISSISSIPPI COAST COLISEUM & CONVENTION CENTER EXPANSION ANALYSIS

Biloxi, Mississippi

CSL assisted the Mississippi Coast Coliseum and Convention Center with a feasibility study concerning a proposed major expansion of the complex. The original facility consisted of over 120,000 square feet of convention space and an 11,500-seat arena. The study focused on the ability to integrate the arena, convention and multi-use facilities into a single convention complex.



Study tasks consisted of detailed analysis of market demand, supportable facility program, financial operations, economic/ fiscal impacts and funding alternatives. The study included several hundred telephone interviews of national event planners, industry trend analysis, historical operations analysis and a review of competitive and comparable facilities and their host markets.

In 2009, the facility completed its expansion and currently offers more than 250,000 square feet of fully flexible space. Subsequent to this expansion, CSL was retained to develop recommendations for improving the Gulf Coast destination's convention sales and marketing efforts.



PROPOSED RIVERFRONT TRIANGLE HOTEL CONFERENCE CENTER DEVELOPMENT

Missoula, Montana

CSL is currently assisting the City of Missoula (City) conduct a market and economic feasibility study for a proposed new conference center in Missoula, Montana. A potential \$130 million mixed-use development project is currently being proposed along the Clark Fork River at the edge of downtown's Central Business District. The conference center is envisioned to be integrated within this development, offering a new full-service hotel property, a restaurant and retail options at and near the site.

An initial step in the engagement included extensive outreach to project stakeholders and targeted local organizations, officials and others. These interviews provided CSL with the data necessary to provide preliminary observations regarding the conference center, hotel and other related project elements proposed for downtown Missoula, as well as other visitor industry issues as they relate to Missoula and the proposed project. Combining this effort with our planning knowledge and industry best practices insight garnered throughout hundreds of similar conference center and hotel projects throughout the country, CSL has been able to provide ongoing assistance during the planning process.

Additionally, CSL is evaluating the market demand for a potential conference center in Missoula, with the intended result of providing the City with a comprehensive understanding of the existing and potential future market demand for such event space within the market. Analysis is being conducted of existing local market conditions, regional and national industry trends and competitive and/or comparable event facilities and their respective host markets. Additionally, we are conducting an extensive telephone survey of potential users of the proposed conference center to gain an understanding of specific preferences and requirements of events that would consider utilizing new event space in Missoula.

Ultimately, this research will be synthesized into a market supportable facility program and projections of event levels and characteristics, economic impacts and potential construction costs associated with the proposed new conference center.





PROPOSED NEW CONFERENCE/ CONVENTION CENTER

Lawrence, Kansas

CSL is currently working with the City of Lawrence (City) and the University of Kansas (KU) conduct an evaluation of the feasibility of a new conference/convention center project in Lawrence. An important element of the overall analysis will be to determine whether a downtown Lawrence location or one at/proximate to KU is most appropriate to accommodate the existing and potential future demand for event space.

Partnering with Convergence Design, CSL will deliver a study outlining the market demand, supportable building program and associated site/amenity/infrastructure requirements, optimal sites/locations and design concepts. Additionally, a detailed cost/benefit analysis will be conducted, comparing estimated construction and annual operating costs with projected economic and fiscal (tax) impacts associated with facility operations. Further, we will provide guidance as to the ownership/management structure and potential funding alternatives that would provide a roadmap for the greatest possibility of operational success for the proposed facility.





KENAN MEMORIAL STADIUM/DEAN SMITH CENTER

University of North Carolina - Chapel Hill, North Carolina

In 2008, CSL developed a financial analysis specific to a renovation of Kenan Memorial Stadium. The analysis included a detailed financial model based on revenues generated from premium seating, ticket surcharges and fundraising to fund a multi-phase stadium project. Prior to the 2011 football season, the University of North Carolina unveiled the \$68 million Blue Zone expansion of the east end zone of Kenan Stadium which included 20 new luxury suites, 45 new loge boxes, 2,309 new club seats, a new student-athlete center, new strength and conditioning facilities for its Olympic sports programs, and renovations to the visiting team locker rooms.

In 2014, UNC hired CSL to conduct a feasibility study for a new or renovated Dean Smith Center.





CSL project managers, offering an unmatched breadth and depth of relevant industry experience, have worked throughout the country with a wide variety of public and private sector organizations to perform hundreds of convention, conference, hospitality, trade, exhibition, civic and multipurpose event facility studies, including the following:

SELECT CONVENTION, HOTEL AND EVENT FACILITY PROJECT EXPERIENCE

Alliant Energy Center Madison, Wisconsin	Boulder Conference Center Boulder, Colorado	Crown Center Convention/Hotel Facilities Kansas City, Missouri
Americas Center St. Louis, Missouri	Branson Convention Center Branson, Missouri	Cullman Conference Center and Hotel Cullman, Alabama
Ames Convention Center Ames, Iowa	Bridgeport Arena & Event Center Bridgeport, Texas	Davis Conference Center Layton, Utah
Ames Headquarters Hotel Ames, Iowa	Broward County Convention Center Fort Lauderdale, Florida	Deadwood Amphitheater Deadwood, South Dakota
Anaheim Convention Center Anaheim, California	Broward County Headquarters Hotel Fort Lauderdale, Florida	Denver Headquarters Hotel Denver, Colorado
Arlington Convention Center Arlington, Virginia	Buena Park Convention Center Buena Park, California	Des Moines Convention Ctr. & Aud. Des Moines, Iowa
Arvada Events Center Arvada, Colorado	Burlingame Conference Center Burlingame, California	Dubuque Conference Center Dubuque, Iowa
Austin Convention/Civic Center Austin, Texas	Calgary Exhibition & Stampede Calgary, Alberta	Dunn Conference Center Dunn, North Carolina
Bangor Convention Center Bangor, Maine	Canadian Event Center/Arena Canadian, Texas	Durango Conference Center Durango, Colorado
Bartle Hall Convention Complex Kansas City, Missouri	Carbon County Fairgrounds Event Ctr. Price, Utah	"E" Center West Valley City, Utah
Bartlesville Convention/Civic Center Bartlesville, Oklahoma	Cashman Center Las Vegas, Nevada	El Paso Arena El Paso, Texas
Bell County Expo Center Belton, Texas	Century II Perf. Arts & Conv. Ctr. Wichita, Kansas	Ernest N. Morial Convention Center New Orleans, Louisiana
Bemidji Headquarters Hotel Bemidji, Minnesota	Chandler Convention Center & Hotel Chandler, Arizona	Evansville Convention Center Evansville, Indiana
Bentonville Civic Center Bentonville, Arkansas	Charleston Civic Center Charleston, West Virginia	Evansville Minor League Arena Evansville, Indiana
Bismarck Civic Center Bismarck, North Dakota	Cincinnati Convention Center Cincinnati, Ohio	Fairbanks Convention & PAC Facilities Fairbanks, Alaska
Black Hawk Convention/Events Center Black Hawk, Colorado	Cleveland Convention Center Cleveland, Ohio	Fairfield University Fairfield, Connecticut
Blue Water Conv. Ctr. and HQ Hotel Port Huron, Michigan	Coconut Grove Convention Center Miami, Florida	Fargodome Fargo, North Dakota
Boise Centre on the Grove Boise, Idaho	College of St. Catherine Minneapolis, Minnesota	Five Flags Center Dubuque, Iowa
Borger Event Center Borger, Texas	Colorado Convention Center Denver, Colorado	Fort Worth Event Facilities Forth Worth, Texas
Boston Conv. & Exhibition Ctr. Boston, Massachusetts	Commonwealth Convention Center Louisville, Kentucky	Fox Cities Convention Center & Hotel Appleton, Wisconsin



Franklin Conference Center Franklin, Kentucky	Jackson Convention Center & Hotel Jackson, Michigan	McAllen Convention Center McAllen, Texas
Fresno State University Fresno, California	Jacob K. Javits Convention Center New York, New York	MECCA/Wisconsin Center Milwaukee, Wisconsin
Gatlinburg Convention Center Gatlinburg, Tennessee	Joliet Convention/Arena Facilities Joliet, Illinois	Memorial Coliseum Portland, Oregon
George R. Brown Convention Center Houston, Texas	Kay Bailey Hutchinson Convention Center Dallas, Texas	Mexico City Convention Center Mexico City, Mexico
Georgia Southern Univ. Conference Center Statesboro, Georgia	Kemper Arena and New Arena Kansas City, Missouri	Meydenbauer Center Bellevue, Washington
Georgia Southern Univ. On-Campus Hotel Statesboro, Georgia	Kentucky Fair and Exposition Center Louisville, Kentucky	Miami Beach Convention Center Miami, Florida
Gonzaga University Centre Spokane, Washington	Knight Ctr./Miami Convention Ctr. Miami, Florida	Midland Convention Center Midland, Texas
Gonzalez Convention Center San Antonio, Texas	Knoxville Convention Facility Knoxville, Tennessee	Minot Community Event Facilities Minot, North Dakota
Grand Wayne Center Fort Wayne, Indiana	La Crosse Center La Crosse, Wisconsin	Mississippi Coast Convention Center Biloxi, Mississippi
Granbury Conference Center Granbury, Texas	Lake of the Ozarks Events Center Osage Beach, Missouri	Minneapolis Convention Center Minneapolis, Minnesota
Grand Junction Event Center Grand Junction, Colorado	Lane County Convention Center Eugene, Oregon	Montgomery Civic Center Montgomery, Alabama
Grand Wayne Convention Center Grand Wayne, Indiana	Lancaster Convention Center Lancaster, Pennsylvania	Moore County Convention Center Moore County, North Carolina
Greater Tacoma Conv. and Trade Center Tacoma, Washington	Lansing Center Lansing, Michigan	Moorhead Conference Center Moorhead, Minnesota
Hammond Convention Center Hammond, Louisiana	Laredo Civic Center Laredo, Texas	Muskegon Convention Center Muskegon, Michigan
Hartford Convention Center Hartford, Connecticut	Las Vegas Convention Center Las Vegas, Nevada	Muskingum County Event Center Zanesville, Ohio
Havre Multipurpose Event Center Havre, Montana	Lewistown Conference Center Lewistown, Montana	Myriad Convention Center Oklahoma City, Oklahoma
Hawaii Convention Center Honolulu, Hawaii	Lewistown Downtown Hotel Lewistown, Montana	Myrtle Beach Convention Center Myrtle Beach, South Carolina
Helena Convention/Event Facilities Helena, Montana	Lincoln Conference Center/Hotel Lincoln, Nebraska	Nashville Arena Nashville, Tennessee
Hendersonville Convention Center Hendersonville, North Carolina	Los Angeles Convention Center Los Angeles, California	Nashville Convention Center Nashville, Tennessee
Hendricks County Hotel/Conf. Center Hendricks County, Indiana	Lubbock Civic Center Lubbock, Texas	Nashville Headquarters Hotel Nashville, Tennessee
Hickory Arena/Performing Arts Center Hickory, North Carolina	Multipurpose Equestrian Facility Madisonville, Kentucky	National Western Complex Denver, Colorado
Hollywood Park Conference Center Hollywood Park, Texas	Maryland Convention Facilities Baltimore, Maryland	New Bern Convention Center New Bern, North Carolina
Hoover Convention Center and Theater Hoover, Alabama	Mayborn Civic & Convention Center Temple, Texas	New Braunfels Convention Center New Braunfels, Texas

New Downtown Full-Service Hotel St. Paul, Minnesota	Redding Convention Center Redding, California	Springfield Civic Center Springfield, Massachusetts
New Headquarters Hotel Slidell, Louisiana	Reliant Park Master Plan Houston, Texas	Springfield Convention Center Springfield, Missouri
New Iberia Hotel/Conference Center New Iberia, Louisiana	Reno Downtown Events Center Reno, Nevada	S. San Francisco Conference Center South San Francisco, California
New Jersey Exhibition Center Meadowlands, New Jersey	Reno Livestock Events Center Reno, Nevada	State Fair Park Oklahoma City, Oklahoma
Newark Tradeshow & Conv. Center Newark, New Jersey	Reno/Sparks Convention Center Reno, Nevada	Statesville Civic Center Statesville, North Carolina
Norfolk Conference Center/Hotel Norfolk, Virginia	Richmond Coliseum Richmond, Virginia	Stillwater Convention Center Stillwater, Oklahoma
Northshore Harbor Center Expansion Slidell, Louisiana	Roanoke Conference Center Roanoke, Virginia	Three County Fairgrounds Northampton, Massachusetts
Northern Kentucky Conv. Center Covington, Kentucky	Roseville Conference Center and Hotel Roseville, California	Temple Convention Facilities Temple, Texas
Owatonna Events Center Owatonna, Minnesota	Roland E. Powell Convention Center Ocean City, Maryland	Tulsa Convention Center Tulsa, Oklahoma
Palm Beach Convention Center West Palm Beach, Florida	Sacramento Convention Center Sacramento, California	Tulsa Downtown Hotel Development Tulsa, Oklahoma
Palmer Community Center Palmer, Alaska	Sanford Center Conv. Ctr. and Arena Bemidji, Minnesota	Tulsa Casino Hotel Tulsa, Oklahoma
Pasadena Center Pasadena, California	St. Charles Convention Center St. Charles, Missouri	UNC-Charlotte Conference Center Charlotte, North Carolina
Pennsylvania Convention Center Philadelphia, Pennsylvania	St. Cloud Civic Center St. Cloud, Minnesota	UNC-Charlotte Hotel Charlotte, North Carolina
Pensacola Convention Center Pensacola, Florida	St. Paul RiverCentre St. Paul, Minnesota	UNC-Charlotte Full-Service Hotel Charlotte, North Carolina
Pier 48 Exhibition Center San Francisco, California	Salisbury Conference Center Salisbury, North Carolina	Vail Conference Center Vail, Colorado
Pier 92/94 Tradeshow Facility New York City, New York	Salt Palace Salt Lake City, Utah	Vermillion Conference Center Vermillion, South Dakota
Portland Convention Facilities Portland, Maine	San Mateo County Expo Ctr. & HQ Hotel San Mateo, California	Washington D.C. Conv. Center/Hotel Washington, D.C.
Prime Osborn Convention Center Jacksonville, Florida	Santa Fe Civic Center Santa Fe, New Mexico	Washington State Conv./Trade Ctr. Seattle, Washington
Provo Hotel/Convention Center Provo, Utah	Sarasota Convention Center Sarasota, Florida	Waterbury Exhibition Center Waterbury, Connecticut
Puerto Rico Convention Center San Juan, Puerto Rico	Scranton Convention Center Scranton, Pennsylvania	Watertown Multipurpose Facility Watertown, South Dakota
Quad Cities Event Center Bettendorf, Iowa	Sioux Falls Convention Center Sioux Falls, South Dakota	Wilkes-Barre Exhibition Center Wilkes-Barre, Pennsylvania
Queens Convention Center New York, New York	Snowmass Conference Facilities Snowmass, Colorado	Wisconsin Center District Milwaukee, Wisconsin
Reading Exhibition Center Reading, Pennsylvania	South Lake Tahoe Conv. Facility South Lake Tahoe, California	Woodstock Exhibition Facility Woodstock, Illinois



BILL KRUEGER
Project Leader

Bill Krueger, Director of CSL's convention industry services, has more than 20 years of industry experience through nearly 300 studies relating to the convention, conference, exhibition, arena, civic, sport, spectator and hospitality industries. Areas of project focus have included facility development and expansion feasibility, facility/organization performance evaluation, community economic growth strategy formulation, and facility/CVB organizational structure and policy review.

Clients have included cities, counties, convention and visitors bureaus, chambers of commerce, state organizations and private entities. Bill has managed and directed studies in communities of all sizes throughout North America, many of which have involved analysis of opportunities to expand and enhance communities' ability to generate new economic activity and visitation. Bill's experience has included providing various types of analyses and advisory services, including:

- Market demand analysis.
- Facility sizing and building program analysis.
- Financial operating analysis.
- Economic and fiscal impact analysis.
- Project funding analysis.
- Site/location analysis.
- Operational and management structure analysis.
- Marketing strategy development analysis.
- CVB performance audits/benchmarking.

A summary of some of the specific projects in which Bill has been actively involved is presented on the following page.

RECENT REPRESENTATIVE PROJECTS



FULL SERVICE HOTEL AND CONFERENCE CENTER AT UNC-CHARLOTTE
Charlotte, North Carolina



BRANSON CONVENTION CENTER
Branson, Missouri



VISITOR & CONVENTION INDUSTRY MASTER PLAN
San Antonio, Texas



PROPOSED MULTIPURPOSE EVENT CENTER AT
VILLAGE WEST
Kansas City, Kansas





BILL KRUEGER

CONFERENCE/CONVENTION CENTER AND HOTEL EXPERIENCE

Ames Convention and Events Center
Ames, Iowa

Anaheim Convention Center
Anaheim, California

Arlington Conference Center
Arlington, Virginia

Bell County Expo Center
Belton, Texas

Bemidji Event Center & Hotel
Bemidji, Minnesota

Boise Centre on the Grove
Boise, Idaho

Boulder Convention Center
Boulder, Colorado

Branson Convention Center & Hotel
Branson, Missouri

Bridgeport Arena and Event Center
Bridgeport, Texas

Carbon County Event Center
Price, Utah

Century II Perf. Arts & Conv. Ctr.
Wichita, Kansas

Cincinnati Convention Center
Cincinnati, Ohio

Charleston Civic Center & Hotel
Charleston, West Virginia

Colorado Convention Center & Hotel
Denver, Colorado

Cox Business Services Conv. Ctr.
Oklahoma City, Oklahoma

New Conference Center & Hotel
Durango, Colorado

Fort Worth Event Facilities
Fort Worth, Texas

Gatlinburg Convention Center
Gatlinburg, Tennessee

Grand Wayne Center
Fort Wayne, Indiana

Hammond Convention Center
Hammond, Louisiana

Hendricks Cty. Hotel/Conf. Center
Hendricks County, Indiana

Henry B. Gonzalez Conv. Ctr. Hotel
San Antonio, Texas

Jackson Convention Center/Hotel
Jackson, Michigan

Kansas City Convention Center
Kansas City, Missouri

Kentucky Fair and Exposition Center
Louisville, Kentucky

Knight Center/Miami Convention Ctr.
Miami, Florida

Lake of the Ozarks Exhibition Center
Osage Beach, Missouri

Lansing Center
Lansing, Michigan

Laredo Convention Center
Laredo, Texas

Las Vegas Convention Center
Las Vegas, Nevada

Lincoln Convention Center & Hotel
Lincoln, Nebraska

Mexico City Convention Center
Mexico City, Mexico

Meydenbauer Center & Hotel
Bellevue, Washington

Miami Beach Convention Center & Hotel
Miami Beach, Florida

Midland Convention Center
Midland, Texas

Minneapolis Convention Center
Minneapolis, Minnesota

Minot Event Facilities
Minot, North Dakota

Mississippi Coast Coliseum & Hotel
Biloxi, Mississippi

Monterey Conference Center
Monterey, California

Nashville Convention Center
Nashville, Tennessee

National Western Complex
Denver, Colorado

New Braunfels Convention Center
New Braunfels, Texas

New Haven Conference Center
New Haven, Connecticut

New Iberia Conference Center/Hotel
New Iberia, Louisiana

New Jersey Exhibition Center
East Rutherford, New Jersey

New Orleans Morial Conv. Center
New Orleans, Louisiana

Northern Kentucky Convention Center
Covington, Kentucky

Owatonna Conference Center
Owatonna, Minnesota

Palm Beach Convention Center
Palm Beach, Florida

Pasadena Center
Pasadena, California

Pier 48 Exhibition Center
San Francisco, California

Pier 94 Tradeshow Center
New York, New York

Provo Conference Center & Hotel
Provo, Utah

Reno-Sparks Convention Center
Reno, Nevada

Reno Livestock Events Center
Reno, Nevada

Sacramento Convention Center
Sacramento, California

Salt Palace Convention Center
Salt Lake City, Utah

So. San Francisco Conference Center
South San Francisco, California

St. Cloud Civic Center
St. Cloud, Minnesota

St. Paul Downtown Hotel Needs
St. Paul, Minnesota

Stillwater Convention Center
Stillwater, Oklahoma

Tulsa Convention Ctr & Hotel Projects
Tulsa, Oklahoma

Washington DC Conv. Ctr & HQ Hotel
Washington, DC

Washington State Conv/Trade Center
Seattle, Washington

Wilkes-Barre Exhibition Center
Wilkes-Barre, Pennsylvania

Willetts Point Convention Center &
Queens, New York





JOEL FELDMAN
Project Manager

Mr. Feldman has been with CSL's convention and visitor industry services practice since 2006. Joel's experience as Project Manager or Lead Analyst through over 100 studies has included in-depth analysis for a wide variety of visitor-generating facilities including convention centers, conference centers, multipurpose event facilities, performing arts theaters, arenas and other such facilities.

Each of these studies has involved: analysis of existing visitor industry infrastructure; benchmarking competitive and comparable facilities; soliciting direct feedback through conversations with individuals and organizations directly (and indirectly) impacted by the subject project; and, analyzing macro-industry characteristics and trends. The result of these efforts is a substantiated recommendation for a supportable building program and/or alternative development options.

Having surveyed hundreds of event facility operators and thousands of event facility user groups provides Joel with a unique perspective into the optimal mix of facility and visitor-industry related infrastructure investments that ensure the greatest return for the destination as a whole.

RECENT REPRESENTATIVE PROJECTS



PROPOSED NEW CONFERENCE/CONVENTION CENTER
Lawrence, Kansas



DESTINATION STRATEGIC PLAN
Arlington, Texas



POTENTIAL CONVENTION/EVENT CENTER
Hendersonville, North Carolina



NEW OR REDEVELOPED CONVENTION CENTER
Wichita, Kansas





JOEL FELDMAN

CONFERENCE/CONVENTION CENTER AND HOTEL EXPERIENCE

Alliant Energy Center
Madison, Wisconsin

Baltimore Convention Center
Baltimore, Maryland

Boston Convention and Exhibition Center
Boston, Massachusetts

Century II Perf. Arts & Conv. Ctr.
Wichita, Kansas

Frontier Airlines Center
Milwaukee, Wisconsin

George R. Brown Convention Center
Houston, Texas

Greater Tacoma Convention and Trade Center
Tacoma, Washington

Henderson Convention Center
Henderson, Nevada

Henry B. Gonzalez Convention Center
San Antonio, Texas

Javits Convention Center
New York, New York

Kansas City Convention Center
Kansas City, Missouri

Kentucky Horse Park
Lexington, Kentucky

La Crosse Center
La Crosse, Wisconsin

Las Vegas Convention Center
Las Vegas, Nevada

Lincoln Convention Center & Hotel
Lincoln, Nebraska

Los Angeles Convention Center
Los Angeles, California

Maydenbauer Center & Hotel
Bellevue, Washington

Miami Beach Convention Center & Hotel
Miami Beach, Florida

Minneapolis Convention Center
Minneapolis, Minnesota

Montgomery College Conference Center
Montgomery County, Maryland

Nashville Fairgrounds Expo Center
Nashville, Tennessee

National Western Complex
Denver, Colorado

New Orleans Morial Convention Center
New Orleans, Louisiana

Ontario Convention Center
Ontario, California

Pennsylvania Convention Center
Philadelphia, Pennsylvania

Porter County Expo Ctr. & Fairgrounds
Porter County, Indiana

Prime F. Osborn Convention Center
Jacksonville, Florida

Prince George's Equestrian Center
Upper Marlboro, Maryland

Pro Football Hall of Fame Conf. Ctr. and Hotel
Canton, Ohio

Proposed Multipurpose Event Venue
Ames, Iowa

Proposed Conference Center
Arlington, Virginia

Proposed Multipurpose Event Center
Black Hawk, Colorado

Proposed Livestock/Equestrian Complex
Borger, Texas

Proposed Conference Center/Hotel
Chandler, Arizona

Proposed Multipurpose Event Venue
Coeur d'Alene, Idaho

Proposed Conference Center and Amphitheatre
Cullman, Alabama

Proposed Metro Area Conference Centers
Detroit, Michigan

Proposed Conference Ctr/Performing Arts Ctr
Fairbanks, Alaska

Proposed Multipurpose Event Center-Franklin
Franklin, Kentucky

Proposed Multipurpose Event Venue
Grand Junction, Colorado

Proposed Multipurpose Event Center
Great Falls, Montana

Proposed Multipurpose Event Venue
Hendersonville, North Carolina

Proposed Conference Center/Perf Arts Ctr
Hoover, Alabama

Proposed Conference Center and Hotel
Lewistown, Montana

Proposed Multipurpose Event Venue
Milpitas, California

Proposed Conference Center and Hotel
Missoula, Montana

Proposed Multipurpose Event Venue
Norman, Oklahoma

Proposed New Convention Center
Oklahoma City, Oklahoma

Proposed Multipurpose Event Venue
Park City, Utah

Proposed Convention Center and Hotel
Port Huron, Michigan

Proposed Convention Center and Hotel
Roseville, California

Proposed Livestock/Equestrian Complex
Saline, Kansas

Proposed Conference Center and Hotel
San Mateo, California

Proposed Conference Center
San Pedro, California

Proposed Conference Center and Hotel
Tulsa, Oklahoma

Proposed Multipurpose Event Venue
Wyandotte County/Kansas City, Kansas

Proposed Headquarters Hotel
West Palm Beach, Florida

Reliant Park
Houston, Texas

San Diego Convention Center
San Diego, California

San Jose Convention Center
San Jose, California

St. Paul RiverCentre
St. Paul, Minnesota

State Fair Park
Oklahoma City, Oklahoma

Three County Fairgrounds
Northampton, Massachusetts





EMILY LEASE
Analyst

Ms. Lease serves as an Analyst for visitor industry-related event facility development studies spanning a wide range of markets across the country. Serving in this role, Ms. Lease has provided integral research into the development and operation of public assembly facilities throughout the country.

Since joining CSL, Emily has been involved in a variety of visitor-generating facility studies, including those for convention centers, conference, exhibition, arenas, recreational sports facilities and other such multipurpose venues. She has also worked on the strategic planning process for visitor destinations with the primary purpose of increasing visitor economic impact.

Emily has conducted detailed analysis of existing local visitor amenities, benchmarking analysis of competitive and comparable markets, and in-depth market demand and local community input. Furthermore, Emily has solicited detailed insight from organizers responsible for planning thousands of annual events. The feedback garnered through this exhaustive process, leads to detailed results that provide a roadmap for strategic destination planning.

Ms. Lease is a 2015 graduate from the Carlson School of Management at the University of Minnesota and holds a Bachelor of Science degree in Marketing.

RECENT REPRESENTATIVE PROJECTS



PROPOSED NEW CONFERENCE/CONVENTION CENTER
Lawrence, Kansas



NEW/ENHANCED CONVENTION CENTER
Norman, Oklahoma



RENOVATION OF THE OGDEN ECCLES CONFERENCE CENTER
Ogden, Utah



DESTINATION STRATEGIC PLAN
Arlington, Texas



PROPOSED PROJECT APPROACH

We believe that CSL is the best-qualified firm to assist the Chapel Hill/Orange County Visitors Bureau (CHOCVB), Orange County (County) and other community stakeholders in identifying and evaluating facility and infrastructure development/investment opportunities that would provide the Chapel Hill/Orange County destination with the greatest return-on-investment with respect to enhancing visitor industry growth. Our team is uniquely-positioned with respect to local, regional and national expertise relevant to the project. Specifically:

- National Experience & Insight: Through more than 500 comparable projects, CSL has unmatched experience throughout the country with feasibility assessment and planning studies in markets of all different sizes concerning convention centers, public assembly facilities, hotels, and other types of event facilities and visitor/destination planning projects. Additionally, with a foundation in industry best practices, CSL has also assisted many public sector clients throughout the country with planning, negotiating and implementing public/private partnership arrangements for hotel, convention center and other projects designed to enhance visitor industry impacts.
- Local Community Experience & Insight: CSL has unique and critical insight into the Durham-Chapel Hill greater metropolitan area and issues relevant to area and regional residents. Specifically, CSL's past and recent project experience with study efforts in Chapel Hill, Charlotte, Raleigh, New Bern, Hendersonville, Hickory, Moore County, Salisbury, Statesville, Wilmington, Winston-Salem, Dunn, Mooresville and other communities provides our firm with important familiarity with and access to the greater North Carolina convention center/public assembly facility market segment—offering attractive opportunities for efficient, responsive and detailed community outreach, client engagement and product delivery.

Each market is unique, and there is no substitute for the extensive research that is necessary to ensure that decisions made regarding your project accurately reflect these distinctive characteristics. More so than any other firm performing these types of studies, CSL conducts more direct outreach to competitive and comparable venues and current and/or potential new users of event space and/or visitor industry infrastructure in your market. This research-based approach not only ensures that the findings and recommendations reflect the unique conditions of your individual community, but it provides you with a comprehensive understanding of how these findings and recommendations were reached. The objectivity and value that we bring to each project is highlighted by the large number of clients who have retained us for multiple engagements over the years.

It is understood that key objectives of this requested study would be to comprehensively evaluate whether Orange County can support a visitor-oriented event facility and to present other investment/development options for consideration that would generate the same or greater impact on the destination's visitor industry. Specifically, the study is expected to evaluate the market demand, market supportable building program in terms of size, scope, features, type of space and associated site/amenity/infrastructure requirements, construction and operating costs, economic impacts (including non-quantifiable benefits), ownership and management issues, funding alternatives and public/private opportunities, and other such aspects.

The following study tasks have been developed to provide the CHOCVB, County and other area decision makers with the foundation of research necessary to strategically plan for the future of Orange County in the visitor industry. Importantly, this research provides both short- and long-term direction not only as to the facility components/development options that may be supportable from a market demand perspective, but also the supporting amenities and infrastructure required in order to maximize the community's return-on-investment. The availability of hotel, transportation, restaurant, retail and other visitor industry amenities in proximity to visitor-oriented event facilities are increasingly important to both event planners and attendees and the communities looking to benefit from the added economic activity generated by hosting such events and attracting new visitation of various types.

PROPOSED SCOPE OF SERVICES

The project tasks included in this approach comprise a study process we have successfully implemented for similar projects throughout the country. We would be happy to discuss with you variations of a study approach that would meet your objectives. This study process consists of a comprehensive analysis of project feasibility, including a significant amount of primary market research and analysis to provide the most accurate assessment of market validation and cost/benefit analysis associated with the facility development/investment under consideration.

A summary of our approach to evaluating options for convention center/public assembly facility or other visitor-oriented development in Orange County is presented below, followed by a detailed description of the study effort.

PART ONE

- Task 1. New Market Demand Analysis
- Task 2. New Facility Demand Analysis
- Task 3. Financial Feasibility Analysis
- Task 4. Economic Impact and Cost/Benefit Analysis

PART TWO

- Task 1. Analysis of Other Orange County Tourism Assets
- Task 2. Analysis of Organizational Policy and Procedure Initiatives
- Task 3. Industry Benchmarking Analysis
- Task 4. Strategic Recommendations

Optional Task – Enhanced Survey Research

PART ONE

Task 1. New Market Demand Analysis

The purpose of this task is establish a foundation of analysis from which to begin to identify market demand for convention center/public assembly facility or other visitor-oriented development options in Orange County. Specific steps to be undertaken are presented below and on the following pages.

Step 1. Study Kickoff and Initial Project Planning

As an initial step in the engagement, we will work with the CHOCVB, County and other key 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 amenities.

We will conduct initial in-person, one-on-one interviews in Orange County with key project stakeholders to obtain background information related to the project. In addition to CHOCVB and County leaders, these interviews could include individuals such as elected and appointed city/state officials, key hotel owners and managers, Chamber of Commerce leaders, UNC-Chapel Hill, Duke and leadership among other local academic institutions, tourism industry representatives, restaurateurs, business leaders and other civic and visitor industry representatives or project stakeholders. These meetings will focus on analyzing conditions with regard to local market characteristics, facility needs and the opportunities that future investment in the public assembly facility and hospitality sector may represent.

PROPOSED SCOPE OF SERVICES

Specifically, through this process, we will:

- establish a working group that will include representatives of local project leaders;
- assemble important project related data;
- gain initial insight and perspective into local conditions that will impact the research process;
- establish the format and content of our deliverable products; and
- modify the work plan, if necessary, to reflect any appropriate changes arising from the information obtained in the steps noted above.

Step 2. Local Market Conditions Analysis

The purpose of this step is to define and evaluate the local market characteristics of the Orange County area as well as the existing event facility infrastructure (i.e., convention, conference, meeting, civic and spectator facilities). Initially, the analysis will focus on demographic/socioeconomic attributes and will be instrumental in understanding how Orange County is presently positioned in the meeting, spectator, civic and local event industries (i.e., events with attendance bases that are primarily locally-based).

Additionally, the primary components of a successful convention destination/event package will be evaluated in order to assess the area's ability to support added convention, conference, meeting and other event activity. This aspect of the analysis is critical in understanding the community's visitor industry resources and infrastructure. The analysis will include a review of Orange County area market data, both current and projected, to assess the area's ability to accommodate added event activity (i.e., typically economic impact generating events that have a significant portion of out-of-town attendance).

Characteristics to be evaluated as part of this overall analysis step include the following:

- committable, convention-quality lodging properties and rooms;
- existing/planned convention, event and lodging facilities in the local area;
- lodging unit cost structures;
- key demographic and socioeconomic characteristics and trends, such as population, disposable income, retail sales, entertainment spending, corporate base and other such indicators;
- proximity issues to other regional markets;
- air, rail, ground transportation and shuttle access, cost and availability;
- entertainment, recreation and cultural amenities;
- key community resources; and,
- other such characteristics.

Further, as the information is available, we will collect and review data associated with existing local convention, conference, civic, spectator and event facilities, as well as facilities offered within area lodging properties. Information analyzed will include, but will not be limited to the following:

- existing convention, conference, civic, exhibition, meeting, spectator facility physical components, configuration and related issues;
- event characteristics (type, number, length of stay, origin of attendees);
- square footage and occupancy/utilization by type of space;
- event seasonality;
- lost business information; and
- rental and service rates.

PROPOSED SCOPE OF SERVICES

The results of this step will be used in combination with data prepared throughout the study to assess Orange County's competitive position within the state, regional and national marketplace and its ability to accommodate additional visitor-oriented event facility demand. By understanding the type of business currently accommodated within the community, we can focus our recommendations on visitor-oriented event facility development that could *add* to the overall level of events, attendees and economic impact.

Step 3: Hotel Demand Analysis

To gain an understanding of the current and future market potential for hotel growth in Orange County, an analysis of key supply/demand and related issues will be undertaken. Throughout this process, we will meet and coordinate with key stakeholders, convention and hospitality industry professionals, economic development representatives, public sector officials and others. We will conduct the following:

1. Market area analysis.
 - Evaluation of macroeconomic trends and local economic indicators, such as:
 - Population growth
 - Income statistics
 - Unemployment trends
 - Real estate development trends
 - Quantify and analyze recent trends in variables generally correlated with lodging demand in the market, as applicable:
 - Office statistics
 - Airport statistics
 - Convention, meeting and booked group statistics
 - Develop conclusions about the directional trends of key economic indicators that influence the lodging industry.
2. Hotel supply and demand analysis
 - Define the existing set of competitive hotels in the area.
 - Estimate occupancy and average daily rate of each hotel in the defined competitive set.
 - Identify and evaluate proposed new competitors in the market area and the resulting impact on occupancies and average rates.
 - Estimate demand segmentation of accommodated demand (i.e., percentage of business, leisure, and meeting/group activity).
 - Analyze un-accommodated demand related to local sell-out patterns.
 - Evaluate potential induced demand from any proposed major developments in the area.
3. Estimate occupancy, average daily rate (ADR), and RevPAR (revenue per available room) for the market and one or more potential new hotel properties that could be developed/incentivized as part of a new initiative.

Based on the results of the analysis, we will also define project/development opportunities that are market-indicated. We may outline various options for specific program elements depending on market demand factors, including:

- Chain scale and brand.
- Number and size of rooms by type.
- Number, size and total square feet of event space.
- Food and beverage facilities.
- Amenities package, price-point, parking and service levels appropriate.

PROPOSED SCOPE OF SERVICES

As part of the financial and economic impact analyses described later in this scope, we will evaluate various program/project scenarios and the potential impact on the amount of public sector financial support required. The hotel and event space programs most suitable for increasing Orange County visitor and event activity will also be discussed.

Task 2. New Facility Demand Analysis

The purpose of this task is to identify and evaluate the market demand for convention center/public assembly facility or other visitor-oriented development options in Orange County and to provide a thorough overview of competing facilities, event planner opinions, local visitor-oriented event facility industry conditions, industry trends, and the impact of a new facility on the marketplace.

Step 1. Competitive/Comparable Facility Analysis

In evaluating the market demand for a new visitor-oriented event facility, it is important to gain an understanding of the competitive and comparable facility environment. In this step, we will assemble and review the physical and operational characteristics of existing and planned facilities in North Carolina and throughout the region that may compete with a new Orange County facility. Facilities and/or markets around the country that may offer some element of comparable insight will also be evaluated. CSL maintains an extensive database of current physical facility and operational benchmarking information from visitor-oriented event facilities located throughout North Carolina and the country.

The types of data that will be assembled (as available) for competitive and comparable projects include:

- Exhibit, meeting, ballroom/multipurpose space and capacities;
- Fixed and temporary seating components;
- Future expansion plans;
- Event characteristics (event levels by type, attendance, room nights, utilization, etc.);
- Future bookings;
- Operating revenues and expenses;
- Rental terms;
- Available parking;
- Ownership, management and support;
- Hotel availability, quality and proximity to the facility; and,
- Visitor industry tax rates (i.e., hotel/motel tax, etc.).

This analysis will assist in providing data as to how a new Orange County visitor-oriented event facility could compete within specific event markets, as well as later assisting in the evaluation of the associated development scenarios, financial operations, and economic and fiscal impacts of future development scenarios.

Step 2. Analysis of Industry Trends

The convention, tradeshow and visitor-oriented event facility industries have undergone significant change recently and over the past decade. Issues impacting the industries, including changing demand for event space, technological amenities, hotel availability, service levels and other such characteristics, have been joined by recent, and sometimes dramatic, fluctuations in event activity due to nationwide economic conditions and travel costs. In addition, supply growth has impacted demand levels in individual markets.

Further, meeting planner site selection and decision making processes have evolved somewhat in recent years. For example, meeting planners are increasingly focused on factors that impact the experience of the event attendee, including access to hotels, restaurants and entertainment. Many planners have also placed greater importance on the issue of environment sustainability of a facility in terms of selection criteria.

CSL understands these and related important characteristics and how they have and will continue to affect the industry. Our understanding of industry trends and their implications on specific markets is something that we take very seriously, as demonstrated by our ongoing dedication of significant staff resources to important industry research efforts. We are constantly researching the industry from the perspective of event planners, conducting upwards of a thousand individual meeting planner interviews on an annual basis.

We will evaluate how the local market may be impacted by emerging industry trends, summarizing the potential impact on the expansion and improvements to area visitor-oriented event facilities, and the potential for creative development characteristics tailored to the demand unique to the market. An evaluation of these trends will be important in placing overall market demand estimates into the context of the industry, presently and into the foreseeable future.

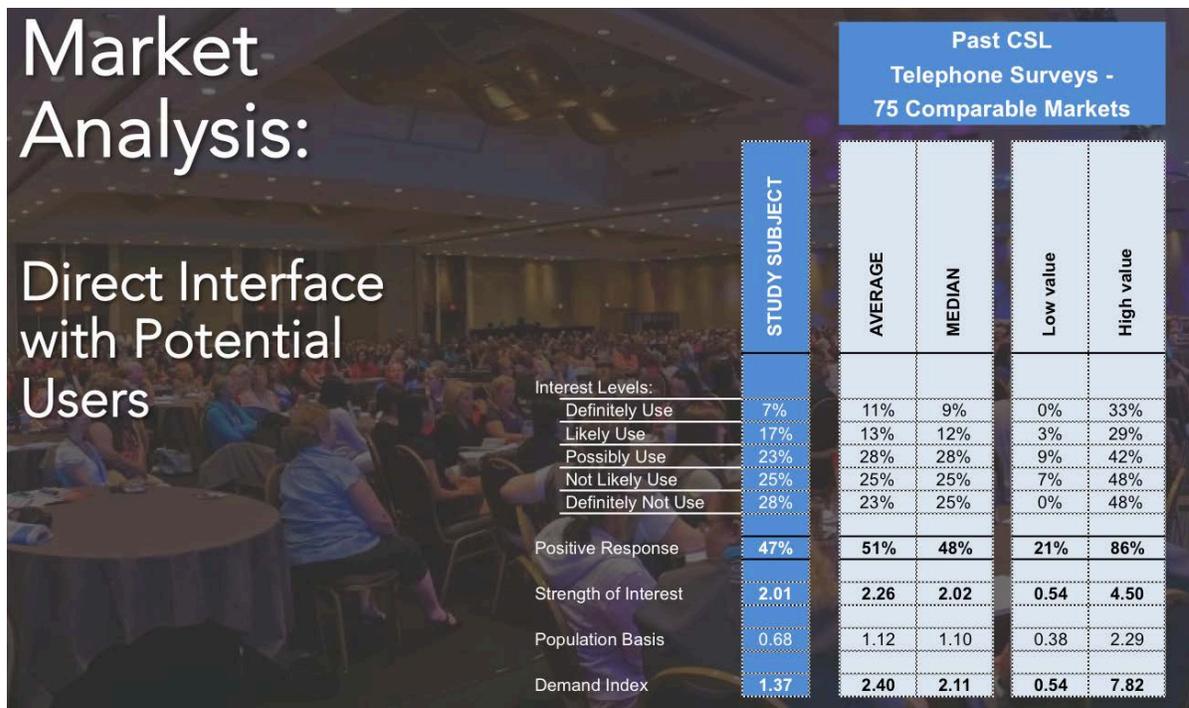
Step 3. Market Demand/Survey Research

The purpose of this step is to develop primary industry research highly specific to the visitor-oriented event facility market within the Orange County destination. In-person, one-on-one interviews and/or focus groups with key local individuals and business leaders are conducted near the outset of the study to gain an understanding of the community's attitude toward the market potential for new Orange County visitor-oriented event facility development. These interviews could include individuals such as CHOCVB representatives, County officials, City officials, management and staff of existing event facilities, hotel and other visitor industry representatives, business/Chamber of Commerce leaders, downtown organizations, government officials, public sector staff and other civic and visitor industry representatives.

Beyond these local interviews, we interview (via telephone) a large sample of past and potential future users of a new visitor-oriented event facility from a state, regional and national basis. Such interviews allow us to go beyond simply relying on competitive and comparable facility data in order to develop market demand findings. In addition, this type of direct outreach to event planners can support our analysis of emerging industry trends from a demand perspective and in terms of the unique facility features that may provide a future competitive advantage to any new visitor-oriented event facility in Orange County. The analysis may include organizations or individuals from the following event segments:

- Local, state, regional and national association conventions/conferences/meetings;
- Corporate and trade events;
- Public/consumer shows;
- SMERF events (social, military, education, religious, fraternal);
- Community banquets, meetings, festivals and related events;
- University/educational institution-related events;
- Local civic, service and religious organizations;
- Spectator events;
- Cultural events; and
- Other such events.

CSL's extensive comparable convention center study experience and proprietary survey methodology allows for the critical benefit of comparing Orange County's survey data with the survey data collected from a large number of comparable visitor-oriented event facility feasibility studies that we've conducted in recent years. This apples-to-apples comparison to other similar projects offers critical insight into the strength and nature of the market demand that will be measured in Orange County.



For a potential Orange County study, event organizer survey results will be analyzed to provide summaries of the following data specific to added facilities:

- Likelihood of utilizing a new visitor-oriented event facility in Orange County;
- Reasons for not choosing the Orange County area (if applicable);
- Space/seating levels required to attract the event;
- Demand for non-traditional event space;
- Overall hotel room requirements;
- Parking requirements;
- Other important community requirements to attract the event;
- Event seasonality;
- Length of event data;
- Event attendance data;
- Requirement/preference for technology-related amenities;
- Issues with respect to the proximity to nearby airports;
- Trends in facility and service needs; and,
- Perceptions/familiarity with the area and other related event information and relevant opinions.

By combining the results of this step with the analysis results generated in previous steps, we will be able to identify the event markets that represent the primary sources of demand for a new Orange County convention center, upon which future facility recommendations and event estimates are made.

Step 4. Market Supportable Visitor-Oriented Event Facility Development Options

The purpose of this step is to synthesize findings of the previous task to analyze and translate market demand into market supportable visitor-oriented event facility development options in Orange County. Further, we will incorporate results of previously conducted analyses and/or master planning efforts, suggesting potential enhancements based off of current and projected future market conditions. It is likely that the facility focus will be multi-use in nature, integrating a variety of functional components to allow for accommodation of a diversity of event types. In particular, our analysis will address space needs in terms of the following:

- exhibit, meeting, ballroom and multipurpose space;
- fixed and temporary seating levels;
- size of support space and other functional areas;
- amount and type of other revenue-producing areas;
- space configuration and aesthetic features;
- theme and branding possibilities;
- infrastructure needs;
- possibilities for future expansion and spin-off development; and,
- important technological and other amenities.

This data will also be used to identify any external factors and complementary facilities that could significantly affect the ability of the potential new facility to maximize its potential. We will discuss opportunities and constraints concerning these characteristics and issues. Factors to be identified include:

- availability of quality, committable hotel rooms;
- restaurant/retail establishments;
- parking needs;
- transportation infrastructure/accessibility;
- event attendee transportation within the area; and,
- other such characteristics.

In developing market supportable development options, our approach is experienced and nuanced, critically relying on the primary market survey data collected for this assignment and our experience with comparable projects and understanding of industry best practices.

The results of this step will provide project representatives with a clear understanding of the recommended building programmatic elements that are estimated to be supportable by measured market demand. In addition, should any existing complementary facilities be deemed inadequate, we will address each facility and discuss potential methods of facilitating their development/creation, including incentivizing private sector participation and/or creative public/private partnerships to enhance the visitor industry infrastructure to adequately support any future visitor-oriented event facility investment. We would envision developing development scenarios for further analysis, including one or more involving a public/private partnership with an existing or new headquarters hotel.

If sufficient market demand does not exist for a new visitor-oriented event facility, alternate project opportunities will be discussed (as outlined under Part Two of this proposed scope of services). These alternatives would be designed to grow new visitation and could include a public/private partnership with an existing/potential hotel, the development of other types of event facilities that could serve the local community (and downtown) needs and other such concepts.

Step 5. Visitor-Oriented Event Facility Usage and Event Levels Analysis

Based on the results of the visitor-oriented event facility development options analyses, the knowledge we have gained in performing similar studies and information contained in our database of events, we will quantify the level and characteristics of events and activities that could be attracted to and retained at a new Orange County visitor-oriented event facility during a stabilized year of operations. The market potential will be presented for those sources of demand that are identified as being supportable in the Orange County area. These event sources could include conventions, conferences, meetings, exhibitions, civic, spectator and local community uses and other events.

The measures of event demand to be focused on will include:

- event levels by event segment;
- potential attendance (including visitor) levels by activity or use;
- origin of attendees/exhibitors (i.e., local vs. non-local) and associated traffic levels;
- length of event data;
- facility space and functionality requirements (exhibit, meeting, banquet, seating, staging, technology, etc.) by event type;
- hotel requirements;
- parking requirements; and,
- seasonality data.

We will identify the event markets that represent the primary sources of demand for a potential new visitor-oriented event facility. We will then assess the potential penetration of these markets to estimate event levels, attendance levels and other primary characteristics by type of event/activity. These estimates will form the basis on which we will evaluate various development options for the new visitor-oriented event facility, their ability to accommodate demand and fill areas of need in the market, as well as the potential financial and economic impact parameters of facility operations.

Task 3. Financial Feasibility Analysis

The purpose of this task is to synthesize findings of the previous tasks to identify and project operating costs and revenues associated with potential convention center/public assembly facility or other visitor-oriented development options.

Step 1. Preliminary Construction Cost Analysis

Based on the program information, local cost characteristics and other relevant features, we will provide preliminary cost and construction time table estimates for the outlined visitor-oriented event facility development scenarios. The cost estimates will focus on per-unit data adjusted for conditions in the Orange County area and cost data of comparable facilities modified for time and locations. The estimates will focus on the building programs and development scenarios developed in previous study tasks. These estimates will be useful for framing an overall discussion on project cost if the project gathers support for an implementation phase.

Step 2. Financial Operation Analysis

The purpose of this step is to analyze the financial operating and other cost characteristics of the potential new Orange County visitor-oriented event facility. Based on the results of the market demand, market supportable development analysis and event levels research and analysis, we will prepare a financial operating analysis for the potential new visitor-oriented event facility. We will present financial operation projections for the scenarios previously identified as being market supportable. Specifically, we will develop a computer-based model incorporating comparable facility data and the estimated levels of event utilization and attendance derived from the market analysis in order to develop estimates with regard to facility operating revenues and expenses.

Revenues including rental, food service, event service, parking, advertising and sponsorship revenues, and other such sources will be estimated. Expenses including salaries (permanent and event driven staff costs), utilities, maintenance, supplies, insurance, contract service costs and others will be estimated. Further, we will work with you to develop other non-operating revenue and expense assumptions in order to provide initial estimations of overall costs associated with the project(s).

We will present estimates of financial performance for visitor-oriented event facility operations for ten years. The comparison of revenues and expenses will enable you to evaluate the level of facility-supportable revenues or public subsidies that may be required for annual facility operations.

Step 3. Business Plan/Management Analysis

The purpose of this step is to evaluate options for the ownership of the potential visitor-oriented event facility and to suggest appropriate key operating policies to ensure any facility developed serves as an economic development tool for the County and surrounding community. In many communities, a partnership with existing or planned lodging facility ownership is created to secure the necessary facilities. This creates important efficiencies; however, the importance to structure a development, marketing and operational agreement is very critical to protecting the needs of community. Conversely, publicly-developed project(s) could be pursued, with more of a loose operational agreement with area lodging properties, perhaps focusing on food and beverage service.

A key component of the analysis will focus on the various means of facility ownership and guidance. In addition, the study will address options for day-to-day issues of the facility (or facilities), including how the facility could be operated and marketed. We will evaluate operating and marketing relationships with public and private entities. In conducting this task, we will evaluate ownership and management structures at comparable facilities throughout the country, and provide specific pros and cons to every model analyzed.

At the conclusion of the analysis process, we will develop findings and recommendations as to how the CHOCVB, County and community should proceed in order to protect its priorities and to best integrate efficiencies that may be available through a partnership with a local hotel or other private entities.

Task 4. Economic Impact and Cost/Benefit Analysis

In this task, we will estimate the economic and fiscal (tax) impacts associated with the operation of a new visitor-oriented event facility in Orange County. The operation of such a facility typically attracts some level of out-of-town event delegates to the community. The non-local delegates brought into the community by convention center operations represents the basis for added local economic and fiscal impacts.

As part of this analysis, we will develop estimates of total incremental out-of-town delegates to the Orange County area generated as a result of a new visitor-oriented event facility. We will then apply appropriate per-delegate spending estimates using industry data adjusted to the local area. The resulting delegate spending levels will be segmented by industry and applied to economic impact multipliers.

The multipliers, specific to Orange County and provided by leading input/output multiplier models, will be used to estimate total economic output, earnings and employment generated as a result of each of the supportable development options identified. From these economic impact variables, we will apply appropriate local, regional and statewide tax rates to estimate the added tax revenue generated as a result of the project in order to estimate ten years of Hotel Occupancy Tax collections as generated by the identified supportable development options.

The completion of the economic and fiscal impact analysis will allow for a comparison of key costs and benefits associated with the development and operation of a new visitor-oriented event facility. If more than one program scheme and/or project concept was previously developed, costs and benefits will be comparatively evaluated to allow project stakeholders and the community to assess issues related to return on investment.

The following presents an example of a summary of estimated top-level costs and benefits that has been useful for key decision-making by past clients and project stakeholders.

	Existing HCC/Plaza	SCENARIO 1: Redeveloped HCC	SCENARIO 2: New CC & HQ Hotel	SCENARIO 3: Multipurpose Event Center	SCENARIO 4: Combined Use Facility
Cost/Benefit Analysis:					
One-time Costs:					
Hard Construction Costs	\$0	\$10,000,000	\$15,000,000	\$18,000,000	\$54,000,000
Soft Construction Costs	0	3,000,000	4,500,000	5,400,000	16,000,000
Private to Facility	0	0	0	0	(30,000,000)
Site / Infrastructure	0	1,000,000	1,500,000	1,500,000	3,000,000
Hotel Project	0	0	20,000,000	0	0
Private to Hotel	0	0	(12,000,000)	0	0
Total	\$0	\$14,000,000	\$29,000,000	\$24,900,000	\$43,000,000
Annual Costs:					
Debt Service	\$0	\$761,000	\$1,577,000	\$1,354,000	\$2,338,000
Annual Operating Deficit	400,000	325,000	650,000	250,000	2,000,000
Annual Private Sector	0	0	0	0	(1,000,000)
Capital Reserve Funding	0	50,000	75,000	90,000	0
New DMO Marketing	0	0	200,000	100,000	100,000
Total Annual	\$400,000	\$1,136,000	\$2,502,000	\$1,794,000	\$3,438,000
Annual Benefits:					
Direct Spending	\$12,250,000	\$16,000,000	\$24,875,000	\$18,750,000	\$23,850,000
Indirect/Induced Spending	\$7,350,000	\$9,600,000	\$14,925,000	\$11,250,000	\$14,310,000
Total Output	\$19,600,000	\$25,600,000	\$39,800,000	\$30,000,000	\$38,160,000
Personal Earnings	\$9,922,500	\$12,960,000	\$20,148,750	\$15,187,500	\$19,318,500
Employment (full & part-time jobs)	256	334	519	391	498
Summary Ratios:					
Benefit to Cost Ratio:		22.5	15.9	16.7	11.1
Benefit to Cost Ratio (incremental):		5.3	8.1	5.8	5.4



PART TWO

To investigate other strategic opportunities to enhance the County's visitor industry and associated impacts, alternate project/investment opportunities will be explored and evaluated. As it is anticipated that any visitor-oriented development would be funded via hotel occupancy taxes, these alternatives would be designed to fall within the legal uses of the Hotel Occupancy Tax and Umstead Act, as currently defined. Specific tasks to be conducted within Part Two are outlined below.

Task 1. Analysis of Other Orange County Tourism Assets

We will analyze the inventory, performance metrics, physical characteristics, market demand, improvement opportunities and related characteristics associated with other existing tourism industry assets in Orange County. We will evaluate these conditions and the extent to which future investment could positively impact visitor industry performance. Specific initiatives to be conducted during the research process include the following.

- Analyzing the event, attendee, occupancy, financial performance and related information for all existing Orange County and Research Triangle Park venues that impact the visitor industry (e.g., Friday Center).
- Review projects under consideration or permitted that will impact the ability to more effectively compete in the convention and visitor industry.
- Analyze performance data for the various fairs, festivals and special events held throughout the year, particularly those that currently or could potentially be leveraged towards attracting visitors.
- Review landscaping, signage, security and related conditions in current and potential visitor areas that can have a material impact on the visitor experience.
- Review current area transportation conditions (personal vehicle and mass transit) and assess the impacts of any planned future projects on the visitor appeal of the destination.
- Other such projects and initiatives, both planned and underway.

Task 2. Analysis of Organizational Policy and Procedure Initiatives

In many markets we have researched, there are various public policies, procedures and organizational structures in place that can positively and negatively impact the ability to sustain and increase the magnitude of the visitor industry. In this task, we will:

- Evaluate policies and procedures in terms of their effectiveness in supporting the tourism and visitor industry. Policy recommendations will be designed to encourage visitor related development, oftentimes with a focus on supporting local/authentic entrepreneurs and establishments that enhance the uniqueness of the destination.
- Review public sector initiatives that can support the visitor generation effort, including municipal support for brand appropriate public and private investment, consideration of generic approaches to development, alternative demographic market segments to target and other such efforts.

Task 3. Industry Benchmarking Analysis

We will prepare a benchmarking analysis of comparable and competitive market tourism infrastructure, performance levels, financial resources and planning strategies. Key aspects that may be focused on as part of the benchmarking research include:

- Inventory of all convention, sporting, entertainment, educational, cultural, historic, natural and other assets that help drive visitation to the destination.
- Inventory of hotel, transportation, restaurant, retail and other visitor industry support sectors.
- Visitation and room night levels by segment.
- Level of funding for tourism efforts (both marketing and asset development).
- Marketing strategies and focus.
- Other such characteristics.

These data will be summarized into a concise presentation of key visitor industry assets, characteristics and destination attributes. The analysis will yield a useful comparison of the Orange County product with competitive and comparable destinations, and will help to identify effective industry initiatives that should be considered as part of the overall planning effort.

Task 4. Strategic Recommendations

Using the data generated from the previous planning steps, we will develop initial strategic recommendations that present a set of initiatives focused on enhancing existing and developing new convention, entertainment, hospitality, festival and other community-wide visitor industry assets and marketing approaches/efforts with the goal of growing visitation and associated economic impact. This analysis will assist in identifying underserved market segments within Orange County, Research Triangle Park and throughout the region that could be targeted as a potential source of new visitation to the Orange County destination. We will comparatively evaluate the estimated ROI (return-on-investment) and costs/benefits of each development/investment opportunity (both facility and non-facility), focusing on the estimated impact on the County's visitor industry and its potential to induce economic growth.

We will prepare a written draft report summarizing our findings and conclusions. We will summarize these matters in a draft report, which will be submitted to you prior to finalizing the document. After comments are incorporated, we will issue a final written report summarizing all findings, conclusions and recommendations. We will also provide an electronic copy of the report.

In addition to the written and electronic report, we will conduct oral presentations to the CHOCVB, County and other key stakeholder groups regarding the study findings.

PROPOSED SCOPE OF SERVICES

OPTIONAL TASK – ENHANCED SURVEY RESEARCH

At your request, we could also include numerous external research methods in order to gain insight into how visitors and residents view the destination, characteristics and perceptions of the traveling public that have not visited the community, and how specific initiatives could serve to increase the magnitude of the Orange County visitor industry. This enhanced survey research strategy can provide very valuable data and information to complement the overall study effort. These methods could include, but are not limited to the following:

Visitor Surveys – We could conduct in-person and electronic surveys with visitors and residents at various facilities, attractions and events throughout the city that attract some measure of non-local visitation. Surveys will be conducted to evaluate factors including:

- Reasons for visiting.
- Length of stay.
- Travel party size.
- Attractions, facilities and events visited.
- Their views on the desirability of specific attractions and facilities visited.
- Suggestions for improving the quality of the visitor industry product.
- Satisfaction with visitor support services (rest stops, signage, ATM's, auto services, equipment rental, etc.).
- Actual versus expected experience levels.
- Willingness to return for future visits.
- Individual traveler demographics and place of origin.
- Effective travel distances and preferred methods of travel.

This type of first-hand data is highly useful in developing recommended strategic convention and visitor sector initiatives.

Surveys with Event, Travel and Tourism Professionals – We will survey leading event, travel and tourism representatives concerning their perceptions of the Orange County convention and visitor industry product. Surveys will be sent to members of the Society of American Travel Writers. This type of research can give a useful, unbiased view of the strengths and weaknesses of the community as a destination for convention, sporting, entertainment and other tourism activities, and provide suggestions for future initiatives designed to increase visitation. We will also survey planners of major sporting, convention, entertainment and other high-impact events.

Lodging Industry Interviews/Surveys – We will conduct a series of in-person and online interviews with hotel management, association and concierge staff at properties in the community to determine the market mix (percentage of total lodging booked for business, convention, group, leisure, etc.), monthly occupancy, top feeder markets, average daily rates (ADR), weekday versus weekend occupancy, seasonality and other hospitality industry characteristics. Further, as these professionals serve on the front line of the visitor industry, they have definite, well-founded opinions as to the types of tourism amenities and features that visitors find attractive or disappointing. We will solicit their input regarding initiatives that could improve the overall Orange County visitor industry product.

PROPOSED TIMING

We are prepared to commence this engagement upon receipt of notice to proceed. We would look forward to further discussing the specific study preferences or alternatives you may have for potential conference center/public assembly facilities in Orange County. With a start date on or before January 29th we expect to complete the scope of services outlined herein within 12 to 14 weeks to complete and deliver a final report by Friday, May 6, 2016 as outlined in the RFP.

In addition, regular progress updates will be forwarded to you in-person or via conference call during the study period. Furthermore, we anticipate completing this study in full, performing all work as set forth in this proposal. In the event that a decision not to proceed occurs within the time frame finally agreed upon for this engagement, we will cease our work, and bill you for time incurred on the project at that point in time.

PROFESSIONAL REFERENCES

Conv. Ctr. Expansion and Headquarters Hotel

Contact: Mr. Steve Maples
Executive Director
Von Braun Center
700 Monroe Street
Huntsville, Alabama 35801
T: (256) 551-2289
E: stevemaples@vonbrauncenter.com

Potential Convention/Expo Center

Contact: Mr. Dan Schemm
Executive Director
VisitNorman
309 E. Main Street
Norman, Oklahoma 73069
T: (405) 366-8095
E: Dan@visitnorman.com

Blue Water Conv. Ctr. & Headquarters Hotel

Contact: Mr. Bill Kauffman
Administrator/Controller
St. Clair County
200 Grand River Ave., Suite 203
Port Huron, Michigan 48060
T: (810) 989-6900
E: BKauffman@stclaircounty.org

New/Redeveloped Convention Center

Contact: Ms. Susie Santo
President and CEO
Go Wichita
515 S. Main Street
Wichita, Kansas 67202
T: (316) 660-6307
E: ssanto@gowichita.com

Proposed Multipurpose Event Ctr. at Village West

Contact: Mr. Joe Connor
Assistant County Administrator
Wyandotte County/ Kansas City, Kansas
701 North 7th Street
Kansas City, Kansas 66101
T: (913) 573-5030
E: jconnor@wycokck.org

Convention Center and Headquarters Hotel

Contact: Mr. Joel Racker
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Utah Valley Convention and Visitors Bureau
111 South University Avenue
Provo, Utah 84601
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E: joelr@utahvalley.org

Hotel, Conf. Center & Mixed-Use Development

Contact: Mr. John Engen
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Full Service Hotel and Conv. Ctr.

Contact: Ms. Julie Weeks
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