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Paso Robles Explores Economic Feasibility of a \$26+ Million Conference Center
New Center Addresses Demand and Fosters New Business to Support Hotel Growth
Paso Robles Event Center, Travel Paso and the City of Paso Robles
Create Unique Public/Private Partnership

Paso Robles, CA (June 20, 2018) – The Paso Robles Event Center in cooperation with Travel Paso and the City of Paso Robles explores the economic feasibility of a \$26+ million conference center to be sited at the Paso Robles Event Center located on Spring and Riverside Streets. The 16th District Agricultural Association known as the Paso Robles Event Center invited Travel Paso and the City of Paso Robles to fully explore the opportunity as part of a unique public, private partnership. Each partner views the conference center as part of their strategic plan and goals aligning common interests.

Building upon the 2017 demand study commissioned by Visit SLO CAL, the task force hired B&D Venues a Brailsford & Dunlavey practice group, that specializes in evaluating investments to advance communities to study the economic feasibility specific to Paso Robles. The 2017 study indicated strong demand for a facility within the region of San Luis Obispo (SLO) County fostering new mid-week bookings and non-peak season visitation.

“The conference center fills a great regional need and creates a new asset for the community, fair attendees and business,” said Michael Bradley, CEO of the Paso Robles Event Center. “This project aligns with our strategic plan to be economically viable year-round and brings together a unique collaboration among our state agency, city and the private sector to form the ultimate public, private partnership.”

The conference center is designed to meet the needs of meeting planners with a ballroom, meetings rooms, board room and a pre-function space. The feasibility study quotes 19,500 SQ FT of usable space, which includes: 1) Up to 15,000 square foot ballroom – divisible into three or four separate spaces, 2) Six (6) meetings rooms, 3) One (1) board room and 4) One (1) pre-function space. More than 700 hotels rooms are currently located within a half mile of the proposed site, which provides ample accommodations according to event planners.

“With nearly 1,400 new rooms entitled to be built in the next three to five years our lodging capacity is forecasted to nearly double, said Danna Stroud, Executive Director of Travel Paso. The conference

center is a unique asset adding new mid-week business during the off-peak season. Conference attendees support the region's ancillary businesses and often business travelers become leisure visitors creating additional economic benefits. With nearly 1,400 new rooms under consideration to be built in the next three to five years our lodging capacity is forecasted to nearly double."

Currently, Paso Robles has 21 hotels with 1,447 total rooms, more than 225 vacation rentals and three RV Parks. Average daily rates, occupancy and revenue per available room (RevPAR) can vary greatly over a 12-month period. Event planners indicate Wednesday and Thursday as peak conference days with 84% of bookings occurring in the fall, winter and spring to complement the robust summer season.

More than 30% of attendees are estimated as non-local. These guests are expected to book 11,500 room nights annually, which will generate \$7.35 million in tax income to the City of Paso Robles over the next 30 years. The \$26+ million conference center creates 181 full time jobs during the multi-year construction period and 159 new jobs as part of the estimated \$12.5 million annual budget.

A number of studies and action items continue moving forward in 2018 to fully evaluate the feasibility of the project. The task force will move through each milestone to formulate the conference center viability. Once proven to be economically successful the task force expects to begin soliciting construction bids in early 2019 with an anticipated opening of the new conference center in early 2021.

"We are committed to this history-making partnership to expand experiential business opportunities sought by meeting and activity planners nationwide," said Steve Martin, Paso Robles Mayor. "A number of studies continue to keep our vision moving forward."

Click here for a full copy of the [Conference Center Economic Report \[PDF\]](#).

About the 16th District Agricultural Association (DAA):

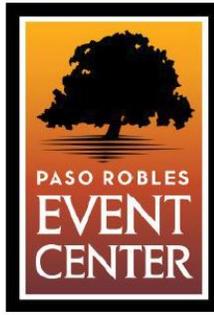
The 16th DAA is a government body of the state of California located in San Luis Obispo County (Paso Robles) and directed by a board of nine members and a CEO. The DAA is responsible for producing an annual fair (California Mid State Fair) and managing the property known as the Paso Robles Event Center. The 16th DAA property shall serve as the location for the Conference Center (the property, owned by the state of California is known as the Paso Robles Event Center). Learn more at www.midstatefair.com/event-center/.

About Travel Paso:

As the official destination marketing organization for Paso Robles, Travel Paso's mission is to market strategically, inspire collaboration and champion hospitality so Paso Robles can enjoy the rewards of tourism. Travel Paso's vision is to create "a flourishing Paso Robles community with authentic and welcoming experiences for visitors and residents alike." Travel Paso will collaborate and innovate with strategic partners to achieve its vision and grow the economic impact of the tourism sector in Paso Robles. Learn more at www.travelpaso.com.

About the City of Paso Robles:

The City of Paso Robles provides the environment and means to attract, retain, and expand diverse business and employment opportunities. Promoting agriculture and the visitor economy as the continued foundation for the local economy is among its core priorities. Balancing its desire to become a premiere economic hub with Paso's small-town feel is among the city's goals and strategic priorities. Learn more at www.prcity.com.



Paso Robles Conference Center Q&A

**Q: Why does Paso Robles need a conference Center?
Can our community sustain this capital project?**

A: The entire region of San Luis Obispo (SLO) County will benefit from the new facility. The 2017 demand study by Visit SLO CAL and the 2018 economic feasibility study both point to the current-day demand and economic sustainability this project brings to SLO County. Furthermore, a benefits analysis, currently underway ensures economic benefits specific to the region's lodging partners.

Q: When will the conference center be built?

A: A number of studies will continue throughout 2018 to fully evaluate the feasibility of a conference center. Once these milestones are confirmed viable and the project is fully formulated, construction bids are scheduled for early 2019 with an anticipated opening in early 2021.

Q: Who will pay for the conference center?

A: The task force – Paso Robles Event Center, Travel Paso and City of Paso Robles – vision is to form the ultimate public, private partnership. Bringing together a state agency, the city and the private sector is a unique collaboration for this type of project. The project must be financially sustainable. A financial advisor has been retained to work out the various revenue paths. The task force is committed to the partnership and meeting with other public and private entities interested in joining the legacy project.

Q: Who will operate the conference center?

A: A governance structure is being created to evaluate options and identify roles and responsibilities of the conference center operations. It is a key part of the critical milestones to be determined in 2018.

Q: Is the Paso Robles Event Center/fairgrounds the best place for a conference center?

A: The Event Center's central location with convenience off Highway 101 and Highway 46 along with its proven expertise in running large-scale events makes it the ideal location. Its ancillary facilities and ample parking are additional reasons for the Event Center location.

Q: Does a new conference facility require additional hotels?

A: Paso Robles has 1,447 total rooms. In addition, nearly 1,400 new rooms are entitled to be built in the next three to five years. Currently more than 700 hotel rooms are located with a half mile of the Paso Robles Event Center, which meets event planners preference to have ample inventory of accommodations within close proximity of the site.

Q: Why do we need more visitors? Isn't tourism at an all-time high?

A: The majority of Paso Robles visitors are leisure traveling Friday and Saturday during the summer months. Filling mid-week business: Sunday – Thursday specifically in the fall, winter and spring is a key growth opportunity for sustaining tourism and offering year-round employment. Increased mid-week business also supports ancillary businesses like restaurants, wineries, breweries, arts and culture, entertainment and activity companies.

Q: How does a conference center impact local business?

A: A conference center creates additional economic benefits turning business travelers into leisure visitors.

- Many conference attendees bring a spouse, who typically engages in travel experiences, shopping and dining outside the conference venue
- Combining business and leisure often leads to a longer length of stay in the market
- Conference attendees are more likely to return to the market for a leisure visit after becoming aware of the county assets
- Conference attendees also support ancillary businesses: restaurants, retail, attractions, florists, entertainers, etc.

Q: With all the hotels, wineries and exhibit halls it seems like we have adequate space to host groups ... can't we just work with the facilities we currently have?

A: According to study findings, the meeting space currently available in SLO County is not sufficient to host many professional meetings and events. Ballrooms are generally the most sought-after space in conference centers, due to their flexibility and ability to host plenary sessions. Ninety-five percent of responders indicated that a ballroom of 20,000 SQ FT satisfies their group business needs. Currently, of the 34 properties in the county that offer sellable meeting space and have on-site lodging the Embassy Suites in San Luis Obispo offers the largest ballroom in the County. With 5,100 SQ FT Embassy's ballroom is considered a "junior size" space by the meetings industry. The proposed usable space includes – up to a 15,000 square foot ballroom, six meetings rooms, one board room, one pre-function space and catering facilities.

Q: With today's modern technology, isn't the need for conference space declining?

A: In short, no ... seventy-five percent of meeting planners report a growing importance of "experience creation," which means to collaborate and exchange ideas, which is in contrast to the conventional speaker-audience relationship. Leading industry publication, Smart Meetings, indicated networking among the top trends for meetings and events in 2017. As such, the most important meeting venue elements over the next five years:

- Access to interactive technology – 78%
- Flexible meeting space – 47%
- Networking spaces – 37%
- Comparatively less important factors include multiple options for food and beverage, access to local area experiences and availability of team-building activities

Q: Where can I find more information about the Paso Robles Conference Center?

A: Please check out www.midstatefair.com/event-center/ and click on Conference Center for a full copy of the Conference Center Economic Analysis. You will also find links to www.travelpaso.com and www.prcity.com.