PALM BEACH COUNTY CONVENTION CENTER DISTRICT EXPANSION STUDY

PRESENTED BY CONVENTIONS, SPORTS AND LEISURE
SEPTEMBER 10, 2020

CONVENTIONS
SPORTS &
CSL
LEISURE

September 10, 2020

Mr. Glenn Jergensen
Executive Director
Palm Beach County Tourist Development Council
2195 Southern Blvd., Suite 500
West Palm Beach, FL 33406

Dear Mr. Jergensen:

Conventions, Sports & Leisure International (CSL) has completed the Palm Beach County Convention Center District Expansion Study. The Study provides recommendations designed to maintain and enhance Palm Beach County Convention Center (PBCCC) market capture through near and long-term space and site planning, hotel development and destination enhancement. The majority of research for this project was completed prior to March of 2020, followed by report review and refinement. The emergence COVID-19 pandemic has impacted the report development and finalization timing.

The attached report focuses on demand, site planning, program and other strategic challenges surrounding the PBCCC and supporting industry, and is designed to guide long term planning for future Palm Beach County convention and hospitality industry investment. In reading this Study, close attention should be paid to the many nuanced research findings and implications. Ultimately, these are used to form a basis for PBCCC investment recommendations, destination connectivity, hotel and other development initiatives.

We sincerely appreciate the assistance and cooperation we have been provided in the completion of this report and would be pleased to be of further assistance in the interpretation and application of our findings.

Very truly yours,

CSL International

CSL International

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EXECUTIVE SUMMARY

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The Palm Beach County Convention Center ("PBCCC") opened in January of 2004, representing a first step by the County into the high-impact convention industry sector. Through this investment, the PBCCC became the fifth largest public convention center in the State of Florida.

In its early years, the PBCCC struggled to attract large non-local events due to a lack of adjacent headquarter hotel inventory. In January of 2016, a 400-room Hilton West Palm Beach opened, resulting in a greater ability by the destination to attract high-impact conventions and conferences.

CSL understands, based on our extensive industry experience, that the competition for non-local conventions and tradeshows nationally is intense – leading many communities to invest significantly in convention facilities, hotels and other aspects of the destination. Furthermore, the demographics and business practices of the meeting attendee are, and will continue to change, creating a "moving target" for successful convention center strategic planning.

As we develop this Palm Beach County Convention Center District Expansion Study in support of the PBCCC district evolution, we know that traditional facility expansions and hotel solutions that preceded past industry success are not guaranteed to secure market capture growth into the future.

Therefore, we have conducted significant trend and primary market research that considers important aspects of emerging convention industry success factors including hotel inventory, walkability to surrounding hospitality assets, outdoor event space, open space learning, technology, food and beverage service, space flexibility, changes to the way meetings are produced, changing attendee travel preferences and other important aspects of a center and destination that impact success in the highly competitive convention and visitor landscape.

Conventions, Sports & Leisure, International (CSL) was retained by the Tourism Development Council (TDC) of Palm Beach County to conduct the Palm Beach County Convention Center District Expansion Study. The Study provides recommendations designed to maintain and enhance Palm Beach County Convention Center (PBCCC) and surrounding district market capture through near and long-term space and site planning, hotel development and destination enhancement.

To create a research foundation to support the Study, CSL has conducted the following Study tasks.

- Completed in-person interviews with over 60 stakeholders throughout the County.
- Researched and evaluated business intelligence related to past PBCCC business levels and lost business opportunities.
- Documented the convention center and hotel investment taking place in competitive and comparable markets.
- Conducted extensive market demand interviews with current, past and potential event planner customers.
- Created various scenarios to potentially enhance, expand and reconfigure existing Center space.
- Benchmarked industry best-practices and convention and visitor industry trends that could impact future PBCCC success.

This Executive Summary presents key findings and recommendations with respect to hotel, PBCCC space and amenities, and district development initiatives. The full report should be read to gain an understanding of the depth of research and analysis methods.

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Hotel Needs

The available hotels rooms within one-half mile of the PBCCC are very low relative to competing markets. A significant share of the potential national convention market for the PBCCC is lost due to committable hotel limitations.

By increasing committable hotel rooms from the current 400 to 600 range to between 1,100 and 1,500 rooms, the share of the national convention market that the PBCCC can compete for could nearly triple, even without expansion to existing PBCCC space. Immediate initiatives that should be considered by the County are listed below.

Added Inventory - Adding committable hotel rooms within one-half mile of the PBCCC should be viewed as a first priority with respect to growing the convention and tradeshow business in Palm Beach County. Future hotel development initiatives should focus on:

> *A new 600 room headquarter hotel developed with a room block agreement securing 500 committable rooms. When combined with future hotel development within one-half mile of the PBCCC, significant increases in market capture could be realized.*

Developing a 250-room expansion of the Palm Beach Hilton would help address overall inventory shortages, but would not have the market capture impact of a larger new headquarter hotel property.

Hotel Sites – We have identified four potential sites for headquarter hotel inventory (see map below) that should be considered for further evaluation:

1. Northeastern Edge of Howard Park – Providing excellent visibility and access to the PBCCC. Requires City of West Palm Beach approval and participation. The smaller site requires use added PBCCC ballroom space development.
2. Okeechobee Boulevard in Front of PBCCC Registration Area – Provides frontage on Okeechobee Boulevard and connectivity. The smaller site requires use added PBCCC ballroom space development.
3. Development above the PBCCC Loading Docks – Provides direct connectivity to PBCCC space. The smaller site also requires use added PBCCC ballroom space development.
4. Related Properties Site – Located across Florida Avenue from the existing Palm Beach Hilton. Related has proposed developing the first of two 250 room hotel towers on site. Site is not connected to the PBCCC. No immediate PBCCC expansion required.

It should be noted that site options 1, 2 and 3 would require use of existing PBCCC ballroom space to support new headquarter hotel operations. This will then require concurrent addition of multi-use PBCCC space to account for sellable areas used for the new hotel development.

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Request for Letters of Interest – To pursue future hotel development, the County should issue a Request for Information (RFI) to qualified developers/hoteliers to identify interest levels, qualifications and general concepts for future hotel sizing, location and funding.

A formal Request for Proposals (RFP) would be issued to selected developers. The development of a large new headquarter hotel property will require some form of public/private partnership, potentially in the form of land contribution, parking inventory, tax increment financing and/or other such financial engineering sources.

PBCCC Investment – Immediate Term

There are numerous enhancements and reconfiguration opportunities within the PBCCC that should be undertaken in order to address emerging industry trends and competitive industry influences. These are described below.

Unique Food & Beverage Space – Develop an open concept food and beverage space in the PBCCC lobby area, leveraging local products with a brand and product that is unique to the destination/market.

Open Space Learning in Lobby Areas – Develop open space learning areas within the PBCCC to facilitate attendee networking and informal meetings.

Hall Subdivisibility - Consider adding a movable north/south divider wall in Hall A to allow for greater flexibility in hosting events of different sizes.

Public Art - Introduce exterior and interior monumental public art unique to the destination.

Distinctive Outdoor Space - Current plans being developed by PBCCC management include programmable outdoor space. Additional opportunities for outdoor function space should be considered, including enchantments to portions of Howard Park and potentially space atop the adjacent parking garage.

Technology - One or more of the PBCCC's underutilized meeting spaces could be converted into augmented/virtual reality and local area networking space.

Create Convenience – Underutilized PBCCC space could be converted into a business center.

Development of Micro Spaces in/along Exhibit Hall – Consideration should be given to building one or more small breakout spaces adjoining the exhibit hall to provide this type of "quick break" environment for event attendees.

As previously noted, if new headquarter hotel development were to take place at the Howard Park, loading dock or Okeechobee Boulevard sites, a portion of existing PBCCC ballroom/meeting space would be needed to support the hotel. A partial expansion of PBCCC space would then be needed in the near term.

PBCCC Investment – Long Term

Once approximately 1,500 committable hotel rooms are available to support the PBCCC, an expansion of PBCCC space could be undertaken (assuming market demand exists).

> *Added exhibit space could eventually be developed that as much as roughly doubles existing space, with the potential for second floor meeting and ballroom space. Loading docks along the west side, and lobby space along the east side would be developed. Connectivity to the parking garage could be established.*

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Destination Connectivity

The portion of Okeechobee Boulevard in front of the north entrance to PBCCC hosts nearly 40,700 vehicles per day, far outpacing convention district intersections in markets such as Nashville, San Jose and Tampa.

Combined with comments provided by meeting planners and tourism stakeholders, these data illustrate the unique challenge that PBCCC event attendees face when attempting to walk to/from Rosemary Square and other locations in downtown.

> *In addition to various traffic calming initiatives, we recommend Palm Beach County and West Palm Beach leadership work with the development community, land/property owners, arts/cultural organizations, traffic planners, economic development professionals, event planner groups and other key stakeholders to consider an initiative to provide a signature pedestrian crossing.*

Ultimately, this could connect assets across Okeechobee Boulevard, including the PBCCC, the Hilton West Palm Beach, Rosemary Square, the Kravis Center for the Performing Arts, Restoration Hardware, and the residential development just to the east of the Convention Center.

We recommend that any such structure would have to be uniquely designed as an arts-inspired, signature asset for the destination as opposed to a traditional pedestrian bridge.

Project Timing

We have prepared the following outline of potential project timing. Factors including funding availability, site selection and project design will impact actual development timing.

2020	Develop and issue headquarter hotel RFI
2020	Develop a Project Management System for each initiative to determine roles, responsibilities and resource requirements
2020	Engage consultant to review hotel sites to further validate and document any potential development challenges
2020	Formalize destination connectivity committee to select options
2020/21	Initiate planning for immediate term PBCCC investments
2020	Review hotel RFI submittals and issue RFP
2021	Initiate design for selected PBCCC investments
2021	Initiate design for pedestrian connections
2021/22	Select headquarter hotel option
2022	Initiate construction for selected PBCCC investments
2022	Initiate construction for pedestrian connections
2022	Initiate headquarter hotel construction
2025/27	Monitor PBCCC occupancy and room night performance
2027/28	Initiate design for PBCCC expansion
2029/30	Initiate PBCCC expansion as demand warrants

1. VISIONARY FUTURE OF CONVENTION CENTERS

1. VISIONARY FUTURES: Introduction

Convention planners view the site selection process in a very broad way, considering not just the center space, but a wide variety of amenities and services. The increasing importance placed on the adoption and use of technology, the physical design and flexibility of convention space, and the emphasis on authentic and unique destination experiences, among other elements, are indicative of the future trends within the convention industry as a whole.

In order for a potentially expanded Palm Beach County Convention Center to remain relevant in the increasingly competitive convention environment, it is critical to understand and adapt to these needs. The following pages summarize emerging and future trends of the convention industry as well as examples of how facilities around the country have adapted to the changing needs of convention and meeting attendees.

Simply maintaining the amenities, space types, technology and other aspects of a convention center will, over time result in a competitive disadvantage when competing for events. Relying on existing hotel, entertainment and other visitor assets to support a convention destination without continued investment will also place any market at a long-term competitive disadvantage.

As investment in convention center product takes place in markets throughout North America, numerous trend-forward investments are being made or considered. In this section of the report, we explore future investment in convention and destination assets among competitive and comparable markets, and identify elements that could be applied to the Palm Beach County convention and visitor sector.

The following specific areas are addressed throughout this section.

- Interior and exterior flexibility
- Iconic public art
- Augmented/Virtual Reality (AR/VR) and other technologies
- Food service
- Emerging event types
- Destination development trends

1. VISIONARY FUTURES: Interior Flexibility

Generic convention center space is quickly being replaced by flexible and adaptive spaces that allow users to customize their event experience. Interior flexibility refers to space within the convention center that is easily adaptable to serve multiple types of events. Organizations are willing to pay for flexible spaces that facilitate and foster networking, create more interactive and collaborative work, and learning environments that are reflective of the unique destination. One example that captures the concept of interior flexibility is the development of open-space learning (OSL) environments. This concept challenges the traditional lecture or seminar-based formats that tend to draw attendees off the main show floor during events and instead provides unique and creative learning environments that can be constructed in lobbies, pre-function areas, exhibit halls, ballrooms, etc.

Several examples of how this concept has been applied within convention facilities are shown below. The Vancouver Convention Centre repurposed one of its pre-function areas into a multipurpose lecture hall and networking area by purchasing portable furniture and white boards, while the Grand Wayne Convention Center in Fort Wayne, Indiana has invested in various types of portable furniture that allow for movement throughout lobby/pre-function areas, transforming these spaces for a multitude of event needs. Similarly, the Long Beach Convention Center has added cocktail tables, sofas, coffee tables and overhead reading lamps to create micro areas for networking, small meetings and informal presentations.

It is recommended that any PBCCC expansion and/or improvement planning efforts include these types of OSL design concepts. These areas could range from medium sized lecture-like settings, to small sized conversational gathering spaces.

Vancouver Convention Centre
(Vancouver, BC)

Grand Wayne Convention Center
(Fort Wayne, IN)

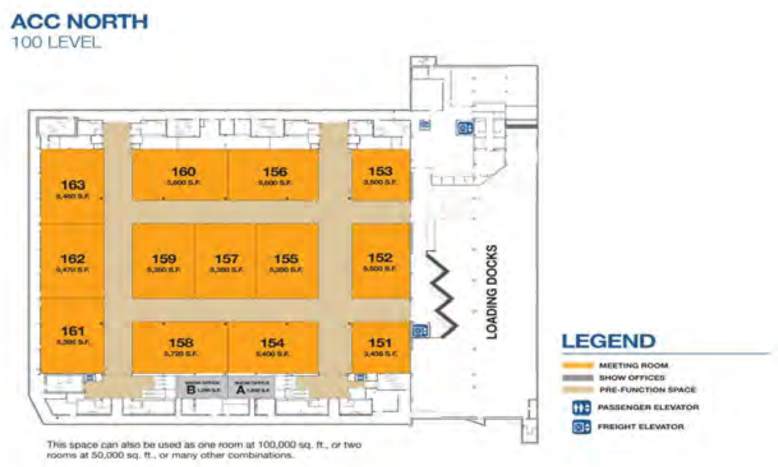
Long Beach Convention Center
(Long Beach, CA)

1. VISIONARY FUTURES: Exhibit Hall Flexibility

Event planners are increasingly viewing the exhibit hall as a "village", creating spaces and experiences that keep attendees on the exhibit hall floor for extended periods of time. This has led to significant experimentation with hall layout and space creation for presentations, sales meetings, breakout sessions and other functions. **Specific development initiatives that should be considered for the PBCCC (both current and potential future space) include the following:**

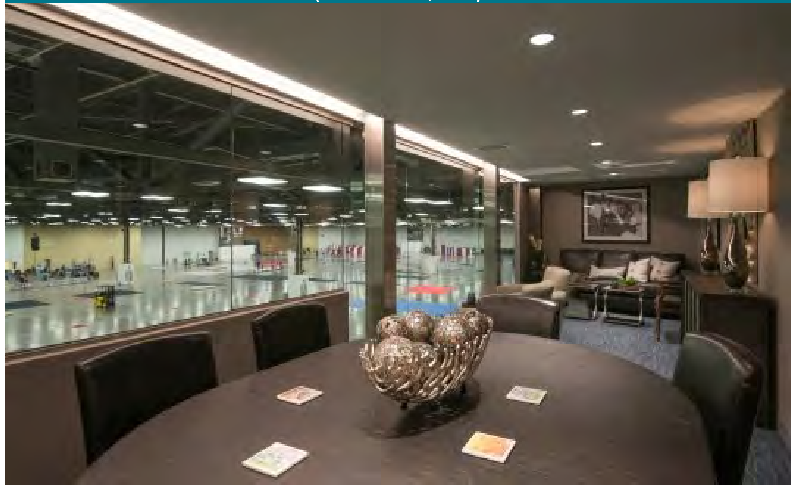
- **Increased sub-divisibility – similar to recently developed space in Anaheim, allowing for maximum room configuration within large footprint multi-use spaces.**
- **Exhibit space enhancements – creating micro breakout spaces adjacent and connected to the exhibit floor. These spaces can accommodate eventual adoption of AR/VR capabilities.**
- **Ability to accommodate pop-up spaces on the hall floor, providing power, A/V, sound, acoustics, lighting, comfortable furniture, Internet and other capabilities within sub-areas of the hall.**

Anaheim Convention Center
(Anaheim, CA)



This space can also be used as one room at 100,000 sq. ft., or two rooms at 50,000 sq. ft., or many other combinations.

Greater Columbus Convention Center
(Columbus, OH)



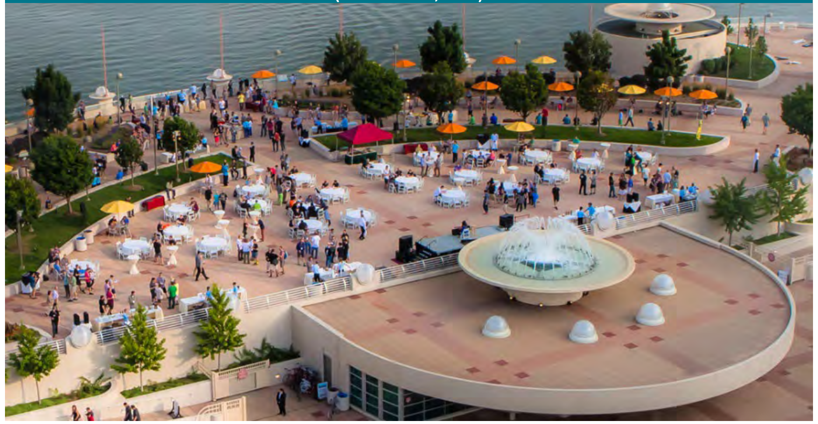
1. VISIONARY FUTURES: Exterior Flexibility

When selecting a convention center for their events, two important factors considered by meeting and event planners are event space and the character or DNA of the destination. In an attempt to create a unique differentiation, convention center owners are combining these two important considerations by integrating functional outdoor space into their facility complex.

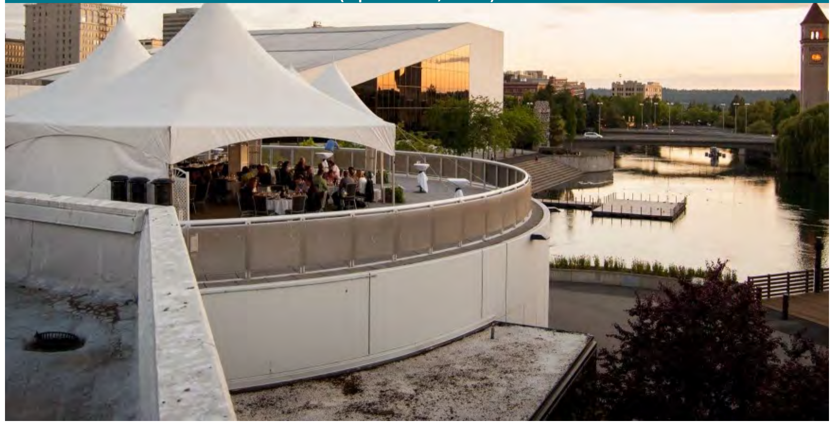
Outdoor event space provides attendees with the opportunity to connect with the culture and feeling of a destination in a unique event setting while creating an additional selling point and source of revenue for centers. Additionally, outdoor space provides a way for a convention center and its visitors to activate the surrounding area. As convention centers are increasingly becoming more integrated into the community in which they exist, the use of adjacent outdoor event space is becoming of greater importance. Several examples of outdoor convention center space use are pictured below. The outdoor space in a convention environment can include ground level, rooftop or terrace areas. The space can be used for both informal gatherings and formal receptions. Permanent and temporary coverings can be installed to support the event, various elements of landscaping, and features unique to the destination can be included.

Referring to feedback provided by a number of interviewed stakeholders and event planners, there are numerous opportunities on the PBCCC campus to develop signature outdoor event spaces, including the planned space on the north side of the complex, atop the adjacent 2,648-space garage, and portions of Howard Park. Opportunities to develop more of these types of spaces should be included as part of any future expansion plan. Consideration should also be given to developing permanent footings, power, lighting and other amenities in these spaces to allow for efficient setup for outdoor functions.

Monona Terrace
(Madison, WI)



Spokane Convention Center
(Spokane, WA)



Long Beach Convention Center
(Long Beach, CA)

1. VISIONARY FUTURES: Iconic Differentiators and Public Art

In past decades, convention centers were primarily designed around utility – providing sufficient exhibit space, with support space for meetings and banquets. Today, communities are increasingly viewing their convention center (typically the largest footprint in the downtown) as an opportunity for first class architecture and art. Planners of expansion and renovation projects oftentimes view the notion of public art as a desired component rather than a potential add-on. Ideally, the aesthetics of convention centers become storytellers of the destination, reflective of the history, culture and community in which they exist. The Virginia Beach Convention Center (pictured below) for instance pays homage to the area's history as a coastal town, featuring a 147-foot glass and steel tower resembling a lighthouse and an overall exterior that resembles ocean waves.

Large, iconic and interactive pieces of art can also create a sense of place. For example, the "As We Are" installation at the Columbus Convention Center contains a photobooth and recreates a person's portrait 17 times the size of the person represented (shown below).

Virginia Beach Convention Center
(Virginia Beach, VA)

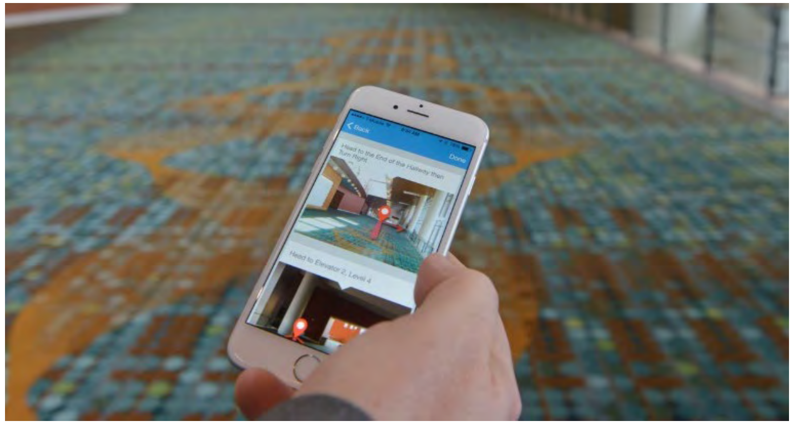
As We Are – Columbus Convention Center
(Columbus, OH)

Idea Tree – San Jose Convention Center
(San Jose, CA)

While expressing the spirit of the destination in design elements of a convention center can require significant investment, incorporating public art that is reflective of a city or county is another way in which facilities can create iconic elements, typically at a much lower cost. Convention centers throughout the country are commissioning the work of artists to create iconic pieces of art placed around and throughout facilities. **The significant land area encompassing the PBCCC campus should allow for development of a more significant public art component, and could help establish stronger pedestrian connections to Rosemary Square, the Kravis Center and Howard Park.**

1. VISIONARY FUTURES: Technology Trends

While not typically at the cutting-edge of emerging technology, the convention industry has incorporated various mainstream technologies into overall building development and operations. Wireless technology is common, with various experimentation as to bandwidth, accessibility and pricing. Local area networking and broadcasting capabilities, Internet cafés, digital signage and other technology aspects are now common in the convention industry. These investments, and overall trends in the industry reflect a process of advancement and adoption of technology within the convention industry. A decade ago, WiFi was considered an emerging amenity, now convention centers are spending millions of dollars to continually upgrade their bandwidth and access points to allow significant and reliable access throughout the entire facility. **Summaries of forward looking trends and examples of how convention facilities have adopted these technologies are provided below. Future PBCCC planning should incorporate these features, and we recommend the appropriate technology consultants be hired to assist with further evaluating the viability and application of these concepts.**



Cell Phone and Beacon Technology: Used for event apps, they provide a digital map of facility activity for in-facility wayfinding, provide real-time attendee metrics, improve networking and content delivery, among other features. Second-screen technology is also an emerging trend that creates a two-way conversation allowing attendees to ask questions of general session presenters, participate in panels and take notes on slides to improve presentation engagement. Recent PBCCC investments in bandwidth, cellular data connectivity and WiFi could allow for effective implementation of these types of opportunities.

Video Streaming: As hybrid meetings continue to grow in importance, facilities are investing in technologies to accommodate virtual attendees. The redeveloped tcf Center in Detroit includes a 5,000-square foot broadcast studio that offers all of the technologies and services needed to create programming, live event webcasting, and large-scale program distribution, among other offerings.

Occupancy Sensors: Center owners are installing state-of-the-art sensor technologies. The sensors are connected to both LED lighting and thermostat controllers, allowing for adjustments to be made depending on the number of people in a room.

1. VISIONARY FUTURES: Augmented Reality/Virtual Reality/Mixed Reality and Shared Attention

As Virtual Reality (VR), Augmented Reality (AR) and Mixed Reality (MR) products continue to evolve and become more accessible, the private sector has begun to adopt these technologies for practical applications. As summarized below, major companies such as Walmart and Ford are using VR to train their employees, while the medical industry has begun to use AR, VR and MR to simulate surgery procedures and share information dynamically in real-time.

CSL's periodic survey outreach to national event planners identified that while only 19 percent of event planners have utilized these technologies as part of their past event programming, 54 percent believe that they will be significant event components in the future. **For PBCCC management and Palm Beach County decisionmakers, it will be important to consider the implications this trend has as it relates to future event planners' preferences of event space, lighting, capacity and internet access. With the County's recent investment in the PBCCC's Wi-Fi and cellular data infrastructure, opportunities may exist to adapt these technologies for event use and to gain national recognition as a trend forward Convention Center. We recommend the TDC and/or PBCCC management retain consultants to evaluate the feasibility and potential use of such technology.**

According to industry experts such as Tim Merel, Founder/CEO of Menlo Park VR/AR/MR, corporations are adopting AR/VR/MR technology in various ways.

- **Walmart** – Introduced VR to the retail space by using the technology to upgrade manager training at its 200 Walmart Academies.
- **Ford** – Using a Gamified VR Experience to Demonstrate the New Co-Pilot360 Safety Technology. Also using AR for training of 10,000 employees.
- **Verizon** – Used for training 22,000 employees.
- **Lockheed Martin** – Used for training, helping to reduce training and operations time.
- **BAE Systems** – Used for training, reducing overall training time and assembly worker time cycles.
- **Medical/Healthcare Sector** - Medical Realities, a company that uses virtual reality and other immersive technologies for surgical training.
- **DMO and Convention Sectors** –An Augmented Reality app enables passersby to view a three-dimensional, fully walkable simulation of the Greater Fort Lauderdale Convention Center expansion and waterfront development on their mobile devices.

1. VISIONARY FUTURES: Food and Beverage

The provision of food service has and is slowly changing in several ways. Food service quality has always been seen by some event planners as a differentiator when considering destinations. Centers with better reputations for food service can have a competitive advantage. Recent trends in the food and beverage sector are more reflective of changing demographics and how conventions and meetings are being produced. The balance between standard sit-down banquets and more informal food options may be shifting towards the informal, and the ability of a center to offer more convenient "grab & go" or "pop-up" dining opportunities could become much more important in the future. **Meeting and event planners are also increasingly asking for more diverse food and beverage options. This challenges convention center caterers to be more flexible and varied in their offerings. Examples of this type of food service diversity are presented below.**

Food Trucks at Anaheim Convention Center
(Anaheim, CA)

Cork and Grind at tcf Center
(Detroit, MI)

Blue Bear Farm at Colorado Convention Center
(Denver, CO)

Food Trucks and Portable Options: With more attendees looking for local food options unique to the destination, food trucks are increasingly forging partnerships with convention centers throughout the country. The Anaheim Convention Center has had great success with incorporating food trucks into their event production.

Locally Sourced/Natural Offerings: As part of their recent renovation, tcf Center opened Go Natural, their new grab-and-go style outlet, offers quick made fresh daily options with natural ingredients that are locally sourced. Additionally, many convention centers such as Denver, Orlando and Cleveland have started producing their own ingredients on site.

"Crafted" Beverage Experience: The desire for locally sourced options extends beyond meats and produce. With the rise of microbreweries, distilleries and vineyards, among others, attendees are looking for an all-around "crafted" experience. From locally grown and ground coffee to craft beer, convention centers are finding unique ways to provide attendees with craft beverage options they can't find anywhere else. The Owensboro (KY) Convention Center in partnership with Bulleit Bourbon & Coastal Wine and Spirits of Kentucky opened the Bulleit Bourbon Bar to showcase more than forty local bourbons.

The emerging Palm Beaches craft beer, distillery, and unique art and culture sector, located within the nearby Warehouse District and throughout the County, could become an important and unique element of the overall PBCCC ambience and amenities.

1. VISIONARY FUTURES: Sustainability

Event planners have had a varied view over time of the importance of sustainability efforts in convention facilities. More recently, several centers have introduced various elements of sustainability, including energy efficiency, recycling, green space and other elements. Looking ahead, sustainability trends will likely continue to grow in importance. Examples within specific centers nationally are summarized below.

Green/living roof:
Reduces energy costs associated with building temperature, improves water quality due to reduced storm water runoff, improves the air quality and increases biodiversity (i.e. birds, bees, etc.). At the Javits Center in New York, their living roof has become an attraction, used for community educational programs and available for tours. The on-going Javits Center expansion will also include a one-acre rooftop farm, growing produce for event food service.

Composting/waste diversion:
Through such programs as offering composting as a default option for attendees, or recycling waste to be repurposed as energy, among others. At the Huntington Convention Center in Cleveland, their Grind2Energy system takes the excess food from events, grinds it on-site with an industrial strength grinder and converts the waste into a slurry. It is then transported to a local digestion facility that extracts the methane for energy production and produces a nutrient rich soil.

Solar panels:
Creates renewable energy to power facility electricity needs and reduce environmental impacts. Many convention centers such as Salt Lake City, Minneapolis, Portland, San Juan and Anaheim have installed solar panels in recent years.

Water recycling:
Onsite water treatment efforts to process and reuse water for toilets and irrigation, among other uses. Music City Center in Nashville has a 360,000 gallon rain water cistern that in 2014 collected more than three million gallons of rain water, equivalent to approximately 40 percent of the Center’s water use. The David L. Lawrence Convention Center in Pittsburgh has an onsite wastewater treatment plant. Less than one third of the facility’s water comes from city taps as they use reclaimed and recycled water to flush toilets and urinals.

Food donation programs:
Partnerships created with local community organizations to donate extra meals to local food banks, charities and shelters.

For the PBCCC we recommend a continual evaluation of systems and procedures with an eye towards sustainability. In the near term, rooftop/site area gardens, potentially including a small community garden in Howard Park, should be pursued.

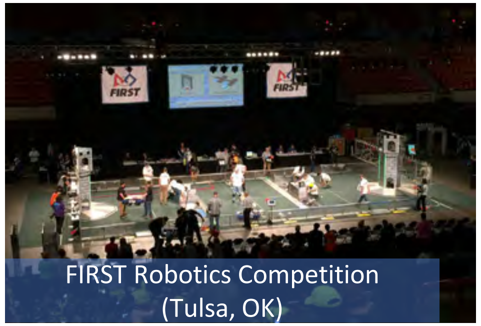
1. VISIONARY FUTURES: Emerging Event Types

As the supply of convention facilities throughout the country continue to advance, new event types are also beginning to emerge. In conjunction with advancements in technology and broader changes in consumer behavior, the event industry continues to evolve and diversify. Eight emerging event segments that are increasingly being held at convention facilities are discussed below, including augmented reality/virtual reality (AR/VR) experiences, competitive esports events, drone races, robotics events, hackathons, tech-oriented speaking engagements, geocaching events, and competitive trading card/hobby events. Each of these events vary considerably in terms of room night generation potential, with events such as esports and robotics competitions already generating measurable room night impacts nationally. Others such as AR/VR experiences and hackathons mainly attract drive-in audiences, but have long-term potential for more significant non-local audience draw as each segment continues to grow. TDC, DTPB and PBCCC management will need to consider the near-term and long-term implications of these emerging event types as they relate to building program, convention services, and destination product investment. These event types are described below and on the following pages in order of their current hotel room night generation potential.


EVO Championship Series
(Los Angeles, CA)

Esports: With over 380 million unique viewers throughout the world, 120 + varsity esports programs at major colleges throughout the country, nearly $900 million in revenues in 2018 and a forecasted $3 billion by the year 2022, esports is quickly becoming one of the most popular sporting activities in the world. As such, the demand for live esports events has led to the advent of esports capable facilities that vary widely in terms of scale and style. Events range from purely competitive matches between professional teams, such as tournaments organized by Electronics Sports League or Major League Gaming, to social or lifestyle conventions such as Dreamhack or BlizzCon. Square footage needs can vary significantly by event, but most esports events require substantial internet bandwidth capabilities, fixed seating, extensive rigging capabilities and proximity to entertainment and late night dining options.

Examples: ESL One, Collegiate StarLeague, Overwatch Challengers Series, Dreamhack, BlizzCon


FIRST Robotics Competition
(Tulsa, OK)

Robotics: With advancements in robotics and software technologies, an increasing number of students and robot-making hobbyists are participating in design and build competitions throughout the country each year. Many of these event formats feature teams of 3 to 15 students each assembling robots for various head to head challenges, and they often require a variety of spaces to accommodate their dynamic programming; students often require meeting rooms during the design phase, various competitions need to be held on a basketball court-sized "arena", while awards are often hosted in a fixed-seat theater space. World championship events can attract up to 15,000 attendees, while smaller national and regional events can draw several thousand.

Examples: FIRST Robotics Competition, NASA Robotics, VEX Robotics Competition

1. VISIONARY FUTURES: Emerging Event Types


IdeaCity Conference
(Toronto, ON)

Smart Talks: As podcasts, TED Talks and other long-form and info-intensive mediums become more popular with consumers, so does the demand for more opportunities to attend these events in person. "Smart-talk" events can either be stand-alone events or sub-components of a broader event or conference such as SXSW or the Aspen Ideas Festival, and they can be highly effective showcases for a host destination as they tend to attract highly educated audiences and are streamed online to international viewership. Intimate fixed seating venues with high quality audio/visual and technology are the common host facilities for events such as TED Talks, 99U, and others, and in the near-future these events may rely on AR/VR/MR technologies to enable 3-d, highly interactive displays, exhibits and other educational content for audiences.

Examples: TED Talks, 99U, Ignite, PechaKucha, IdeaCity Conference


EOS Global Hackathon
(ICC Sydney)

Hackathons: "Hackathons" or "codefests" are events in which computer programmers and others involved in software development collaborate or compete in a fast-paced software design event. As these events have grown in popularity, their demand for event space has grown year over year and many are now often hosted at larger venues such as convention centers and hotel/conference centers.

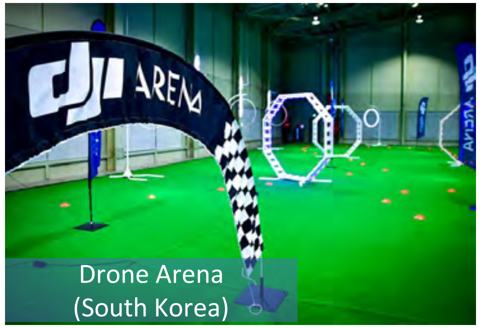
Examples: EOS Global Hackathon, Disrupt SF, API World Hackathon, DeveloperWeek


Magic The Gathering Grand Prix
(Atlanta, GA)

Competitive Card/Hobbyist Events: Popular trading card games such as Pokemon, Magic The Gathering, and others have each generated slowly growing participant pools over the last 25 years, and today a significant number of mid-sized and larger convention centers throughout the country host at least one of these events annually. Today, streaming services such as Twitch are often used to broadcast these tournaments, increasing these events' needs for strong internet, WiFi, and electrical access.

Examples: Magic The Gathering Grand Prix, Pokemon TCG Tournaments, Yu-Gi-Oh! TCG

1. VISIONARY FUTURES: Emerging Event Types


Drone Arena
(South Korea)

Drone Racing: Drone racing involves human participants remotely controlling small drones that are equipped with small cameras to enable first-person control of each device. Races are held in a variety of facilities, ranging from vacant warehouses, to rec centers, convention centers, and sports stadiums. Courses typically consist of dim lit environments and a series of checkpoints and obstacles for the racers to follow. Professional matches are often streamed online to tens of thousands of viewers worldwide, and they are now beginning to attract up to thousands of in-person attendees.

Examples: The Drone Racing League, Multi GP Drone Racing, US Drone Racing Association


Pokemon GO Fest
(Chicago, IL)

Geocaching Events: 5G networks and near-universal ownership of mobile devices have popularized Augmented Reality-enabled games such as Pokemon GO, and now in-person gatherings tied to these games are being organized around the world. Though mainly held at outdoor venues, potential exists for these types of events to grow in number and eventually frequent large indoor venues such as convention centers or multipurpose arenas. Howard Park could be a component of this concept for Palm Beach County.

Examples: Geocaching, Pokemon GO Fest


The Unreal Garden
(San Francisco, CA)

AR/VR Experiences: As augmented reality and virtual reality (AR and VR) technologies continue to become more advanced and accessible, popular consumption of the medium has led to the development of facility-based AR/VR experiences that allow event attendees to interact with AR-produced environments or venture into artificial VR worlds using small headsets or their phones or tablets. The touring Halo Outpost Discovery event, for instance, includes a "Training Grounds" attraction on exhibit hall floors wherein attendees wearing headsets experience an immersive, Halo themed combat training simulation environment. Other examples include more "mixed-reality" attractions such as The Unreal Garden, a touring 10,000-square foot augmented reality exhibit that features a mix of physical art installations, kinetic lighting, and augmented reality components such as flora, fauna, mythical creatures, and interactive projections. These events can require anywhere between 5,000 to 20,000 square feet of flat floor space to allow for exhibit set-up, admission lines, and back of house space. Sub-divisible exhibit space, controlled noise pollution, WiFi quality, and internet bandwidth are critical elements for this event type.

Examples: Halo Outpost Discovery, The Unreal Garden, The VOID

1. VISIONARY FUTURES: Emerging Event Types – Sample Listing

Esports Events

Arena of Valor World Cup
AVGL Collegiate Series Rocket League
Blizzard WC3 Invitational
Brawlhalla World Championship
Broadcaster Royale: OMEN Challenge
Call of Duty World League Championship
Capcom Cup
Clash Royale League : North America
Classic Tetris World Championship
Collegiate Rocket League National Championship
Cougar CS:GO Open
CWL Pro League
DOTA Summit 9
DreamHack
ECS Season 6 Finals
ELEAGUE Major
ESL One
ESL Pro League Season 7 Finals
Esport Superstars
Esports Arena Rewind II
EVO
FFG World Championships
Final GEICO Championships
Flatiron 3
Fortnite Celebrity Pro-Am
Full Bloom 4
Games.CON LoL 5v5
Gears Pro Circuit
Halo World Championship
Madden 18 Ultimate League Championship
Madden NFL 19 Classic
MomoCon
Mythic Dungeon Invitational
NA LACS Spring
NA LCS Summer
Naptown Clutch
NBA 2K League Tip Off Tournament
NHL Gaming World Championship : World Finals
Overwatch Contenders Season 2: North America
Overwatch World Cup
Paladins Console Wars
PAX Arena Smash Invitational
Pokémon North American International Championships
PUBG Arena May Playoffs
PUBG Mobile Star Challenge North America Final
PUBG Pan-Continental
QuakeCon
Red Bull Conquest Finals
RLCS Season 6 World Championship
Smash'N'Splash 4
SMITE Masters
StarCraft 20th Anniversary
Super Smash Con
Super Splat Bros
SwitchFest
Universal Open Season 2
VPL World Invitational
WCS Global Finals

Immersive Entertainment:

Halo Outpost Discovery
The Unreal Garden/O
The VOID
The Lab
Day for Night
Music Tech Fest

Educational:

TED Talks
99U
Ignite
PechaKucha,
IdeaCity Conference
Live Podcasts
FIRST Robotics Competitions
VEX Robotics Competitions
EOS Global Hackathon
API World Hackathon
DeveloperWeek

Hobby Sport Events:

The Drone Racing League
Multi GP Drone Racing
Geocaching
Pokemon GO Fest
Magic The Gathering Grand Prix
Yu-Gi-Oh! TCG

1. VISIONARY FUTURES: Convention Attendee Travel Trends

Just as convention facility and event trends are evolving, the event attendees of today exhibit different behaviors and preferences when traveling to and staying in destinations for conventions and conferences. Six of these notable trends are summarized below. It will be important for the TDC, Palm Beach County Convention Center management and Discover The Palm Beaches to consider these trends as they relate to building program design and sales and marketing strategies. **Elements of Bleisure and Health/Wellness are particularly suited to the unique brand of the destination.**

Culinary is Critical

With the increased popularity of mobile apps such as Yelp! and TripAdvisor, convention attendees are now able to quickly locate the best dining options a destination has to offer. As a result, event planners and attendees increasingly consider a market's dining scene before visiting.

Rise of The Mid-Sized

Event planners increasingly consider mid-size destinations due to their walkable downtowns and accessible public transit systems that make it easy for attendees to interact with the city. Some mid-size cities also specialize in certain areas or industries. This gives planners more access to expert speakers, startups, and other knowledge assets.

Bleisure - Extending The Stay

Event planners are now serving a second role as ad-hoc travel agents. They now often plan cultural interactions, local dining, experiential travel, and team-building activities as part of their events. At the same time, attendees are looking at events as mini-vacations, which means host destinations are effectively "auditioning" for repeat business at the leisure transient level.

Source: CSL research, past project experience, industry articles, 2019.

1. VISIONARY FUTURES: Convention Attendee Travel Trends (continued)

Destination Immersion

Today's travelers now crave engagement with the people, cultures and landscapes of the countries and cities they visit. Online platforms such as TripAdvisor and airbnb Experiences now allow visitors to quickly find locals for in-depth tours and insider knowledge on things to do in the places they visit.

Health/Wellness Journeys

To maintain physical and mental health, visitors from all age segments now seek out spas and other forms of relaxation in a destination (gyms, yoga studios, crossfit centers, etc.) Mindfulness areas and places to unplug are increasingly common, giving attendees a chance to escape from the stimulation at tech-driven events.

Trip Gamifying Through Tech

Geocaching apps (such as Pokemon Go!) encourage event attendees to explore both their events and the surrounding destinations. Event organizers are also beginning to work with app developers to create geotag-activated "games" that reward attendees based on who they meet at an event, the meetings they attend, and the surrounding restaurants they frequent.

Source: CSL research, past project experience, industry articles, 2019.

1. VISIONARY FUTURES: Evolving Destination Needs

Though Gen-Z, Millennials, Gen-X and Baby Boomers exhibit different traveling behaviors when attending conventions, they do share an increasing preference for unique and authentic experiences in the destinations they visit. In response, a number of tourism-related real estate trends have begun to emerge throughout North America including the development of signature entertainment districts, outdoor/adventure complexes, and immersive AR/VR attractions, among other exciting experiential products. Several examples of such attractions and experiences are shown below and on the following page, segmented by category.

Outdoor Concert Venues

Toyota Music Factory (Irving, TX)

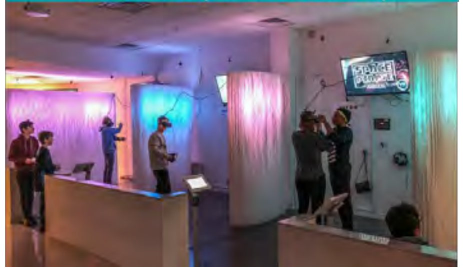
Crosby Theatre (Sante Fe, NM)

Jones Beach (Wantagh, NY)

Immersive Attractions

The Void (Anaheim, CA)

VR World (New York, NY)



Onedome (San Francisco, CA)

Entertainment Districts

Fourth Street Live! (Louisville, KY)

Waterside District (Norfolk, VA)

District Wharf (Washington, D.C.)

1. VISIONARY FUTURES: Evolving Destination Needs (continued)

It will be important for the TDC, Discover The Palm Beaches and PBCCC management to consider these developing trends as they relate to selling the Palm Beach County destination for group business, as well as for encouraging and supporting tourism-related product development in the area. The TDC, BDB and city specific CRA's/DDA's should evaluate these types of developments as part of their future destination product strategic planning work

Outdoor/Adventure Complexes

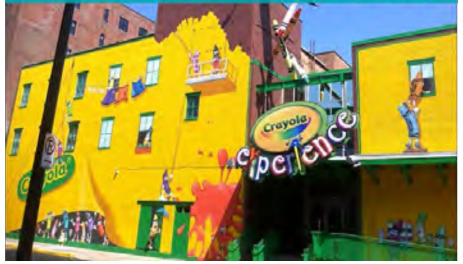

Navitat (Knoxville, TN)


Riversport (Oklahoma City, OK)


Gathering Place (Tulsa, OK)

Themed/Experiential Museums


Meow Wolf (Santa Fe, NM)


Crayola Experience (Easton, PA)


City Museum (St. Louis, MO)

Signature Brewing Districts


Rieger and Co. Distillery (KC, MO)


Peppermill (Lexington, KY)


The DogHouse (Columbus, OH)

2. COMPARABLE & COMPETING FACILITIES

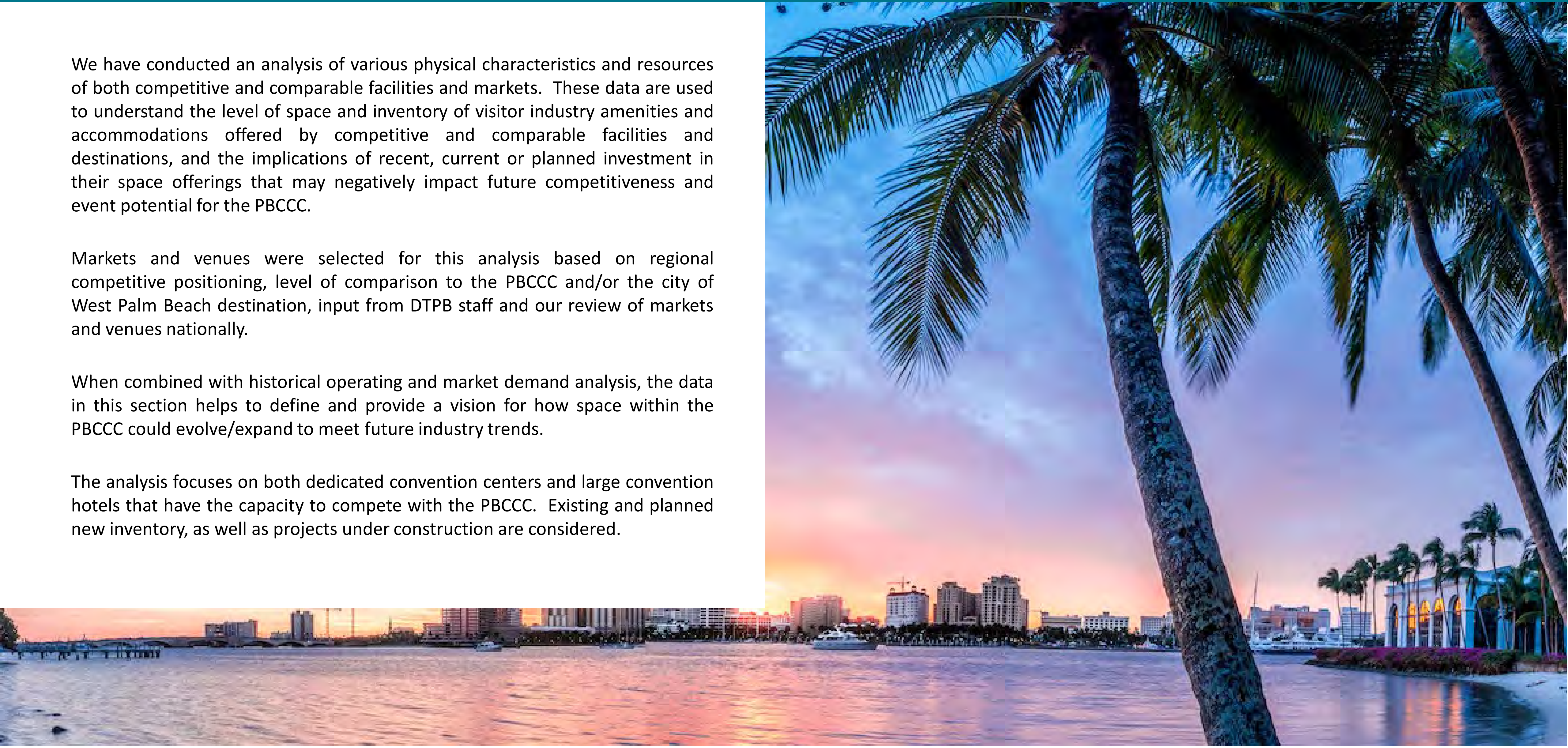
2. COMPARABLE & COMPETING FACILITIES: Introduction

We have conducted an analysis of various physical characteristics and resources of both competitive and comparable facilities and markets. These data are used to understand the level of space and inventory of visitor industry amenities and accommodations offered by competitive and comparable facilities and destinations, and the implications of recent, current or planned investment in their space offerings that may negatively impact future competitiveness and event potential for the PBCCC.

Markets and venues were selected for this analysis based on regional competitive positioning, level of comparison to the PBCCC and/or the city of West Palm Beach destination, input from DTPB staff and our review of markets and venues nationally.

When combined with historical operating and market demand analysis, the data in this section helps to define and provide a vision for how space within the PBCCC could evolve/expand to meet future industry trends.

The analysis focuses on both dedicated convention centers and large convention hotels that have the capacity to compete with the PBCCC. Existing and planned new inventory, as well as projects under construction are considered.



2. COMPARABLE & COMPETING FACILITIES: Competitive Hotel Facilities

Due to the unique nature of the Florida convention industry, the PBCCC often competes head-to-head with large resort hotels for convention and conference business. Fourteen competitive hotel facilities throughout Florida were identified that offer at least 15,000 square feet of contiguous event space. These large resort/convention hotels reside in traditionally popular vacation destinations such as Orlando, Tampa and Miami Beach, and their attached hotel room inventories make them highly appealing to event planners. On average, their self-contained hotel room inventories approximately equal the total number of hotel rooms located within ½-mile of the PBCCC (1,220 rooms), which is distributed throughout five properties.

The following pages provide comparative assessments between this competitive hotel venue set and the PBCCC. Further discussion of these data are presented on the following pages.

Facility	Location	Exhibit Space	Meeting Space	Ballroom Space	Total Sellable Space	Largest Contiguous Space	Hotel Rooms
Gaylord Palms Resort & Convention Center	Kissimmee, FL	178,500	71,300	114,800	364,600	178,500	1,416
Walt Disney World Swan and Dolphin Hotel	Orlando, FL	110,500	44,700	80,300	235,500	110,500	2,267
Orlando World Center Marriott	Orlando, FL	0	17,900	238,200	256,100	105,000	2,003
Rosen Shingle Creek Orlando	Orlando, FL	0	44,500	195,000	239,500	95,000	1,501
Hyatt Regency Orlando	Orlando, FL	0	65,100	133,900	199,000	54,600	1,641
The Diplomat Beach Resort Hollywood	Hollywood, FL	50,100	27,400	50,800	128,300	50,100	1,000
Caribe Royale All-Suite Hotel & Convention Center	Orlando, FL	0	25,300	122,400	147,700	50,000	1,335
Seminole Hard Rock Hotel & Casino*	Hollywood, FL	0	14,200	61,400	75,600	37,600	1,271
JW Marriott Tampa Water Street	Tampa, FL	0	17,900	53,700	71,600	29,100	519
Loews Miami Beach Hotel	Miami Beach, FL	0	14,900	27,600	42,500	27,600	790
Boca Raton Resort & Club	Boca Raton, FL	0	42,900	67,900	110,800	26,000	1,041
Fontainebleau Miami Beach	Miami Beach, FL	0	36,000	56,800	92,800	25,800	1,504
JW Marriott Miami Turnberry Resort & Spa	Aventura, FL	0	26,800	44,700	71,500	24,300	685
The Breakers Palm Beach	Palm Beach, FL	0	13,800	36,300	50,100	15,000	540
Average		**24,200**	**33,100**	**91,700**	**149,000**	**59,200**	**1,300**
PBCCC Totals	**West Palm Beach, FL**	**99,300**	**20,300**	**22,000**	**141,600**	**99,300**	**1,220****
PBCCC Rankings (out of 15)	**West Palm Beach, FL**	**3**	**10**	**15**	**7**	**4**	**8**

* - not including a new 7,000 seat event center.

** - represents PBCCC's existing and planned hotel room inventory within ½-mile of the facility.

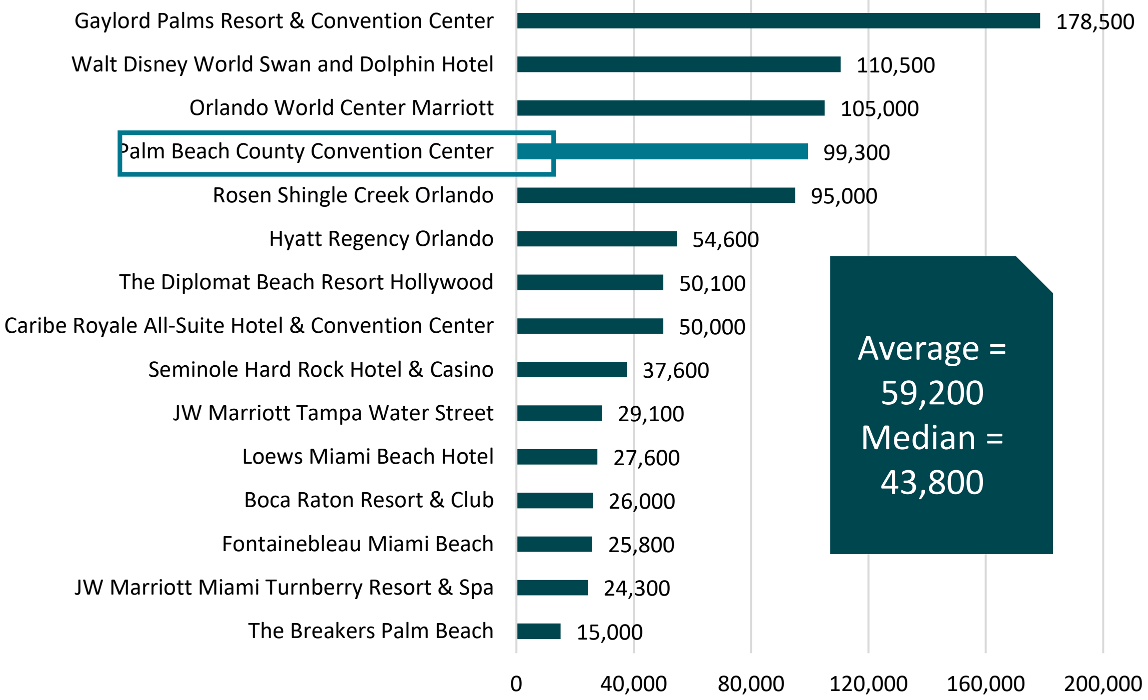
Note: Sorted by largest contiguous space.

Sources: facility management, facility websites, 2019.

2. COMPARABLE & COMPETING FACILITIES: Hotel Primary Event Space Comparison

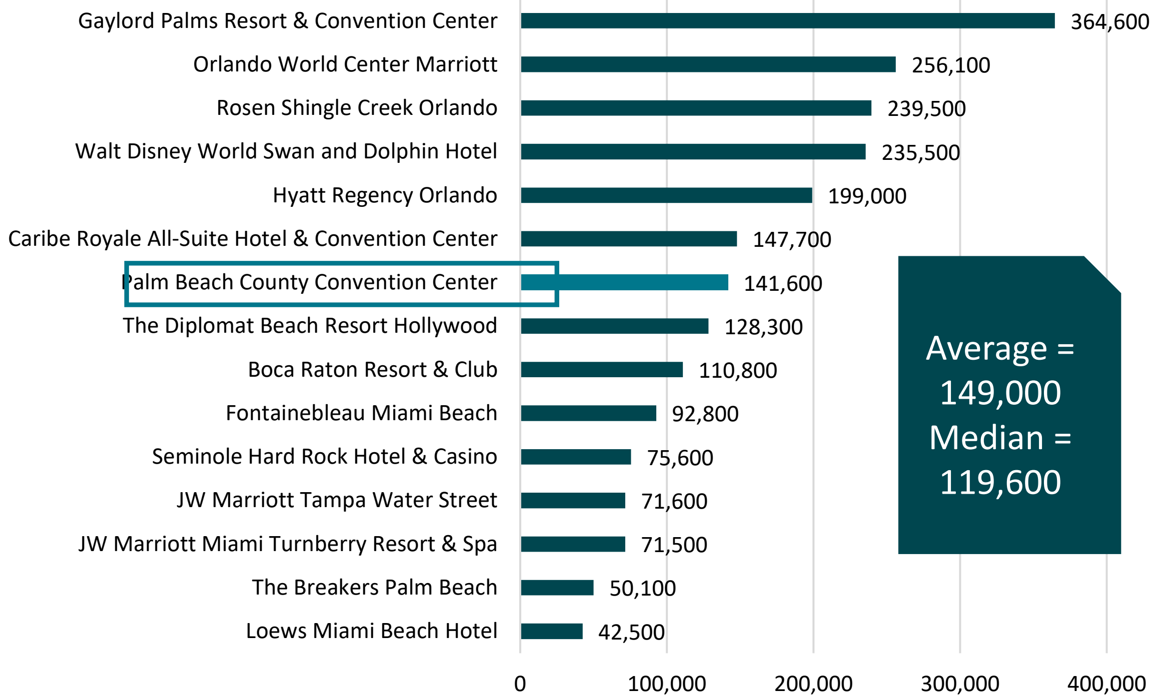
We begin with a review of the total sellable space and largest contiguous space offered at each facility reviewed. As shown below, the PBCCC's Exhibit Hall ranks relatively high in terms of largest contiguous space, with nearly 60,000 more square feet than the comparable set's median. This represents a significant point of strength when competing with hotels for exhibit-oriented events that prefer to have their exhibitors located on the same tradeshow floor.

The total sellable space offered at the Center ranks somewhat lower relative to the comparable set due to the substantial amount of ballroom and meeting space offered at facilities such as the Rosen Shingle Creek Orlando, Walt Disney World Swan and Dolphin Hotel, and the Hyatt Regency Orlando. More in-depth reviews of these meeting and ballroom space comparisons are provided on the following page.



Largest Contiguous Space

Average = 59,200
Median = 43,800



Total Sellable Space

Average = 149,000
Median = 119,600

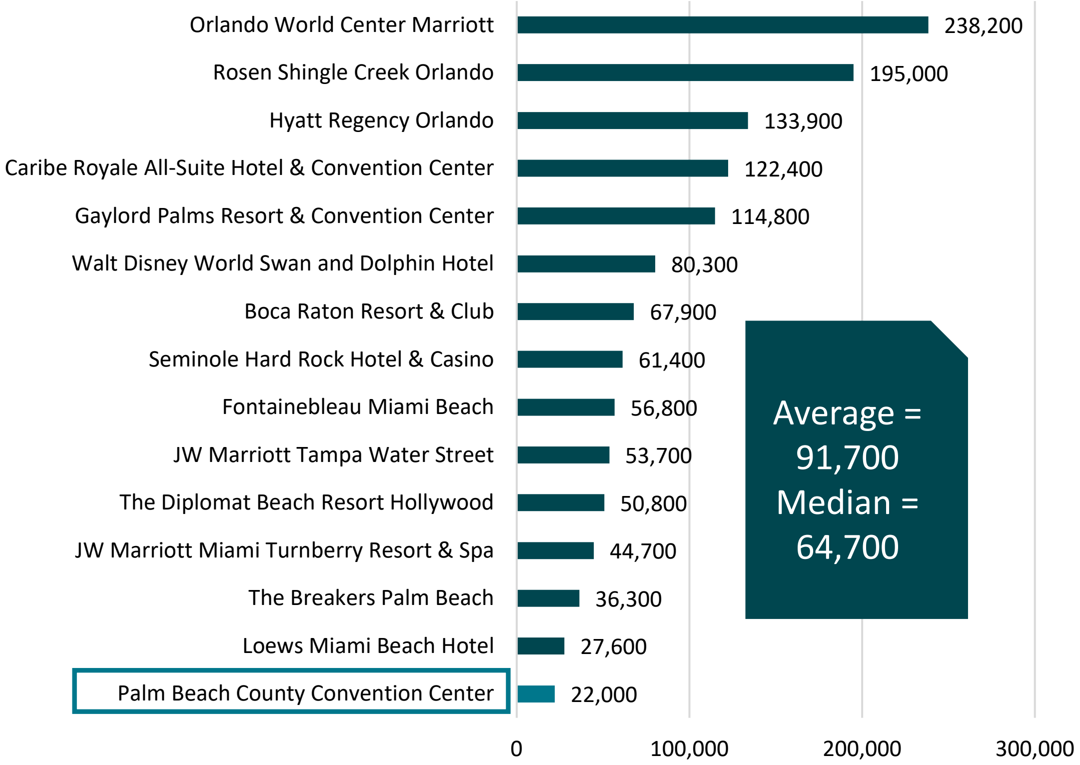
Sources: facility management, facility websites, 2019.

2. COMPARABLE & COMPETING FACILITIES: Hotel Supporting Event Space Comparison

As shown below, the PBCCC's ballroom and meeting space offerings rank below the median of the hotel facility comparison set. The PBCCC's Ballroom offers 42,700 square feet less than the median of its peer facilities, and its total meeting space offering falls 6,800 square feet short of the median. Ample amounts of meeting and ballroom space are important selling points for retaining convention events from the corporate, scientific or medical sectors.

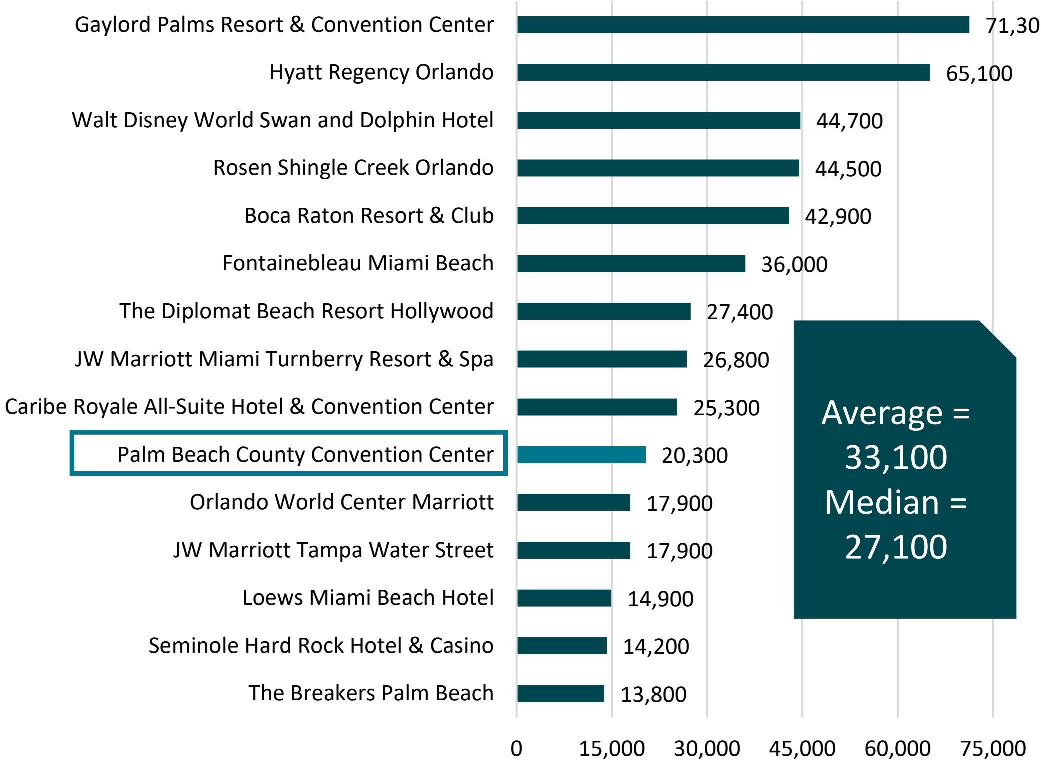
It will be important to address these conditions through added flexible event space as part of any future expansion plan for the PBCCC to more effectively compete with the inventory of hotel convention facilities throughout Florida.

Ballroom Space



Average = 91,700
Median = 64,700

Meeting Space



Average = 33,100
Median = 27,100

Sources: facility management, facility websites, 2019.

2. COMPARABLE & COMPETING FACILITIES: Competitive Convention Centers

Certain inferences can be made by reviewing comparable dedicated convention facilities operating in markets throughout the country of a similar size and/or geographic position to West Palm Beach. The exhibit below presents a summary of the 12 comparable convention center facilities and markets analyzed, sorted by largest contiguous space. As shown, the sellable space inventories range from the 502,800 contiguous square feet offered at the Miami Beach Convention Center to the 92,500 square feet of contiguous space housed within the Palm Springs Convention Center in Palm Springs, California. Sleeping room inventories within ½-mile of each of these facilities ranges from the 389 rooms located near the Virginia Beach Convention Center to the 8,051 rooms located in downtown Nashville near the Music City Center.

A majority of the facilities identified are larger than the PBCCC and offer significantly more hotel rooms. These venues should represent aspirational models for future PBCCC development. Facilities in Providence (RI), Myrtle Beach (SC), Savannah, (GA), and Palm Springs, (CA) are similar in size to the PBCCC and were chosen as competitive/peer facilities. The following slides provide detailed comparative assessments of these comparable facilities and the PBCCC.

Facility	Location	Exhibit Space	Meeting Space	Ballroom Space	Total Sellable Space	Largest Contiguous Space	Hotel Rooms 1/2 Mile	Hotels Within 2 block walk	Rooms at HQ Hotel
Miami Beach Convention Center	Miami Beach, FL	502,800	80,400	41,700	624,900	502,800	6,453	561	800(1)
Music City Center	Nashville, TN	353,100	91,400	75,400	519,900	353,100	8,051	2,262	800
Greater Fort Lauderdale - Broward County Convention Center*	Fort Lauderdale, FL	350,000	96,400	117,200	563,600	350,000	2,181	0	800(2)
Tampa Convention Center	Tampa, FL	200,000	42,000	36,000	278,000	200,000	2,313	1,386	717
Fort Worth Convention Center	Fort Worth, TX	182,300	56,700	28,200	267,200	182,300	2,942	1,702	614
Virginia Beach Convention Center	Virginia Beach, VA	150,000	27,100	31,000	208,100	150,000	389	389	0
Raleigh Convention Center	Raleigh, NC	145,800	32,600	32,600	211,000	145,800	937	929	401
San Jose McEnery Convention Center	San Jose, CA	143,000	50,800	57,200	251,000	143,000	2,575	1,166	506
Myrtle Beach Convention Center	Myrtle Beach, SC	100,800	12,500	17,000	130,300	100,800	2,502	400	400
Rhode Island Convention Center	Providence, RI	100,000	16,500	20,000	136,500	100,000	2,193	1,066	564
Savannah Convention Center	Savannah, GA	97,800	20,500	25,000	143,300	97,800	2,441	403	403
Palm Springs Convention Center	Palm Springs, CA	92,500	15,800	20,000	128,300	92,500	1,205	417	410
AVERAGE		**201,500**	**45,200**	**41,800**	**288,500**	**201,500**	**2,800**	**890**	**530**
AVERAGE 1		**174,100**	**42,000**	**41,800**	**257,900**	**174,100**	**2,500**	**920**	**510**
MEDIAN		**147,900**	**37,300**	**31,800**	**231,000**	**147,900**	**2,400**	**750**	**540**
PBCCC Totals	**West Palm Beach, FL**	**99,300**	**20,300**	**22,000**	**141,600**	**99,300**	**1,220 ****	**400**	**400**
PBCCC Ranking (out of 13)	**West Palm Beach, FL**	**11**	**10**	**10**	**10**	**11**	**10**	**10**	**11**

* - Planned expansion numbers are included.

** - represents PBCCC's existing and under-construction hotel room inventory within ½-mile of the facility.

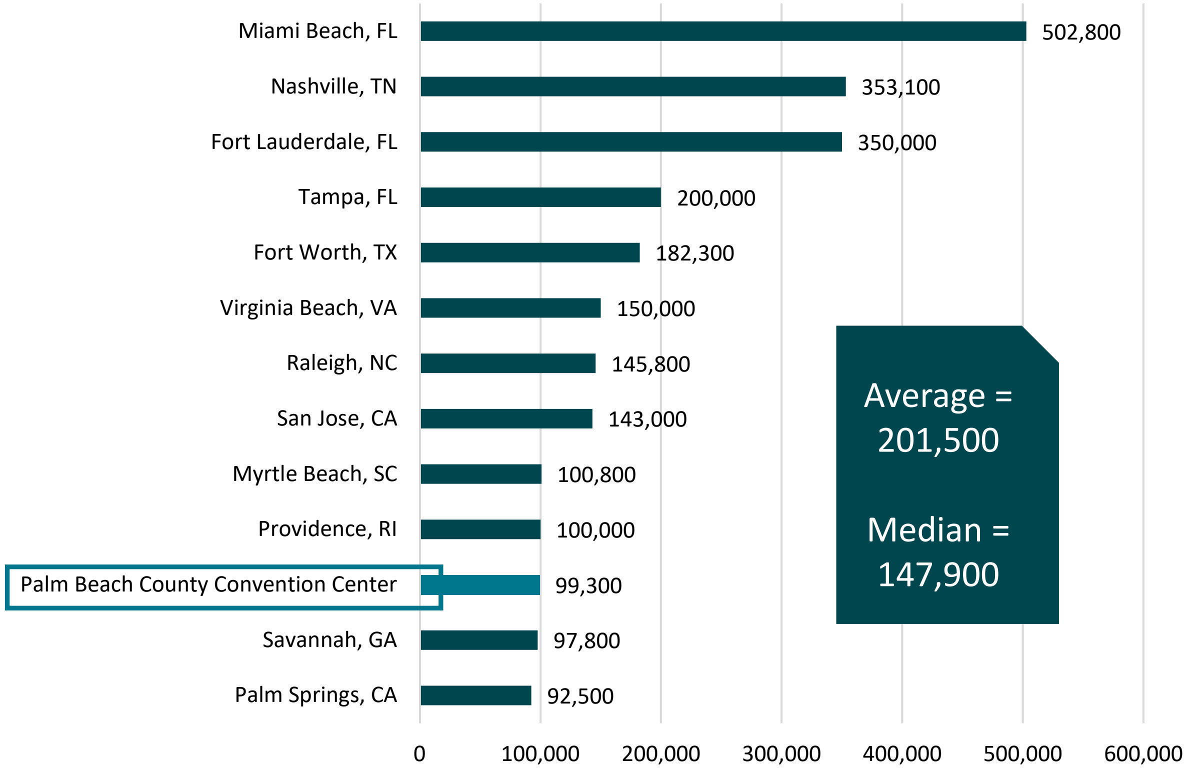
(1) - 800-room HQ hotel in development, to open by Fall 2022, (2) New 800-room Omni HQ Hotel in development.

Sources: facility management, facility websites, 2019.

2. COMPARABLE & COMPETING FACILITIES: Center Primary Event Space Comparison

The PBCCC's contiguous and sellable space offerings rank well below the averages and medians of the comparison set below. Out of the 13 facilities reviewed, the PBCCC ranks 11th in terms of largest contiguous space and 10th in terms of total sellable space. While not a market-demand based finding, these rankings suggest that the concept of eventual PBCCC expansion should be considered viable as market conditions warrant. A future expansion project should reflect the competitive landscape described herein.

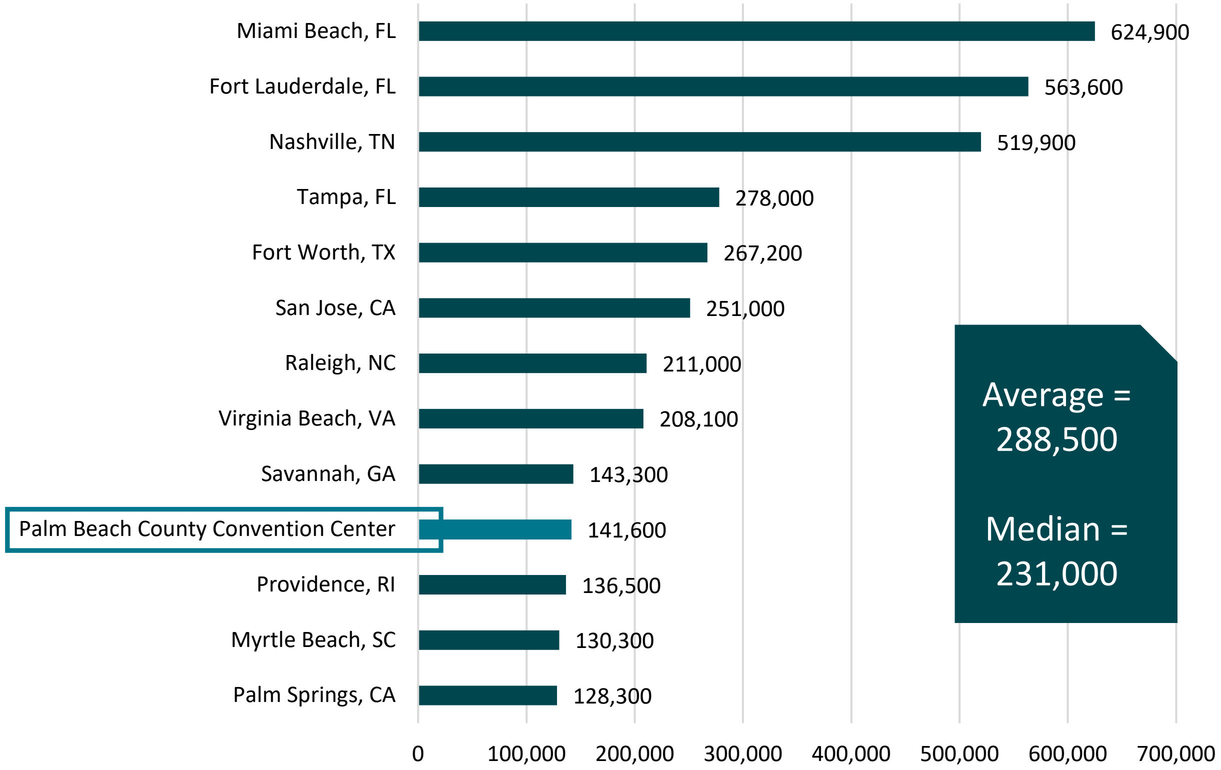
Largest Contiguous Space



Average = 201,500

Median = 147,900

Total Sellable Space



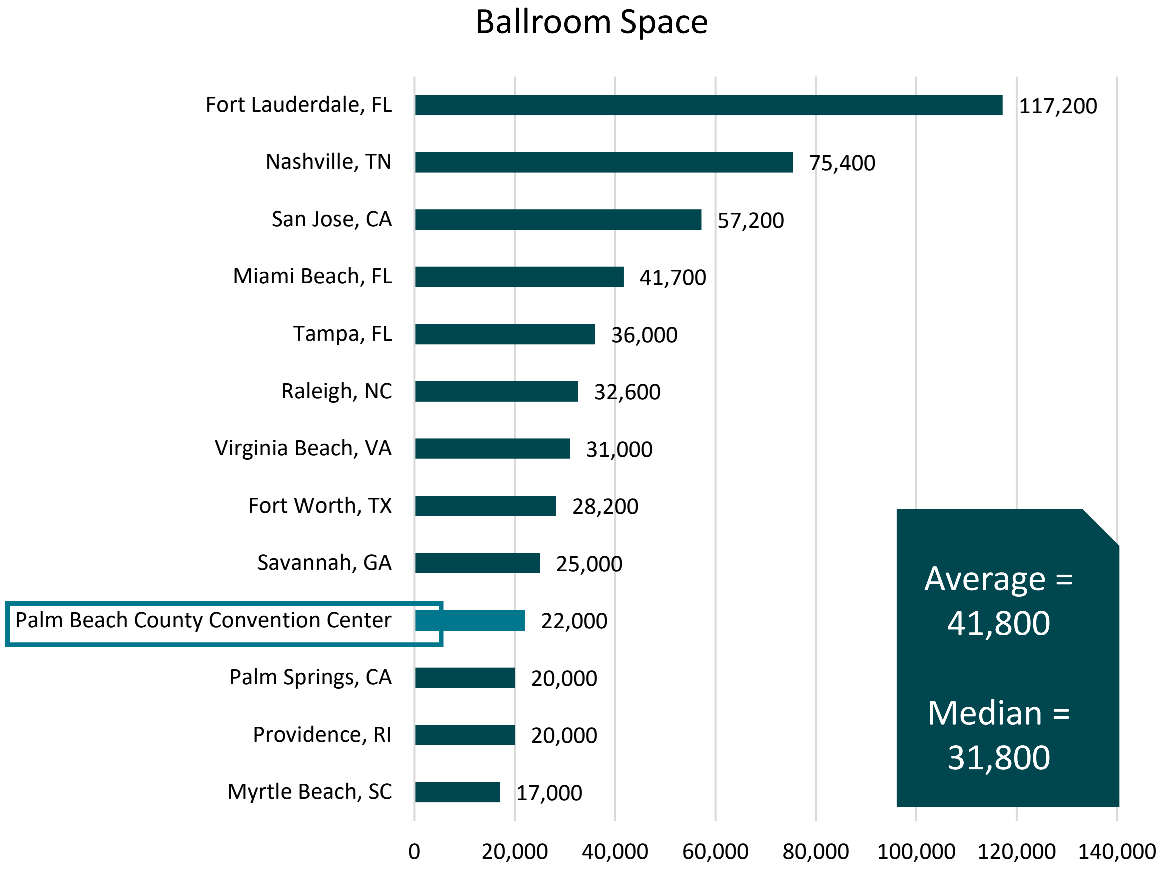
Average = 288,500

Median = 231,000

Sources: facility management, facility websites, 2019.

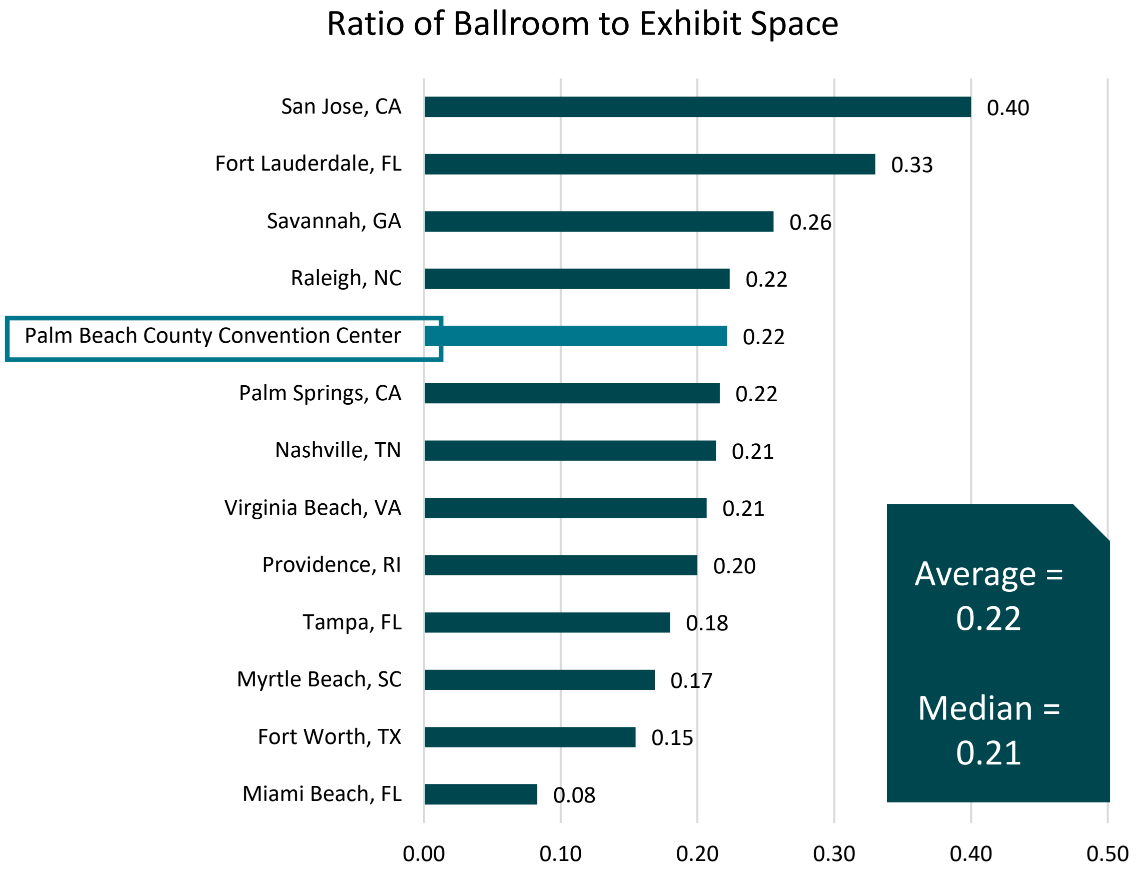
2. COMPARABLE & COMPETING FACILITIES: Center Ballroom Space Comparison

The PBCCC's 22,000-square foot ballroom ranks 10th out of the 13 facilities reviewed, but puts PBCCC above the median of the comparison set in terms of the ratio between its ballroom and exhibit space offerings. We note that event planners increasingly prefer larger multipurpose space to host food functions, general sessions, poster sessions, smaller exhibits and other such functions. **As such, any expansion of the PBCCC's exhibit space should also include a concurrent increase in ballroom space to maintain and enhance this favorable ratio.**



Average = 41,800

Median = 31,800



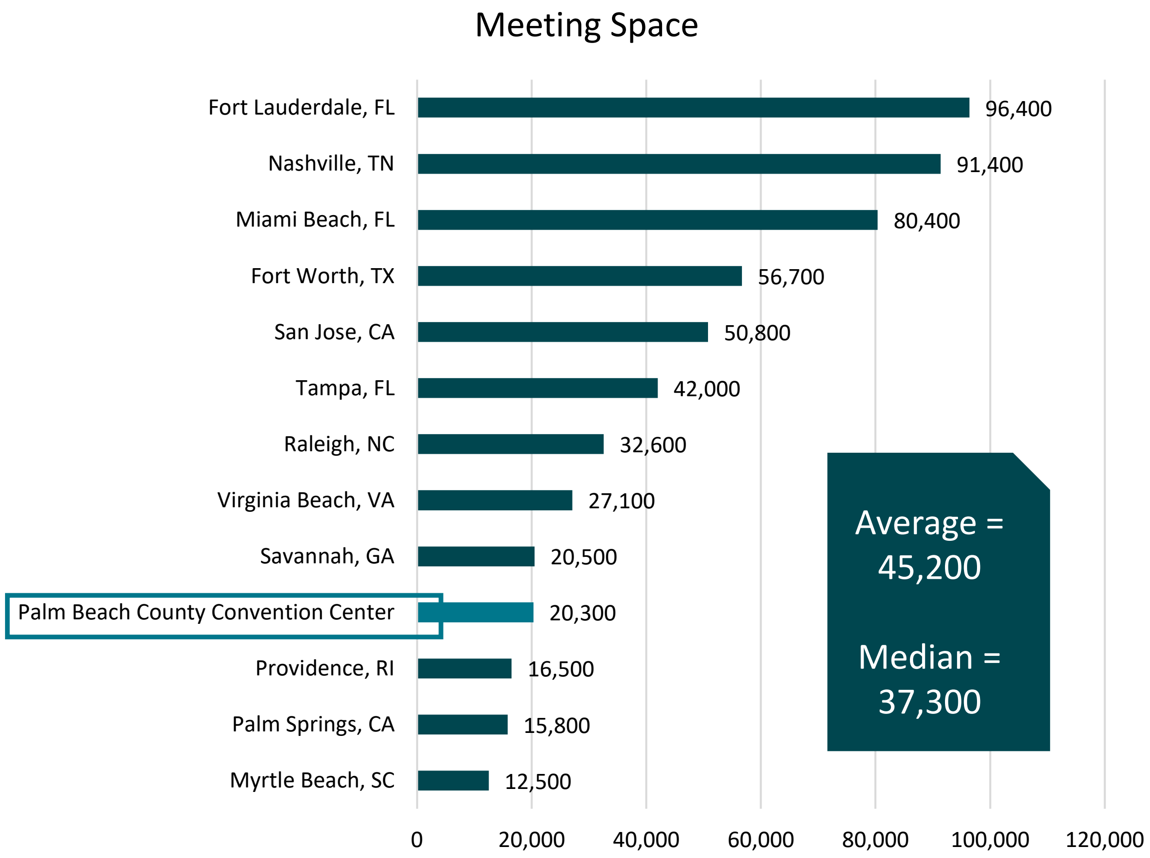
Average = 0.22

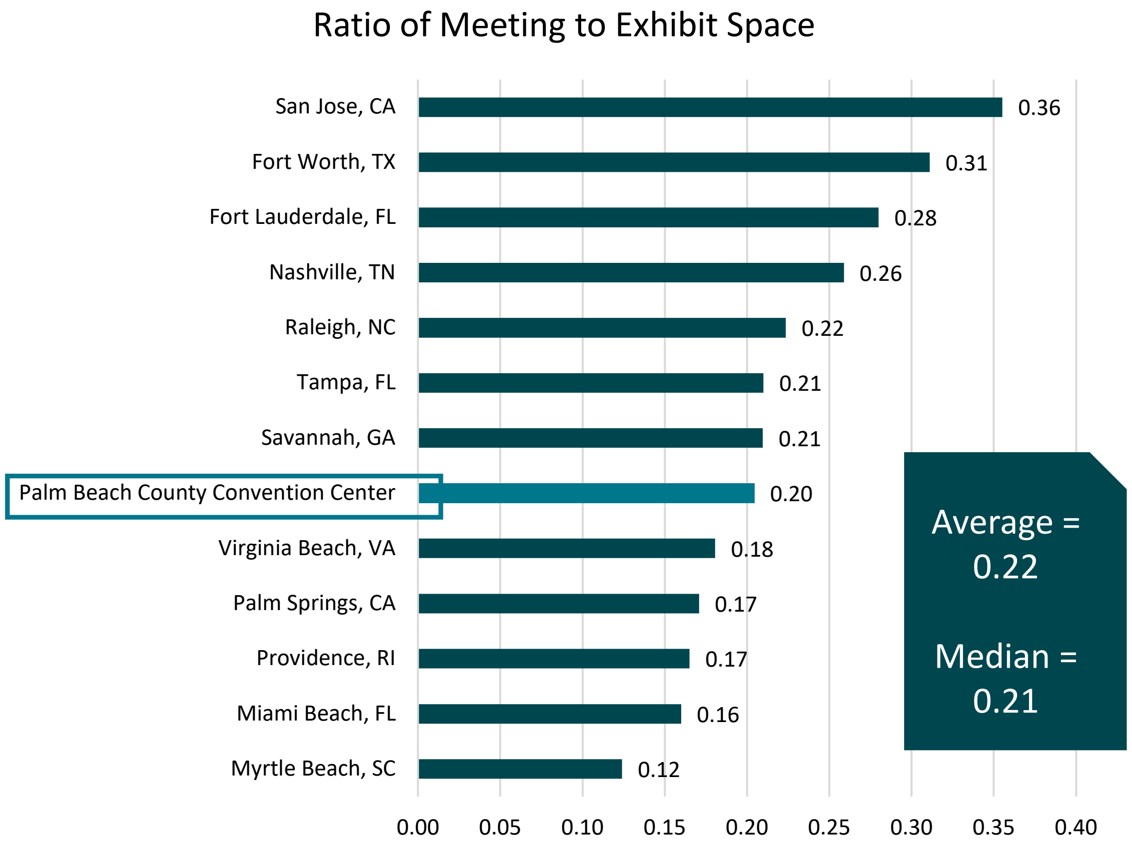
Median = 0.21

Sources: facility management, facility websites, 2019.

2. COMPARABLE & COMPETING FACILITIES: Center Meeting Space Comparison

The PBCCC's breakout meeting space square footage ranks 10th out of the 13 facilities reviewed, and its ratio of meeting space-to-exhibit space ranks just below the median of 0.22. These data align with stakeholder and event planner comments regarding the PBCCC's lack of meeting space and the building's lack of larger meeting rooms that can also be sub-divided. A high ratio of meeting to exhibit space and a sufficient inventory of highly divisible meeting rooms are very desirable in today's convention industry, particularly for tech and medical industry conferences and conventions. **It will be important to significantly increase the amount and flexibility of meeting space at the PBCCC as part of any future expansion.**


Meeting Space


Ratio of Meeting to Exhibit Space

Sources: facility management, facility websites, 2019.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Introduction

Regardless of convention center space or other destination amenities, a market cannot attract non-local events beyond the capacity of the convention quality and committable hotel inventory to accommodate them.

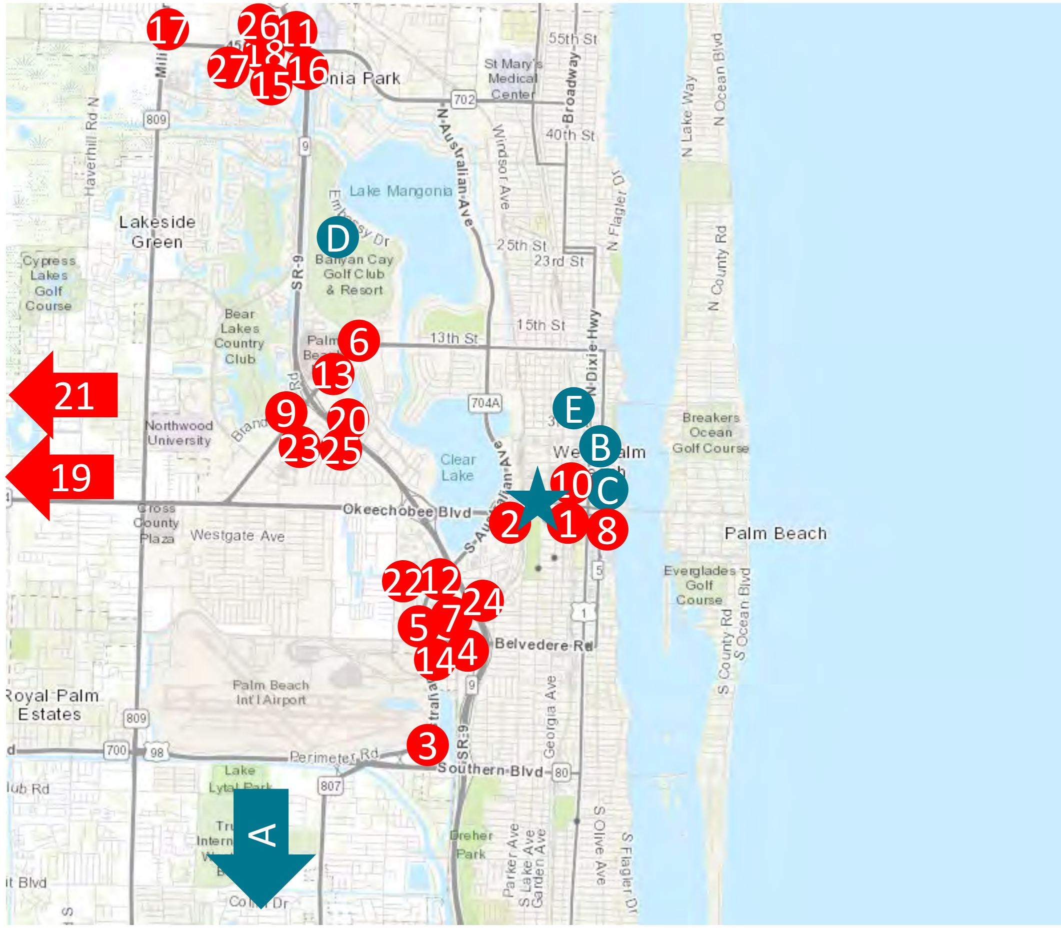
We have assessed the hotel package and hotel market in the West Palm Beach area that supports the hosting of events at the PBCCC. Factors considered include the following.

- Room inventory
- Location relative to the PBCCC
- Brand scale
- Competitive market/property inventory
- Rate/occupancy
- Impact of hotel inventory on lost PBCCC business
- Impact of room inventory on convention industry market capture

These data are used to develop a recommended hotel development timeline for the Palm Beach County convention sector. It is important to note that these recommendations reflect the needs of the convention industry relative to market demand and competitive market pressure. This analysis does not comment on the financial viability of private investment in new headquarter or other hotel inventory within the market.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: West Palm Beach Hotel Inventory

The analysis of hotel conditions first focuses on the West Palm Beach market, home to the PBCCC. We have reviewed 27 properties throughout the West Palm Beach area, and five hotels that are under construction. The West Palm Beach hotel inventory tends to cluster in the downtown/airport area, near the Palm Beach Outlets, and to the north along I-95 near 45th Street. **However, most of these properties are smaller in room count, typically limited service, and are not a prominent component of non-local event room blocks with planners preferring large convention/group oriented properties located in the vicinity of a convention center.**



Note: Map above only includes properties with more than 50 sleeping rooms.
Sources: Discover The Palm Beaches, 2019.

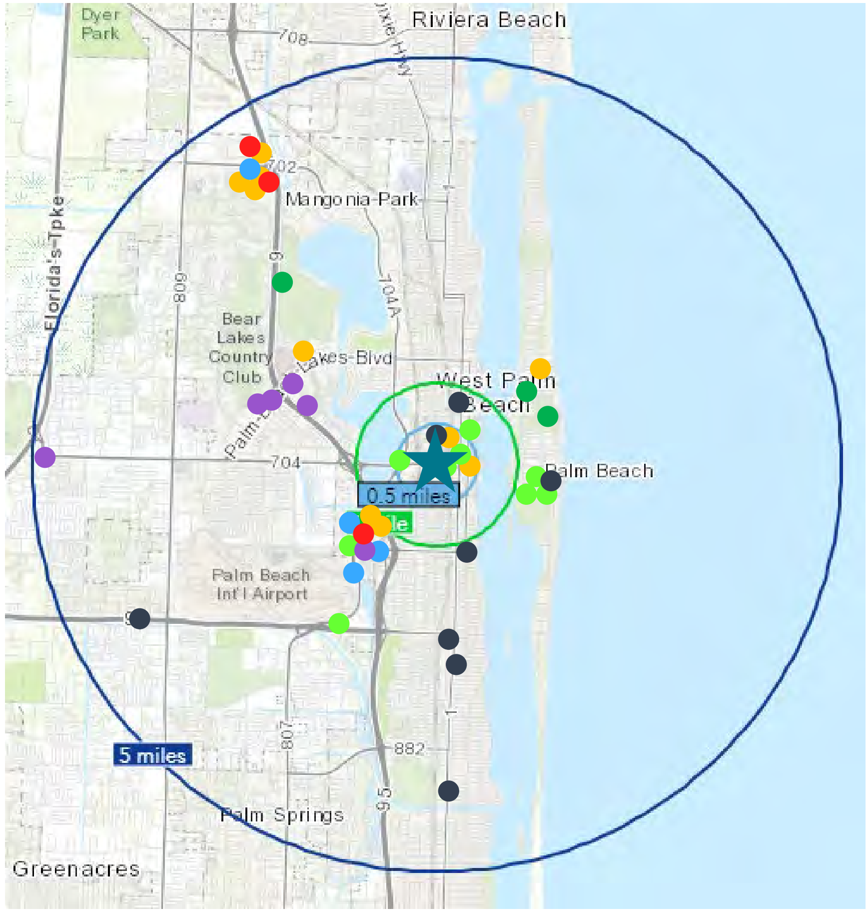
Key	West Palm Beach Hotel Name	# of Rooms
1	Hilton West Palm Beach	400
2	Marriott West Palm Beach	352
3	Hilton Palm Beach Airport	249
4	Holiday Inn Palm Beach Airport Conference Center	199
5	Embassy Suites by Hilton West Palm Beach Central	194
6	Hilton Garden Inn West Palm Beach I 95 Outlets	190
7	DoubleTree by Hilton Hotel West Palm Beach Airport	175
8	Hyatt Place West Palm Beach Downtown	165
9	Ramada West Palm Beach Airport	162
10	Residence Inn West Palm Beach Downtown City Place Area	152
11	Courtyard West Palm Beach	149
12	Studio 6 West Palm Beach	138
13	Best Western Palm Beach Lakes	135
14	Quality Inn Palm Beach International Airport West Palm Beach	135
15	SpringHill Suites West Palm Beach I 95	130
16	Red Roof Inn West Palm Beach	129
17	InTown Suites Military Trail	121
18	Homewood Suites by Hilton West Palm Beach	114
19	La Quinta Inns & Suites West Palm Beach Florida Turnpike	114
20	Hawthorn Suites by Wyndham West Palm Beach	112
21	Hampton Inn West Palm Beach Florida Turnpike	110
22	Hampton Inn West Palm Beach Central Airport	105
23	La Quinta Inns & Suites West Palm Beach Airport	103
24	Courtyard West Palm Beach Airport	103
25	Residence Inn West Palm Beach	78
26	Extended Stay America West Palm Beach Northpoint Corporate Park	73
27	Holiday Inn Express & Suites West Palm Beach Metrocentre	70
	West Palm Beach Hotels Under Construction	**# of Rooms**
A	Home 2 Suites (opens December 2019)	120
B	The Ben - Autograph (opens February 2020)	208
C	Canopy by Hilton West Palm Beach Downtown (opens March 2020)	151
D	Banyan Cay Resort and Golf (opens 2021)	150
E	One West Palm (opens 2021)	201

Total Existing Hotel Rooms = 4,366

Total Planned Hotel Rooms = 830

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: 5-Mile Radius by Chain Scale

We have also considered the hotel room inventory within a broader geographical area surrounding the PBCCC, and the corresponding property type or chain scale. The higher end properties tend to represent inventory suitable for hosting convention room blocks. There are 43 properties currently within a five mile radius of the Center, providing approximately 5,790 hotel rooms. Of these, 6 are within ½-mile of the PBCCC, inclusive of 3 upper upscale (Hilton, Marriott and the incoming Canopy), 2 upscale (Hyatt Place and Residence Inn) and one other property (Hotel Evernia). The total room count for the six properties within ½-mile is 1,250. This figure includes the 30-room Hotel Evernia, which we remove from subsequent ½-mile hotel analyses herein due to the property's limited use for PBCCC conventions.



Note: Includes existing and planned hotels.
Sources: Discover The Palm Beaches, 2019.

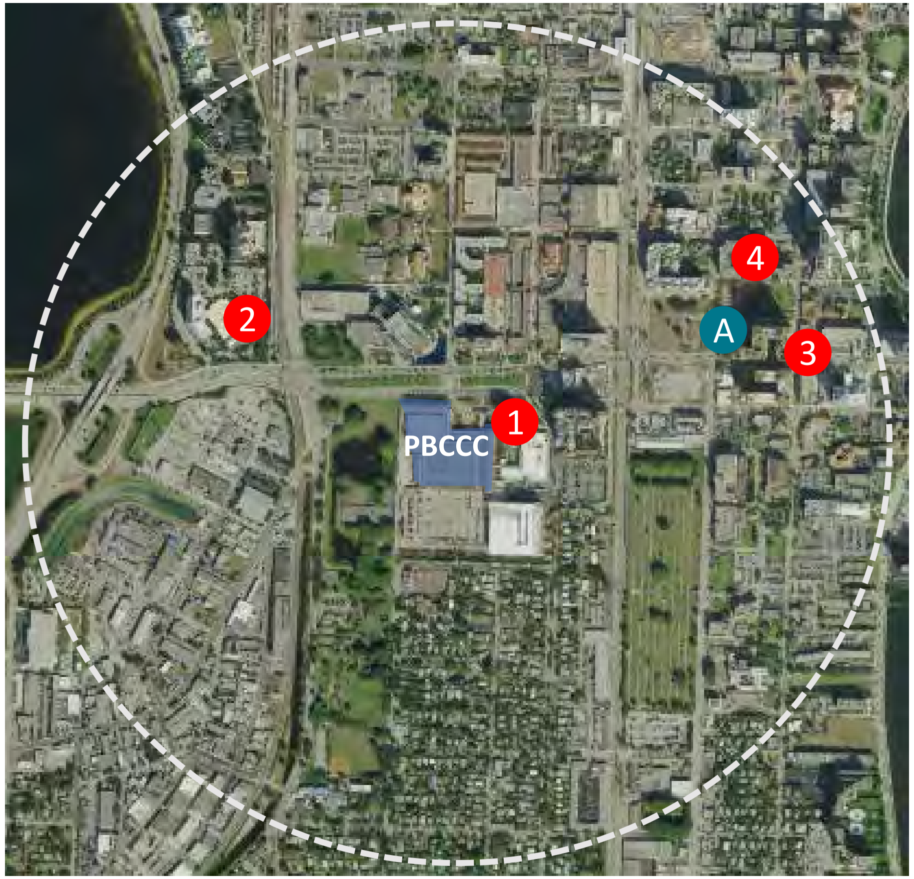
		Hotel Properties within							
Key	Hotel Type	< ½ mi	< ½ mi %	½ - 1mi	½ - 1 mi %	1-5mi	1-5 mi %	Total Count	Total Count %
🟢	Luxury	0	0%	0	0%	3	8.6%	3	7.0%
🟢	Upper Upscale	3	50.0%	1	50.0%	5	14.3%	9	20.9%
🟡	Upscale	2	33.3%	0	0%	8	22.9%	10	23.2%
🔵	Upper Midscale	0	0%	0	0%	4	11.4%	4	9.3%
🟣	Midscale	0	0%	0	0%	6	17.1%	6	14.0%
🔴	Economy	0	0%	0	0%	3	8.6%	3	7.0%
⚫	Other	1	16.7%	1	50.0%	6	17.1%	8	18.6%
	TOTAL	**6**	**100%**	**2**	**100%**	**35**	**100%**	**43 Properties**	**100%**

		# Rooms within							
Key	Hotel Type	< ½ mi	< ½ mi %	½ -1mi	½ - 1 mi %	1-5mi	1–5 mi %	Total Count	Total Count %
🟢	Luxury	0	0%	0	0%	710	17.2%	710	12.3%
🟢	Upper Upscale	903	72.2%	0	0%	657	15.9%	1,768	30.6%
🟡	Upscale	317	25.4%	208	50.9%	1,024	24.8%	1,341	23.2%
🔵	Upper Midscale	0	0%	0	0%	494	12.0%	494	8.5%
🟣	Midscale	0	0%	0	0%	761	18.4%	761	13.2%
🔴	Economy	0	0%	0	0%	340	8.2%	340	5.9%
⚫	Other	30	%	201	49.1%	142	3.4%	373	6.4%
	TOTAL	**1,250**	**100%**	**409**	**100%**	**4,128**	**100%**	**5,787 Rooms**	**100%**

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: 1/2-Mile Hotel Committability Analysis

At this point in the analysis, we can focus not only on the properties and hotel rooms within ½-mile of the PBCCC, but the share of these rooms typically committed to blocks that support non-local events at the Center. As noted below, the two largest properties (Hilton and Marriott) combine for 752 total rooms, however at most, 500 of these are available for city-wide conventions, and during peak leisure season, as few as 40 rooms are available. Several smaller properties do not typically participate in room blocks. Meeting planners typically prefer to contract with as few hotels as possible for their total room block requirements.

Including the new Canopy property, the maximum number of committable rooms within one-half mile of the PBCCC approximates 720, and as few as 140. Representatives of Discover the Palm Beaches note that typical room blocks tend to reach 400, and on occasion as many as 600. This range of committability on a percentage basis is much lower than most markets we have analyzed in the past. These data are used later in this analysis when projecting various non-local event market capture scenarios.



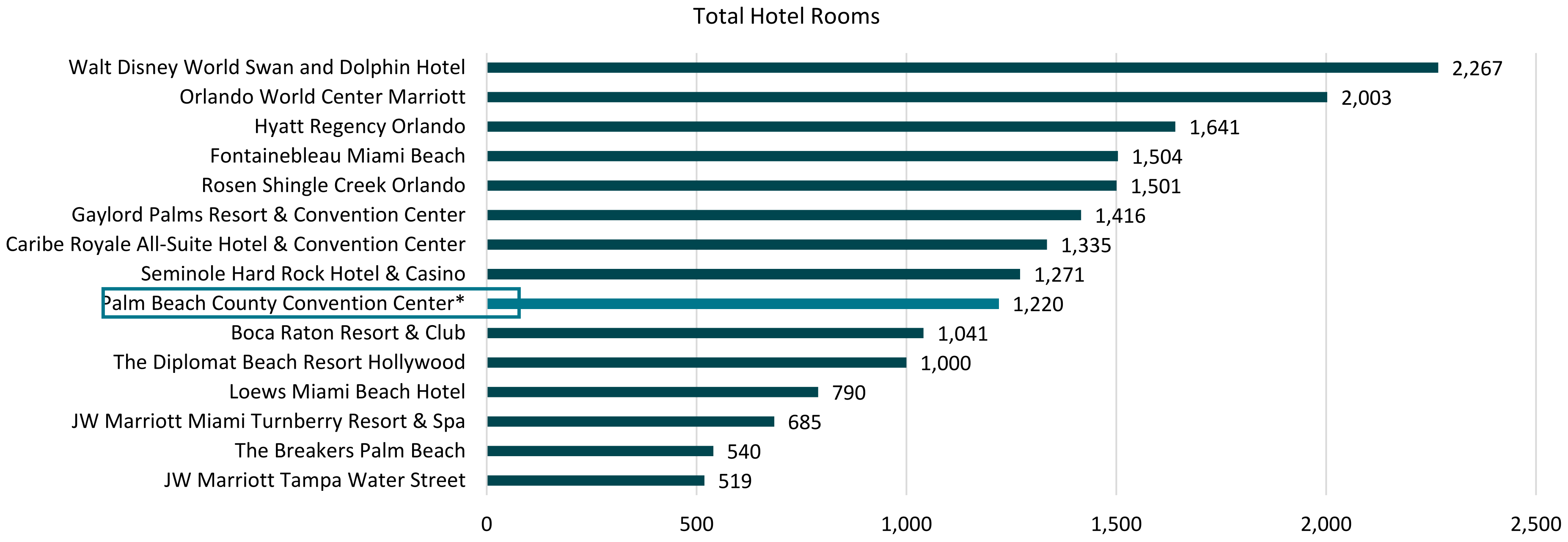
Map Key	Hotel	Total Rooms	Committable Rooms - Low	Committable Rooms – High
1	Hilton West Palm Beach	400	40	350
2	West Palm Beach Marriott	352	0	150
3	Hyatt Place West Palm Beach/Downtown	165	40	80
4	Residence Inn by Marriott West Palm Beach	152	30	70
	Hotels Under Construction	**Rooms**		
A	Canopy by Hilton West Palm Beach Downtown	151	30	70
	TOTAL	**1,220**	**140**	**720**

Sources: CVB websites, facility websites, Trip Advisor, 2019.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Comparison vs. Competitive

The level of hotel room committability for the PBCCC (typically up to 400 rooms) has a significant impact on the level of competition for non-local events. An event with room blocks in the 400 to 600 room range can be accommodated in a wide variety of large convention hotel properties, including many in the Orlando area, the Hard Rock Hotel & Casino, large resort properties (Diplomat, Fontainebleau, etc), the Gaylord property in Kissimmee, and several others. These properties can offer an event planner numerous competitive advantages including a single contract for space and rooms, discounted event space rental, and a high degree of overall event production convenience. The chart below presents total hotel room inventory at competitive convention hotels and within one-half mile of the PBCCC. **It is important to note that the level of rooms committed to a non-local event at large convention hotels is typically much higher than that currently available for the PBCCC.**

We also note that event planners tend to “graduate” from large hotels to dedicated convention centers such as the PBCCC when their hotel room and/or event space requirements grow beyond a certain capacity. As these events increase in space/hotel needs and consider a dedicated convention center, the block of committable rooms surrounding the PBCCC is limited, representing a further competitive disadvantage.

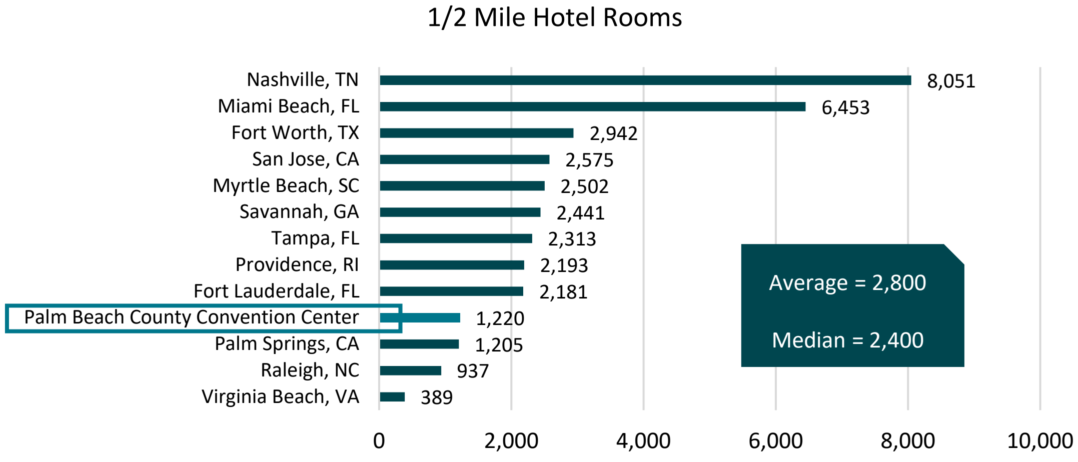


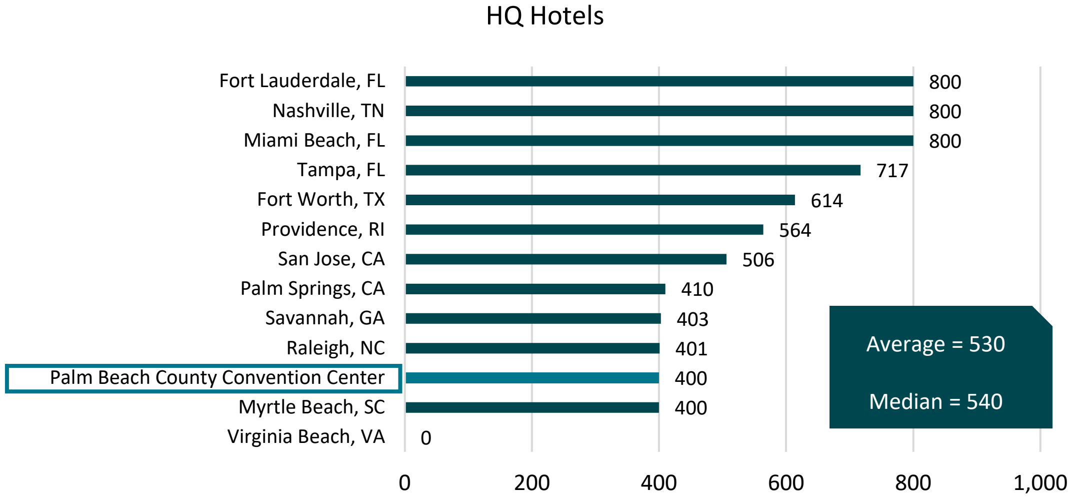
Average = 1,300

Median = 1,300

* Represents PBCCC’s hotel room inventory within ½-mile of the facility.
Sources: facility management, facility websites.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Hotel Inventory Comparison





Sources: facility management, facility websites.

To the extent that the PBCCC competes with other dedicated convention centers, it is useful to consider the room counts relative to primary competitive markets. The adjacent charts present a comparison of the total room inventory within one-half mile of each convention center, as well as the room inventory within the associated headquarter hotel property. The set of venues reviewed was selected based on level of competition, or degree of comparability to the PBCCC and West Palm Beach. **The 1,220 rooms proximate to the PBCCC rank low relative to the venue set reviewed. To simply reach the median room count, an added 1,100 rooms within one-half mile of the PBCCC would be needed. Consistent with event planner requirements, these rooms would need to be developed in a very few number of larger properties to have a desired impact on the competitive ability of the Center to attract large non-local events.**

We have also considered the ranking based on the largest headquarter hotel available, as presented in the lower chart. The 400 rooms at the Hilton West Palm Beach is similar to the four other markets at the lower end of the competitive/comparable set. The average headquarter property provides approximately 530 rooms, with a median room count of 540. For Palm Beach County, there are several important implications of these data.

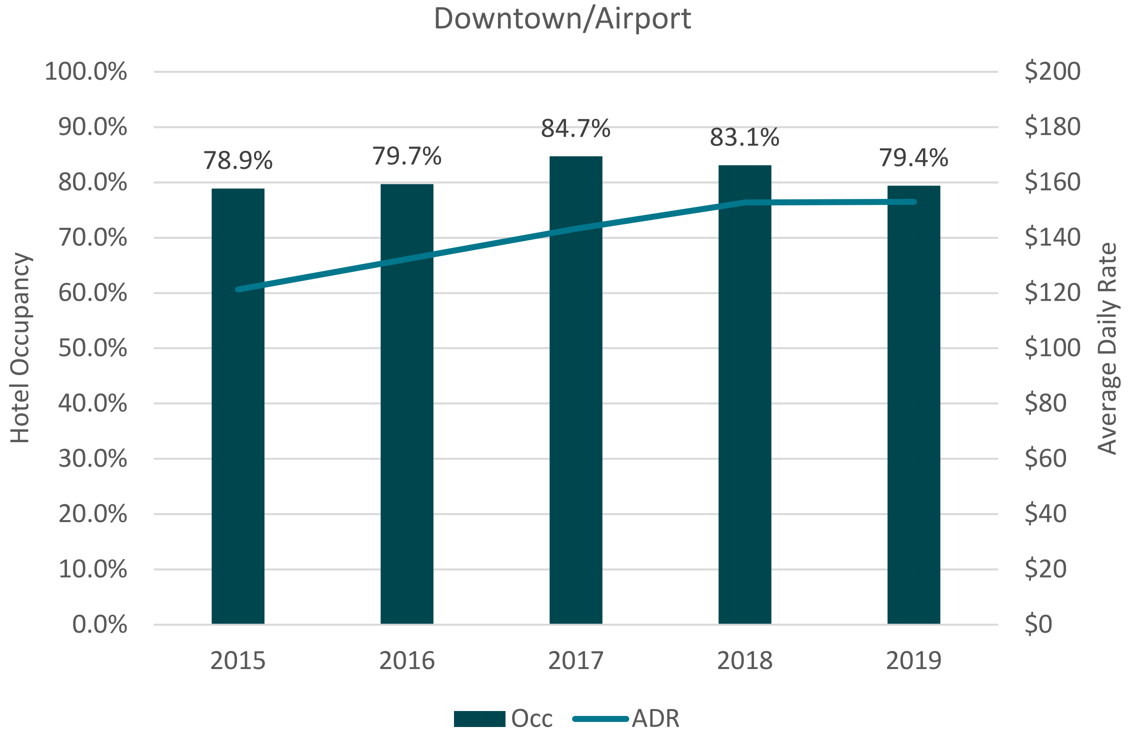
- Added rooms to the Hilton West Palm Beach could help achieve an average or even above average headquarter hotel room count. A modest room increase would do little to address the overall lack of rooms within one-half mile of the PBCCC. Current plans for the Hilton expansion call for added rooms across a street in a separate tower, a configuration that is non-traditional in the industry.
- **A new headquarter hotel in the range of 600 rooms would help address both the desired single property inventory, and would begin to address overall area room count needs. A recent study by HVS also concluded that a headquarter hotel with 600 rooms would be appropriate to support the Palm Beach County Convention Center. At the same time, the realities of privately funding a single large hotel of his size can be challenging.**

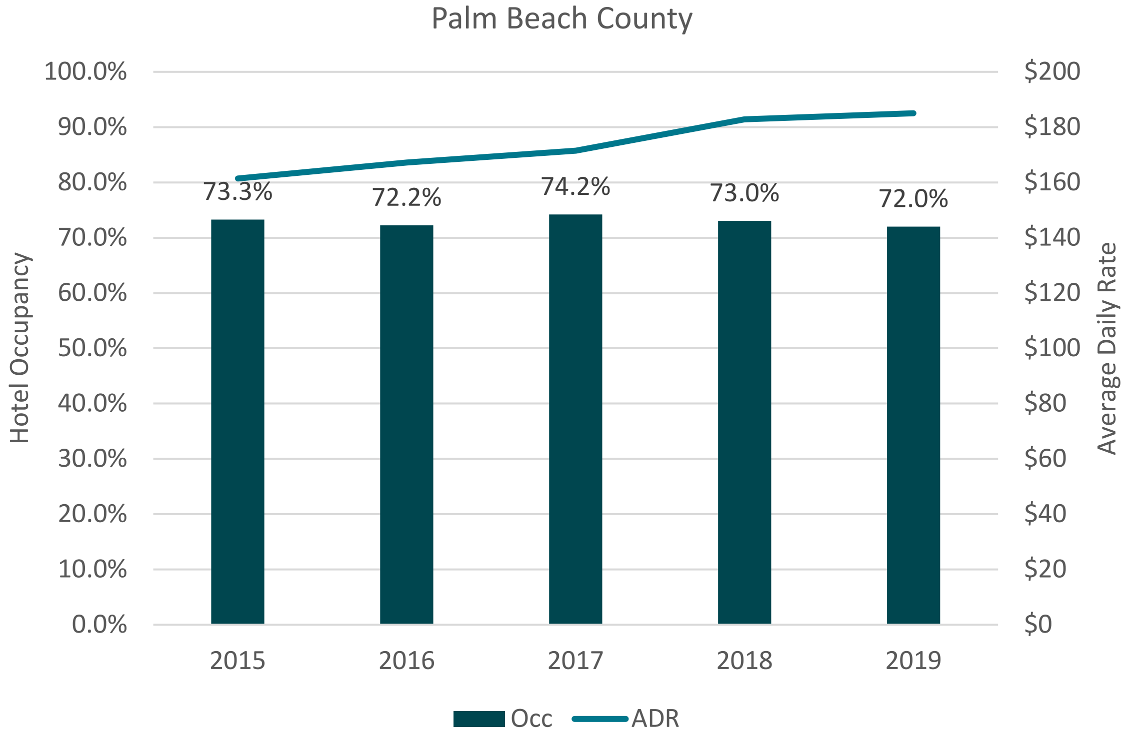
As previously noted, our analysis focuses on the hotel product that is most advantageous to attracting large city-wide events, and does not focus directly on private sector return on investment conditions.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Annual Occupancy and ADR

The average calendar year hotel room occupancy percentages in Palm Beach County have remained generally stable over the past four years, approximating 81 percent for the downtown/airport area, and 73 percent on an overall County-wide basis. Average daily rate (ADR) has increased steadily over the past four years, reaching $153 for the downtown/airport area, and $185 for the County as a whole. Average rates in season can exceed $200 for the downtown/airport hotels, which represent the primary base of properties supporting the PBCCC. While the high average seasonal rates are desirable for both hotel profitability and public sector tax collections, these conditions constitute a challenge for booking large non-local events.

This condition is not likely to change, even with added hotel room inventory. Like many other markets, the constraint represented by high seasonal rates should be built in to projections of future city-wide event potential, and marketing efforts should continue to target (1) events in season with an ability to absorb high rates, and (2) events that are held in shoulder periods and off season.

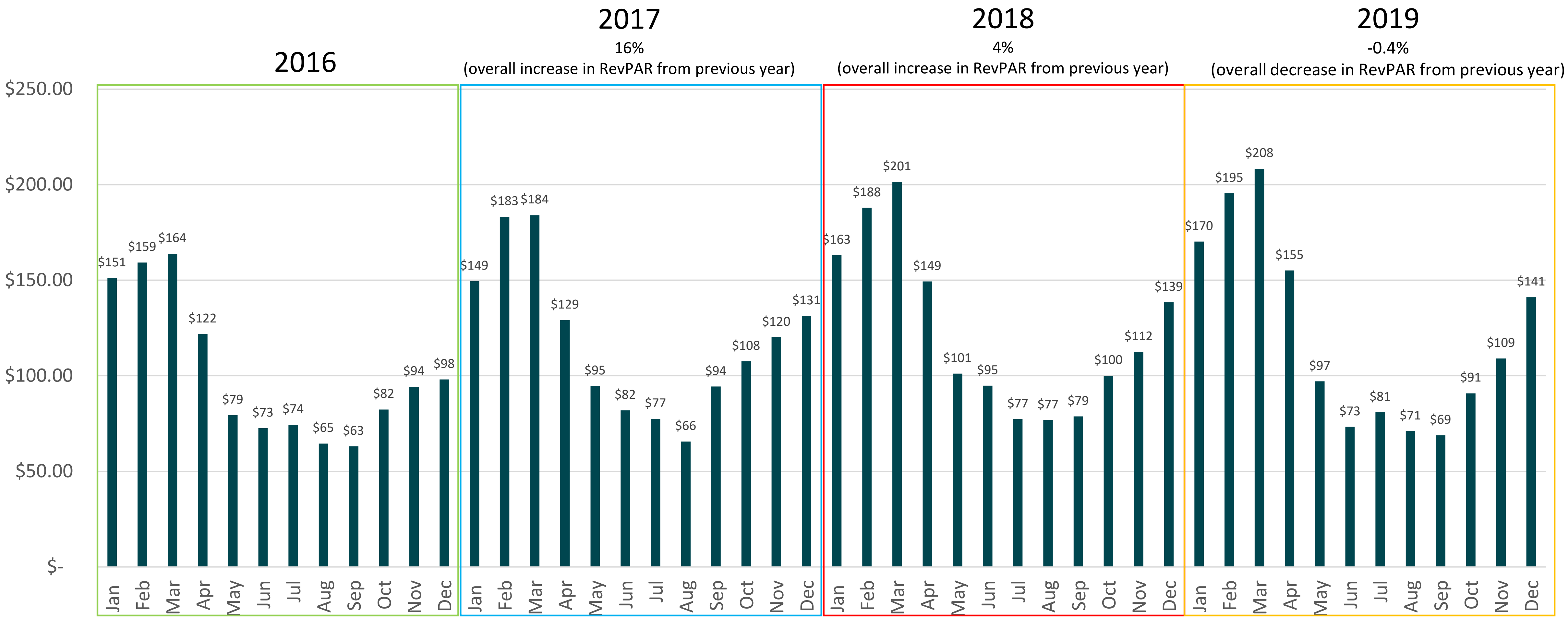




Sources: Discover The Palm Beaches, 2019.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: RevPAR by Month

Further exploring the seasonality conditions of the Palm Beach airport/downtown hotel market, the following chart presents revenue per available room (RevPAR) for airport/downtown hotels for the past 48 months. The data show both a steady increase in RevPAR on a year over year basis, and the significant seasonality patterns in which the off season RevPAR, typically in August or September, is only 37 percent of the peak monthly RevPAR, typically in March. There was a slight decrease in RevPAR of 0.4 percent between 2018 and 2019.



Sources: Discover The Palm Beaches, 2019.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Lost Business Due to Hotel Issues

Discover the Palm Beaches maintains significant data with respect to events that have considered booking in Palm Beach County, including the PBCCC, but have ultimately booked elsewhere. Every market will experience lost bookings, with variances in the reasons for the losses depending on unique market conditions.

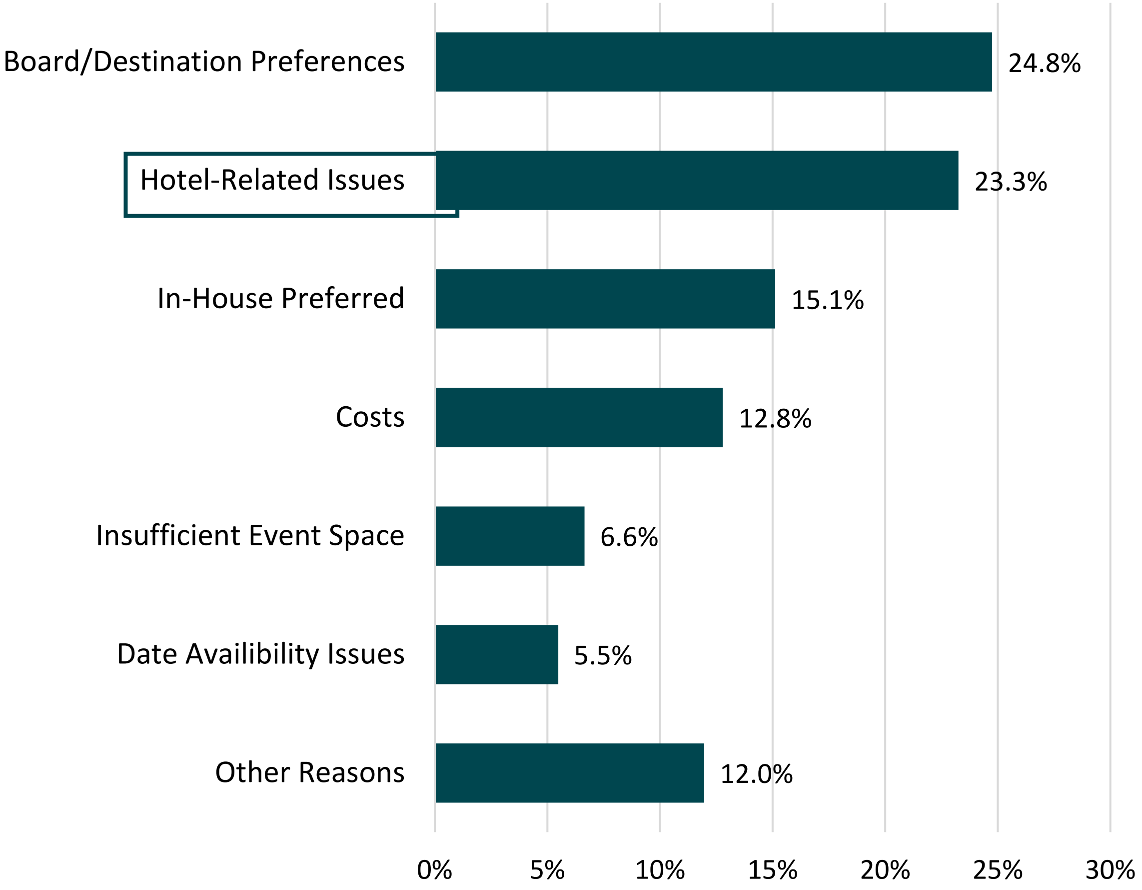
The chart to the right summarizes the reasons that planners of events that were to take place between 2015 and 2026 ultimately passed on the opportunity to host their events at the PBCCC. As is often the case, the most frequent reason for losing a booking relates to a board decision to choose an alternate destination, with limited elaboration as to the specific set of reasons why. For Palm Beach County, the second most common reason for lost bookings relates to hotel conditions. Specific hotel concerns included:

- Not sufficient headquarter hotel inventory
- Unacceptable room block
- Hotel dates not available
- Insufficient hotels near Center
- High room rates

Planners that noted "in-house preferred" are referencing smaller events that they feel are better suited for single hotel properties. **As previously noted, the generally decreasing room blocks available to PBCCC events has pushed the marketing of the Center towards smaller events that tend to consider large convention hotels.**

Our detailed phone interviews with planners that have hosted major events at the PBCCC reinforce the prominence of hotel inventory as a significant destination challenge.

2015-2026 Lost Events
by Reasons for Losing



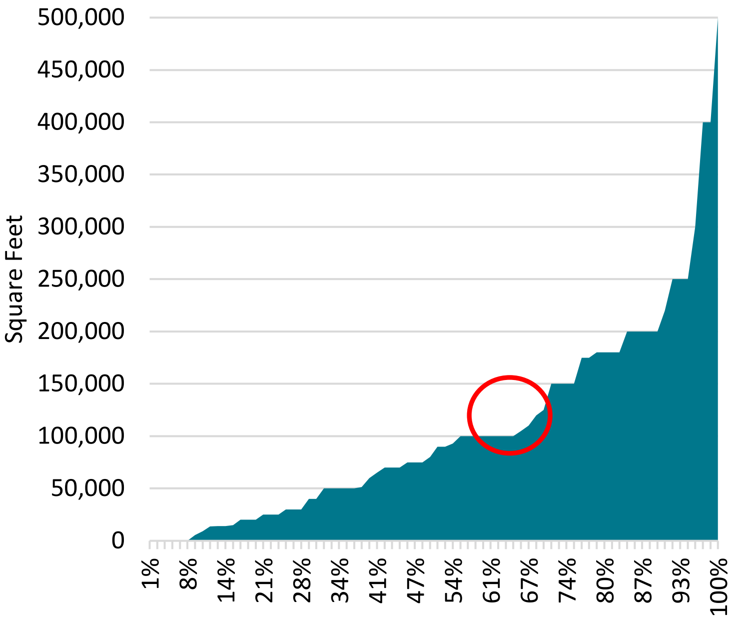
Sources: Discover The Palm Beaches, 2019.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Market Capture Analysis

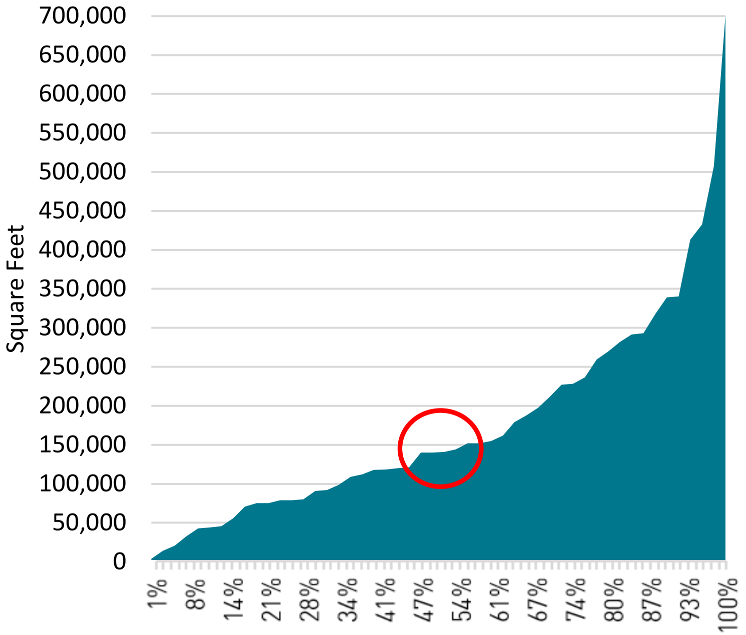
The market capture data included in these charts were generated from surveys of 76 event planners of rotating national conventions and tradeshows. These data highlight the share of market captured with various event space capacities, as well as the share captured with various peak hotel room blocks. As shown in the chart on the left, PBCCC exhibit space can accommodate the requirements of approximately 64 percent of the national event market with an interest in Palm Beach County as an event destination. An expanded exhibit hall of 200,000 square feet could accommodate approximately 89 percent of the market. As shown in the chart in the middle, the building's total sellable space (exhibit, meeting and ballroom space) has the capacity to accommodate 46 percent of the national event market, with an approximate 90 percent capture achieved at approximately 340,000 square feet of sellable space.

The more limiting factor relates to hotel inventory. PBCCC's previously discussed peak room block of 600 accommodates only 21 percent of the market unique to Palm Beach County, dropping to 13 percent with a peak room block of 400 rooms. **To accommodate approximately 64 percent of the national market (a percentage similar to existing exhibit space capture), peak room blocks would need to total approximately 1,500. Achieving a peak room block of 2,000 would allow for market capture of approximately 80 percent, potentially supporting exhibit hall space closer to 200,000 square feet. These data strongly suggest that addressing the hotel inventory shortage is a necessary first step to be taken, prior to investing in a significant expansion of PBCCC event space.**

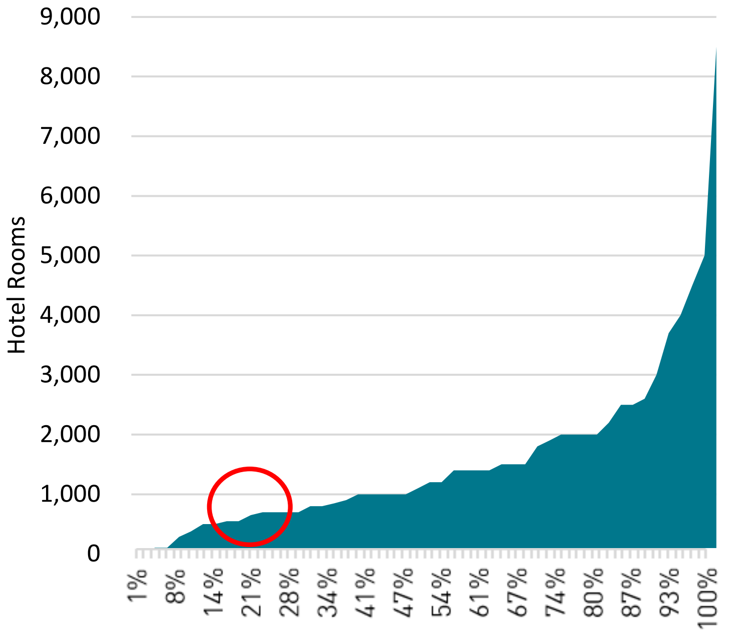
Total Exhibit Space



Total Sellable Space



Peak Hotel Rooms



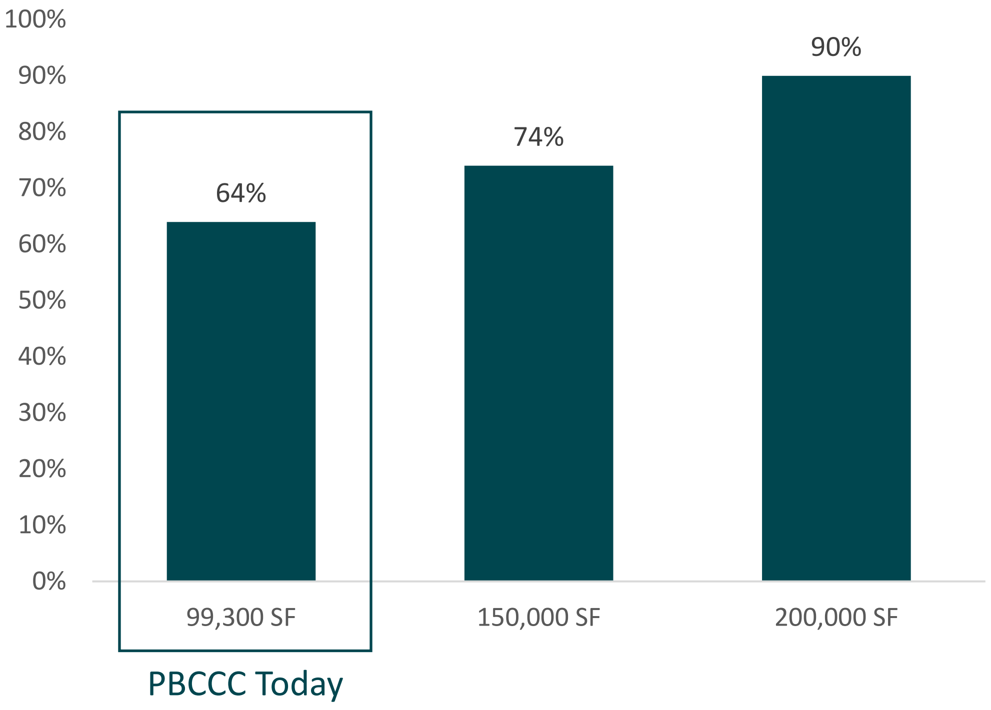
Source: CSL National Survey, 2019.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Market Capture Analysis

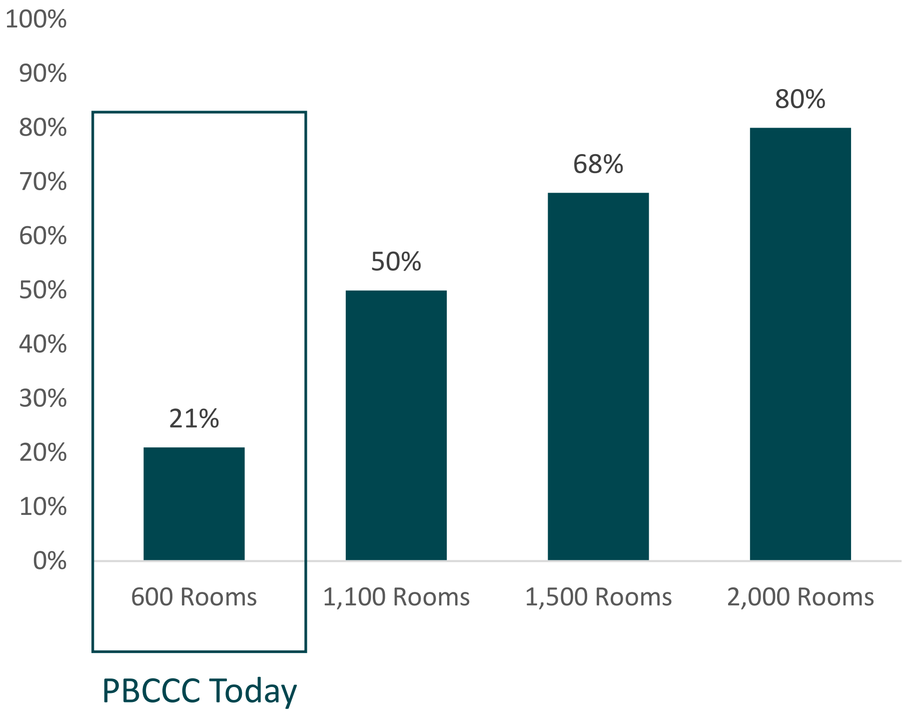
The market demand data presented on the previous page has been used to create tiers of market capture at various exhibit space and peak hotel room block levels. As noted in the chart to the left, the current PBCCC exhibit space can accommodate approximately 64 percent of the national market. This increases to 90 percent with a 200,000 square foot hall. **The current PBCCC peak room block can accommodate approximately 21 percent of the national event market, increasing to 50 percent with a block of 1,100 rooms, 68 percent with 1,500 rooms, and 80 percent with a block of 2,000 rooms.**

We use these data to identify a convention space and hotel development timing priority, as presented on the following pages.

Market Capture by Exhibit Space (based on survey results)



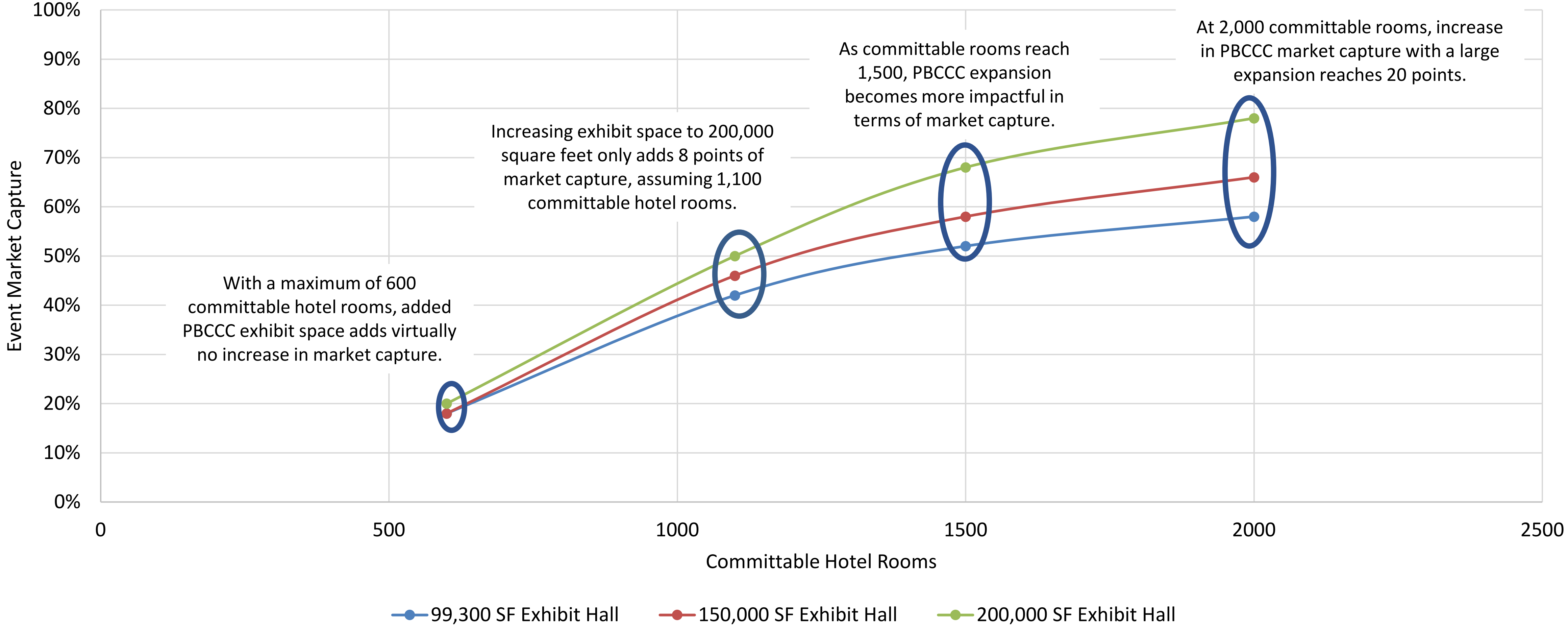
Market Capture by Committable* Hotel Rooms (based on survey results)



* - Signifies committable room inventory to support PBCCC events within or near a ½-mile radius.
Source: CSL National Survey, 2019.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Market Capture Analysis

We have also developed a market share capture analysis that considers the limitations of both existing exhibit space and hotel inventory. As shown in the exhibit below, the success of any future PBCCC expansion is directly dependent on increasing committable hotel room inventory proximate to the Center. Without the added hotel inventory, increases in convention and tradeshow market capture with PBCCC expansion are very limited.



With a maximum of 600 committable hotel rooms, added PBCCC exhibit space adds virtually no increase in market capture.

Increasing exhibit space to 200,000 square feet only adds 8 points of market capture, assuming 1,100 committable hotel rooms.

As committable rooms reach 1,500, PBCCC expansion becomes more impactful in terms of market capture.

At 2,000 committable rooms, increase in PBCCC market capture with a large expansion reaches 20 points.

Source: CSL National Survey, 2019.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Market Capture Analysis

Convention Product Market Capture

		Exhibit Space Square Footage		
		99,300	150,000	200,000
Committable Hotel Rooms	600	18%	18%	20%
	1,100	**42%**	46%	50%
	1,500	**52%**	58%	**68%**
	2,000	58%	66%	**78%**

The analysis presented on this slide again considers the market capture from *both* an exhibit space and peak hotel room perspective. The market capture data are used to create a framework for determining the order of sequence for investment in committable hotel and PBCCC expansion space.

For example, with a constraint of 99,300 square feet of exhibit space *and* 600 peak hotel rooms, only 18 percent of the national market with an interest in Palm Beach County as a host site can be accommodated. **Adding approximately 50,000 square feet, or even 100,000 square feet of exhibit space while maintaining 600 committable rooms creates virtually no increase in market capture. However, by providing 1,100 committable hotel rooms, the combined market capture (assuming no added exhibit space) more than doubles to 42 percent.**

Once 1,500 committable rooms are available, market capture reaches 52 percent with the existing exhibit space of 99,300 square feet. This should represent a target for added room inventory prior to initiating a significant PBCCC exhibit space expansion.

Added market capture is then more effectively gained by expanding PBCCC expansion space, reaching 68 percent with 1,500 peak rooms and 200,000 square feet of exhibit space. We note that to effectively leverage a 200,000 square foot exhibit hall, closer to 2,000 peak rooms would be ideal, allowing for a capture of 78 percent. Actual PBCCC expansion at this point should again be reviewed in terms of supporting market demand. On the following page, a set of potential future PBCCC and hotel inventory development scenarios are defined.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Market Capture Analysis

There are numerous scenarios under which approximately 1,500 committable rooms proximate to the PBCCC could be achieved. Generally, we could assume that 600 committable rooms within one-half mile of the PBCCC are combined with 200 of the rooms being developed just outside of the one-half mile radius. This requires that an added 700 committable rooms available within one-half mile of the PBCCC. Hotel development scenarios to achieve an added 700 committable rooms could include:

- A new 600 room headquarter hotel is developed with a room block agreement securing 500 committable rooms, and 400 additional rooms are developed that provide an added 200 committable rooms.
- A 250-room expansion of the Hilton providing 200 committable rooms combined with an added 1,000 rooms over time in 4 properties that provide 500 committable rooms. The higher needed room count under this scenario reflects lower committability from non-headquarter properties. The resulting block is assembled in eight properties, with the higher property count reducing the desirability of the block from an event planner perspective. If this options is pursued, consideration should be given to reopening discussion of the existing room block agreement with the goal of creating a more consistent ability to secure blocks for large PBCCC events.

We note that while the County can influence the development of future headquarter hotel inventory, market factors will determine future timing for any other hotel development within one-half mile of the PBCCC.

Scenarios for Reaching 1,500 Committable Rooms

	Total	Committable
Rooms in 1/2 Mile	1,220	600
Target Added Rooms	1,000	700
Rooms outside 1/2 Mile (1)	500	200
		1,500

Scenario 1:
- HQ Hotel: 600 total, 500 committable rooms
- Other: 400 total in 2 properties, 200 committable

Scenario 2:
- Expanded Hilton: 250 total, 200 committable rooms
- Other: 1,000 total in 4 properties, 500 committable

(1) Resort and other properties outside 1/2 mile of PBCCC.

3. HOTEL AVAILABILITY & FUTURE REQUIREMENTS: Development Timeline

We have prepared a potential timeline for future convention industry development for Palm Beach County, centered around first addressing needed hotel inventory. To the far left, the existing hotel conditions surrounding the PBCCC and associated market capture data are presented. **Market research clearly suggests that added hotel room inventory should be a priority, ideally including an added headquarter hotel. We recommend targeting 2024 to have secured needed hotel inventory.** At some point in time, potentially starting in 2025, a significant expansion of PBCCC space could be undertaken (assuming market demand exists), potentially reaching 200,000 square feet of exhibit space. An expansion of this size would benefit from continued increases in committable hotel room inventory, ideally reaching 2,000 rooms. We recommend 2030 as a potential target for fully developing PBCCC space and supporting hotel inventory.

2020 (Today)

- 99,300 sf of exhibit space
- 400 to 600 committable hotel rooms
- 18 percent convention product market capture

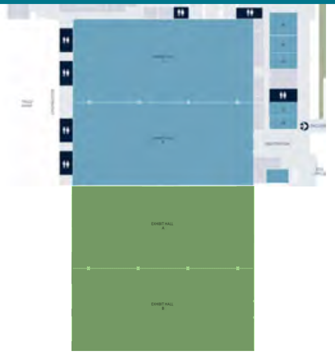
Exhibit space market capture of 64 percent reduced to 18 percent due to committable hotel room deficiencies.

2024

- 99,300 sf of exhibit space
- 1,500 committable hotel rooms
- 52 percent convention product market capture

Scenarios for achieving added rooms include (1) a new HQ hotel property offering ~600 rooms with a room block agreement (RBA), plus 400 hotel rooms between 2-3 new properties; or (2) added 250 rooms at the Hilton plus 1,000 rooms in several other area properties. The larger HQ hotel scenario with a RBA requires fewer overall rooms given higher committability percentages.

Future PBCCC Exhibit Hall



Post 2024

- 150,000 to 200,000 sf of exhibit space
- 1,500 committable hotel rooms
- 58 to 68 percent convention product market capture

Once sufficient hotel room inventory is achieved, 50,000 to 100,000-square foot expansion of exhibit space is completed.

2030 and Beyond

- 150,000 to 200,000 sf of exhibit space
- 2,000 committable hotel rooms
- 66 to 78 percent convention product market capture

Gradual addition of 500 new committable hotel rooms (900 to 1,000 total rooms), helping to support a hall of 200,000 square feet.

4. DEMAND GENERATORS/SOURCE OF BUSINESS

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Introduction

Past operating data for the PBCCC can provide one indication as to the ability of the existing space to accommodate potential market demand, pressure points within the space that may be limiting market capture, and indications as to the need for added space.

These data can also expose limitations to convention industry product, desirability of the event mix, room night generation and areas of potential excess capacity that could be leveraged in the future for added event activity.

We have reviewed the historical operating performance of the PBCCC, focusing on the following key metrics:

- Event Levels
- Exhibit Space Occupancy
- Ballroom Space Occupancy
- Seasonality
- Attendance
- Room Nights
- Event Revenue

Within the remainder of this section, historical data for the PBCCC in each of these areas is presented. In addition, comparable market data, market demand research, and existing event reporting including the Trends, Analysis and Projections (TAP) Reports are used to develop estimates of future PBCCC event use under recommended space and hotel investment scenarios.

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Definition of Event Types

We begin with an overview of the various types of event activity that has occurred at the Palm Beach County Convention Center since 2015. As shown, we have segmented events into five general categories: Convention/Trade, Conference, Consumer Show, Meeting, and Banquet. The attendance, hotel room night generation, and facility revenues (inclusive of facility rental, food & beverage, and other service revenues) associated with each type of event varies widely. Convention/Trade events generate the highest revenue and room night totals on a per event basis, while conferences generate a high room night and revenue per attendee.

Convention, trade and conference activity receive preference in booking longer term dates at the PBCCC due to their room night and community economic impact generation potential. At the same time, many important community events are also accommodated at the PBCCC. In particular, public consumer shows draw the highest attendance from the local area, while banquets and meetings serve an important community function. The remainder of this section includes an analysis of event levels, attendance and occupancy levels associated with these various event types for the period spanning 2015 through 2019. Note that all analyses summarize calendar years.

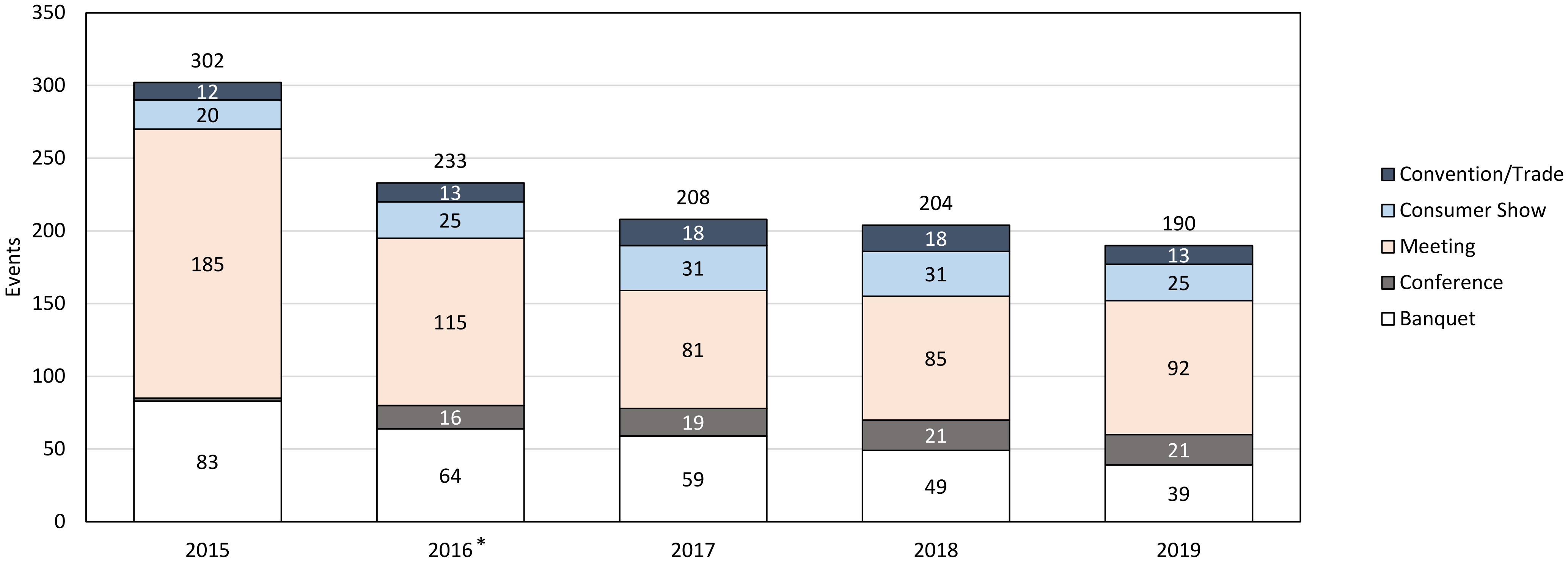
Event Type	Description	Average Attendance per Event	Average Room Nights per Event	Average Revenues per Event
Convention/Trade	Large conventions and tradeshows, often featuring exhibits and generating significant room nights and PBCCC revenue. A majority of attendance comes from outside of the market, and as a result events in this segment tend to generate significant economic impact , room nights and tax revenue for the community.	1,100	1,200	$152,100
Conference	Larger meeting functions with limited exhibit space use, relatively high room night generation and significant PBCCC revenues per event. A majority of attendance comes from outside of the market, making it a highly impactful event segment. Segment includes a substantial number of corporate-organized events.	540	970	$100,900
Consumer Show	Public-oriented flat floor shows with significant attendance levels but more moderate revenues and hotel room generation relative to Convention/Trade and Conference events. A significant majority of attendance comes from the local area, making them less impactful on the area economy.	2,700	110	$58,400
Meeting	Smaller single day meetings, with limited food and beverage spend. Local vs. non-local attendance varies by event, but no hotel room nights are generated due to single day length.	350	0	$11,800
Banquet	Single-day food and beverage functions that mainly attract local attendees.	380	0	$22,000

Note: Average figures for revenues derived from event activity spanning calendar year 2015 through 2019.
Average figures for attendance and room nights derived from event activity spanning calendar year 2018 through 2019.
Sources: PBCCC; CSL International, 2019.

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Event Levels by Type

Overall event activity has decreased each year since 2015, though this is mainly attributable to a continuing decrease in events with minimal attendance and hotel room night generation such as Meetings and Banquets. Highly impactful Convention/Trade events increased from 12 in 2015 to 18 in 2017 and 2018, and Conferences (which average just under 1,000 hotel room nights per event) have increased from 2 to 16 between 2015 and 2016, ranging from 19 to 21 between 2017 and 2019. Conventions are experiencing a drop in 2019, largely due to declining available room blocks for city-wide events.

These data reflect a change in business development strategy and model for the PBCCC since the advent of the Hilton West Palm Beach which opened in 2016. The building has become less of a rental facility for small Meetings and Banquets, and more of a destination for large Convention/Trade and Conference events with more significant associated revenues and economic impact.



* - Hilton West Palm Beach opened in January of 2016, creating a significant positive impact on the PBCCC's event mix.
Sources: PBCCC; CSL International, 2019

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Revenue by Event Type

It is also important to consider the associated impact of PBCCC event activity with respect to facility revenue. The chart below summarizes the revenues associated with each event type, combining their venue rental, food & beverage, and other event service expenditures. Since 2016, Convention/Trade events have generated the most revenues for the building (approximately 29 percent of event-related revenues per year), followed by Conferences (24 percent), and Consumer Shows (19 percent). The total revenues generated by Conference events exceeded those associated with Convention/Trade events for the first time in 2019.

As discussed, there has been a noted shift in the PBCCC's event mix since 2015, with Conferences becoming a more substantial portion of event activity. As this shift has taken place, the rental, food and beverage and other revenue for the PBCCC from Conference and Convention/Trade events has increased significantly starting in 2017 and 2019. The high level of non-local convention activity also has positive PBCCC revenue implications. The slight decrease in gross revenue from 2018 to 2019 was largely due to the shortage in quantity of Convention/Trade events as a result of room block assembly challenges.

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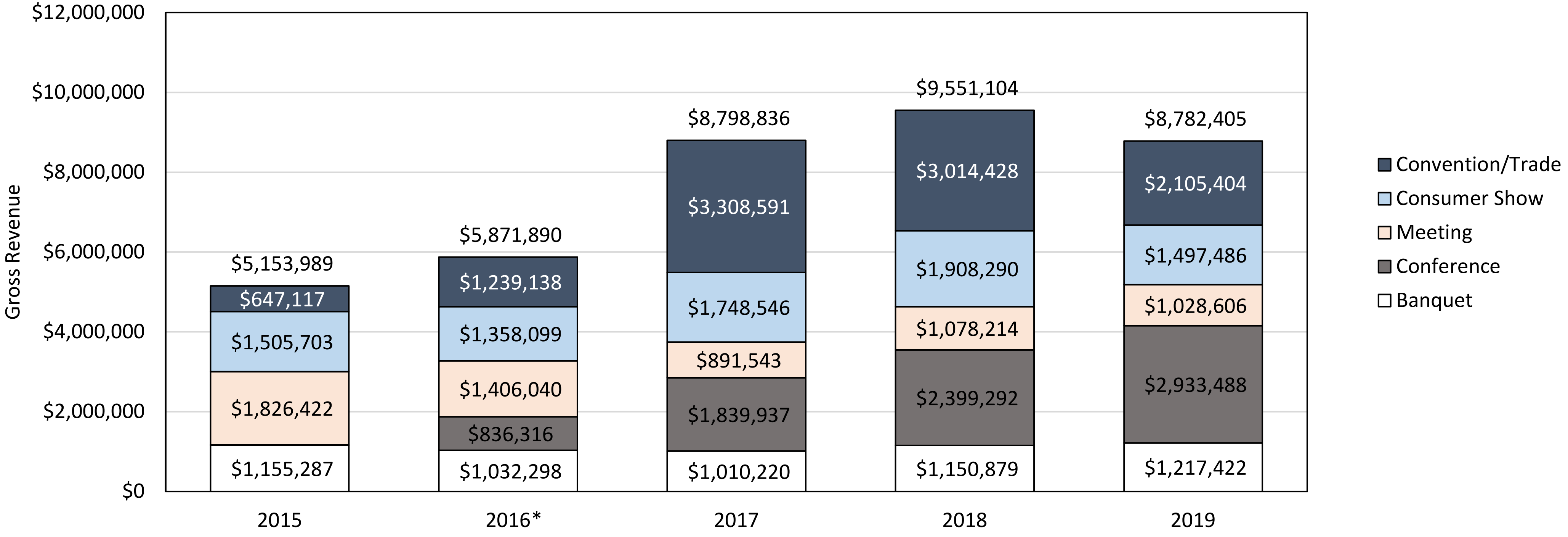
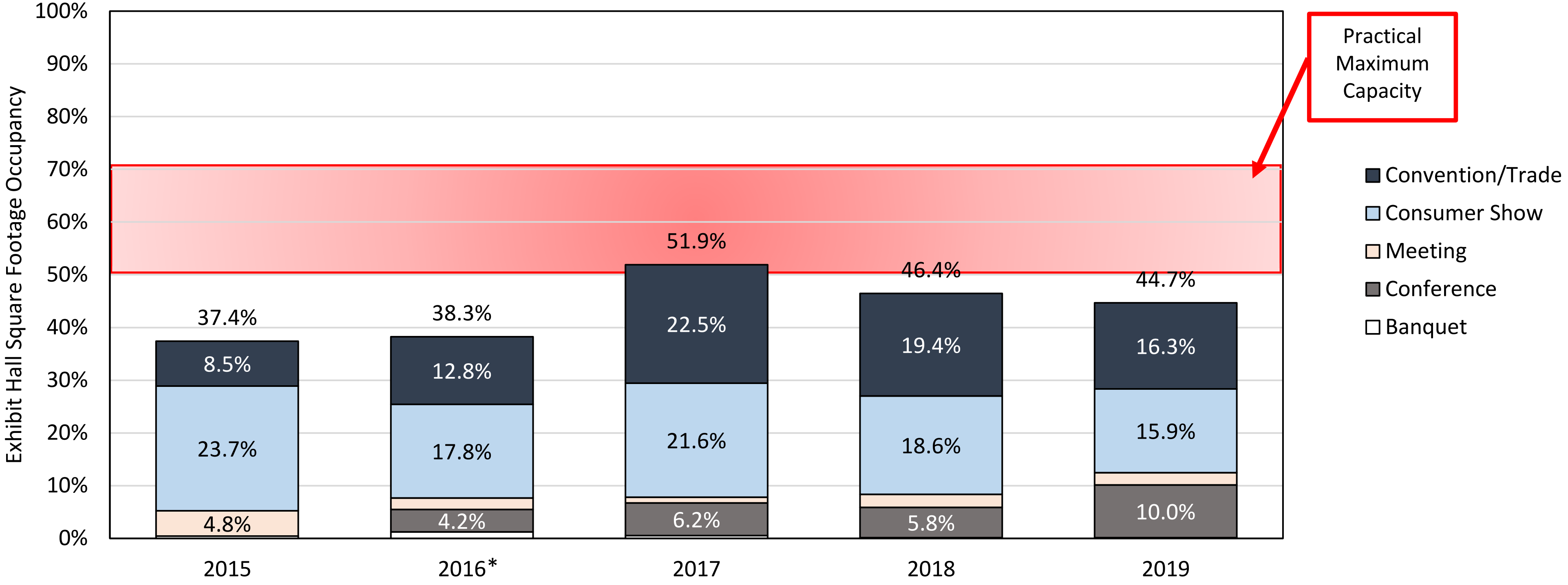


* - Hilton West Palm Beach opened in January of 2016, creating a significant positive impact on the PBCCC's event mix.
Sources: PBCCC; CSL International, 2019

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Exhibit Space Occupancy by Type

The following chart presents the occupancy percentages for the PBCCC Exhibit Hall, segmented by event type for the five-year period spanning 2015 through 2019. The occupancy of a facility is determined to be within a practical maximum capacity range when the actual occupied space in a facility reaches a level of 50 percent of total sellable capacity. Above 70 percent occupancy, a facility has exceeded "practical maximum capacity" and may be turning away significant business. These assumptions account for the reality that a portion of the facility's total capacity is un-sellable due to holidays, maintenance days and inherent booking inefficiencies that result when events cannot be scheduled immediately back-to-back.

As shown, Exhibit Hall occupancy has generally grown since the addition of the Hilton in 2016, largely due to the increase in Conference activity, but has reached 50 percent occupancy in only one of the years reviewed (2017). Occupancy from event segments other than conferences has declined each of the past two years, partly due to capital improvement projects that were occurring during the summers of 2018 and 2019. These data do not suggest a near-term need for additional exhibit space to maintain and grow the building's base of exhibit space users, and other product investments (including additional hotel inventory) could be made in order to increase occupancy levels.

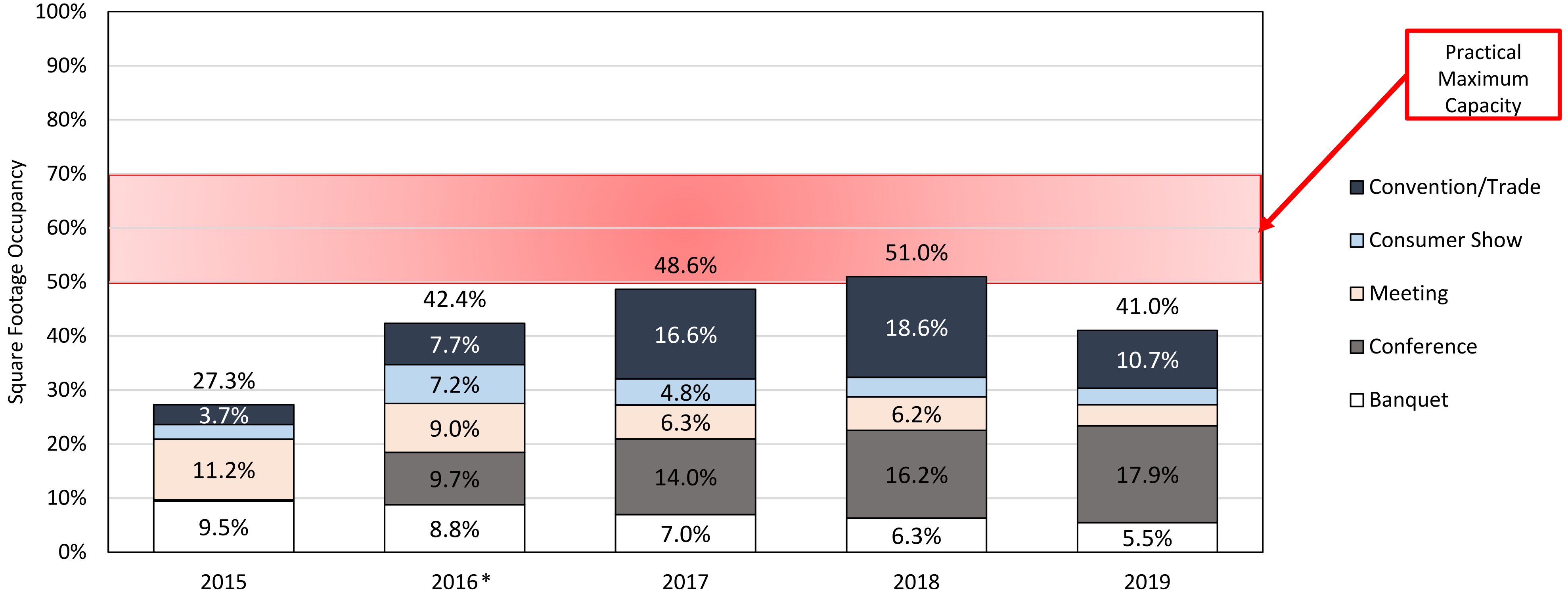


* - Hilton West Palm Beach opened in January of 2016, creating a significant positive impact on the PBCCC's event mix.
Sources: PBCCC; CSL International, 2019

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Ballroom Occupancy by Type

We have also reviewed the occupancy of the Palm Beach County Convention Center's Ballroom, which features 22,000 square feet of carpeted event space. Ballroom space usage increased by over 15 percentage points between 2015 and 2016 due to the jump in Conference events, and overall utilization continued to climb to 51 percent in 2018. Utilization in 2019 dipped to 41 percent largely due to the previously discussed hotel room-related drop in Convention/Trade events. The ballroom space can often attract very short term bookings which will impact occupancy. Economically impactful Convention/Trade and Conference events often demand extensive use of large, contiguous and carpeted spaces to host general sessions and/or meal functions, and as such typically represent a majority of ballroom space usage at the PBCCC.

While these figures do not warrant a near-term expansion of ballroom space to maintain or accommodate greater market share, any future exhibit space expansion should be accompanied by expanded ballroom capacity. **It will be important to monitor customer needs and ongoing industry trends as they relate to demand for large multipurpose spaces that can be used as both ballroom and exhibit spaces.** Also, this report previously noted that if new headquarter hotel development is partnered with use of existing PBCCC ballroom space, a nearer term addition of PBCCC flex space would be warranted.



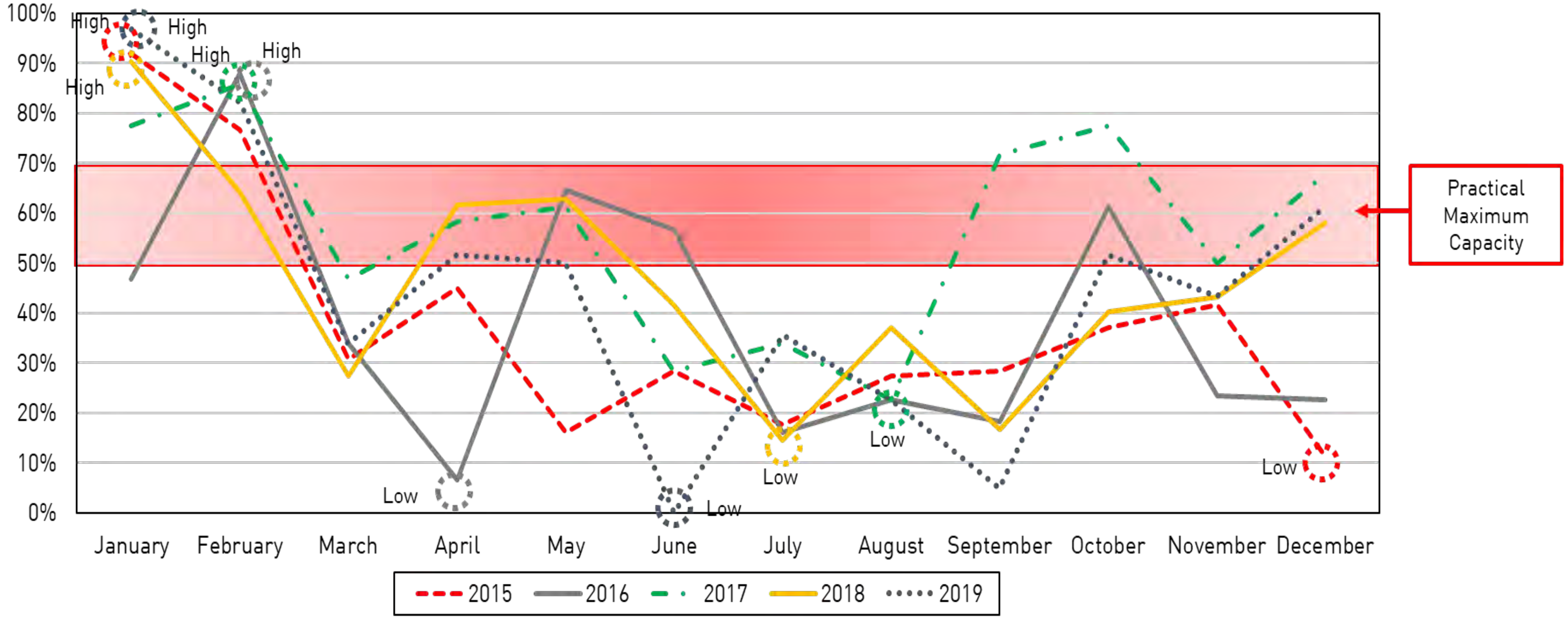
* - Hilton West Palm Beach opened in January of 2016, creating a significant positive impact on the PBCCC's event mix.
Sources: PBCCC; CSL International, 2019

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Monthly Occupancy

It is often useful to review seasonality patterns as they relate to facility utilization. As shown in the exhibit below, the Exhibit Hall typically experiences peak occupancy in January or February, largely driven by large consumer shows. Peak season typically occurs during January and February, with Exhibit Hall occupancy generally running over 70 percent during this period, and occasionally exceeding 90 percent. Much of this utilization can be attributed to Art Palm Beach and Palm Beach Jewelry and Antique, two 10+ day Consumer Shows that occur in January and February, respectively. However, higher impact Convention/Trade and Conference events can be challenging to retain during this period. With the relatively high seasonal room rates during this period, it can be difficult for Discover The Palm Beaches sales representatives to assemble the needed hotel block to accommodate large PBCCC exhibit space users.

Lowest monthly usage typically occurs during the summer months, periods during which high temperatures, threat of hurricanes, and somewhat lower national convention and tradeshow demand impact occupancy, particularly in August. It is important to again note that occupancy levels in the summers of 2018 and 2019 were further lowered due to substantial capital improvement projects that were occurring during those months.

PBCCC Exhibit Hall – Square Footage Occupancy by Month

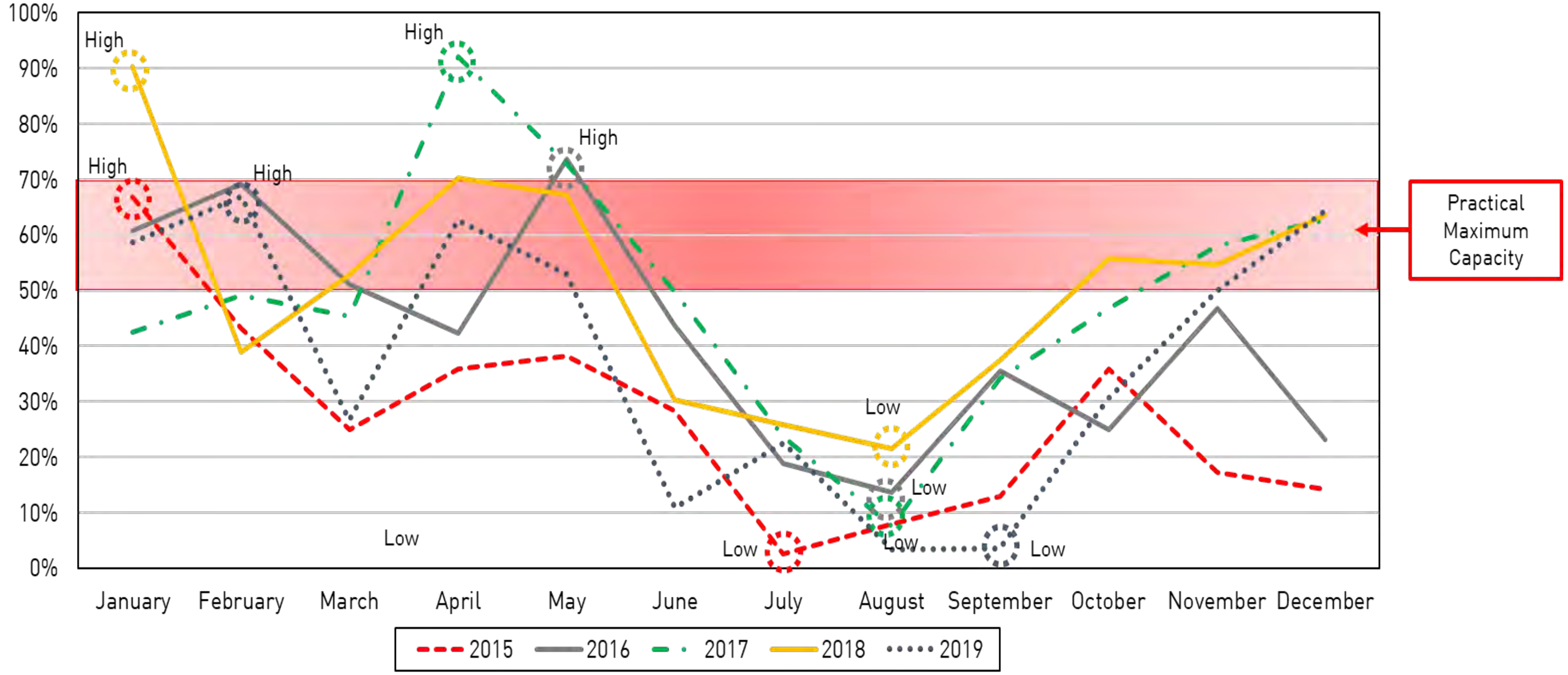


Sources: PBCCC; CSL International, 2019

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Monthly Occupancy

The exhibit below summarizes monthly utilization of the PBCCC's Ballroom. Square footage occupancy has generally been more variable than that of the Exhibit Hall, with the month of peak usage changing each year. As shown, square footage occupancy levels of both the Ballroom and Exhibit Hall are highly seasonal and typically drop considerably during the period spanning June through September. The following page provides further analyses and key findings associated with this issue.

PBCCC Ballroom – Square Footage Occupancy by Month



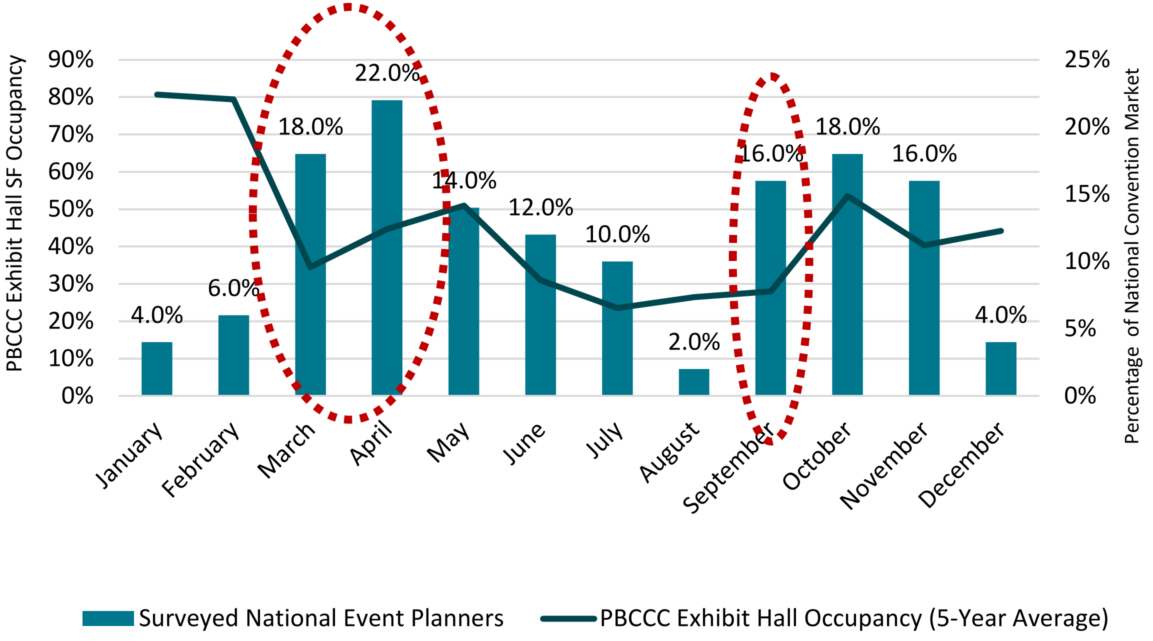
Sources: PBCCC; CSL International, 2019

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Seasonality Analysis

CSL surveyed national event planners and asked them to indicate the months during which their events take place. Their responses are summarized in the bar chart below. The average monthly occupancy levels of the PBCCC's Exhibit Hall are also included to provide comparative context. As shown, the months of March and April are the two busiest convention months among the 76 planners interviewed, both of which represent below-50 percent utilization of the PBCCC Exhibit Hall. Opportunities could exist to attract more events to the PBCCC during these months, though spring training and room block commitment issues in March have made this a challenge in the past. September is also a popular convention month among surveyed event planners, though the uncertainty of hurricane season in Florida negatively impacts the ability to retain events with long-term booking windows.

To summarize opportunities as to the types of events that could be attracted to PBCCC during summer months, a listing of MINT-registered events that occur in other warm weather destinations during the summer is shown to the right. We note that many of these events are price sensitive, making them difficult to attract without the competitive room rates typically available during the summer months.

PBCCC Monthly Exhibit Hall Occupancy vs. Surveyed National Convention Planners



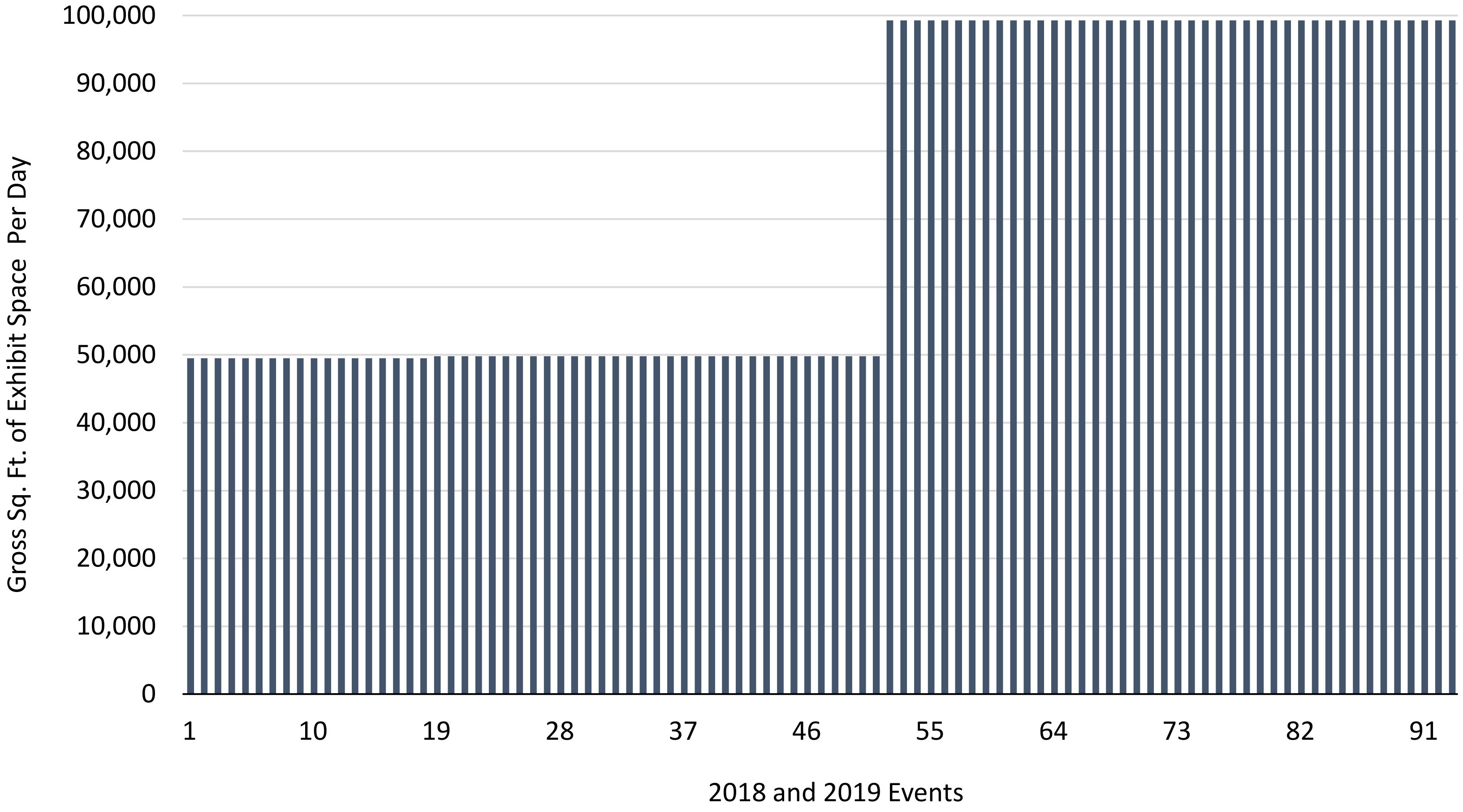
Sources: PBCCC; CSL International, 2019

Examples of Events at Other Warm Destinations During Summer Months

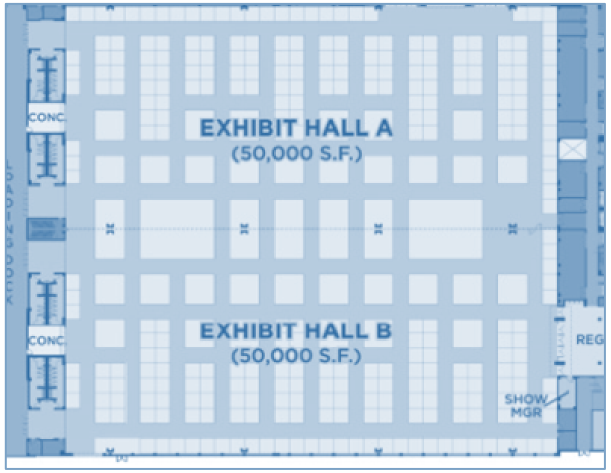
	Market	Event Date	Peak Rooms	Exhibit Space (sf)
National Forensic League National Speech and Debate	Albuquerque, NM	6/13/2020	2,900	49,000
Student and Youth Travel Association Conference	Albuquerque, NM	8/25/2017	675	40,000
National Association of Watch and Clock Collectors	Arlington, TX	6/24/2017	415	63,600
FastSigns International Sales Summit	Arlington, TX	8/13/2018	250	48,600
Team National - Summer Nationals	Fort Lauderdale, FL	7/21/2014	1,360	70,000
Airports Council International - North America	Fort Worth, TX	9/13/2017	988	106,600
American Society of Gene and Cell Therapy	New Orleans, LA	5/12/2015	787	100,000
Association of Two-Way and Dual Language Education	Palm Springs, CA	6/25/2017	563	92,500
Anytime Fitness Waxing The City	Palm Springs, CA	8/30/2017	1,100	92,500
Anchored in Truth Ministries	Phoenix, AZ	6/18/2014	112	30,600
Association of Chamber of Commerce Executives	Savannah, GA	8/8/2016	850	100,000

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Exhibit Space Use Distribution

In order to assess the overall distribution of space needs among past PBCCC events, we have summarized the daily exhibit space usage among the 93 events that utilized the Exhibit Hall between 2018 and 2019. In the exhibit below, the exhibit space use for each event is represented by a separate bar. As shown, 41 of these events utilized the entire Exhibit Hall, while a majority used either only Exhibit Hall A or Exhibit Hall B. The single division of PBCCC exhibit space may be creating inefficiencies, with some events not using all space they reserve in a Hall A, B or A+B configuration. **Future planning for added PBCCC exhibit space sub-divisibility to better allow for multiple overlapping events should be considered.**



PBCCC Exhibit Hall Layout

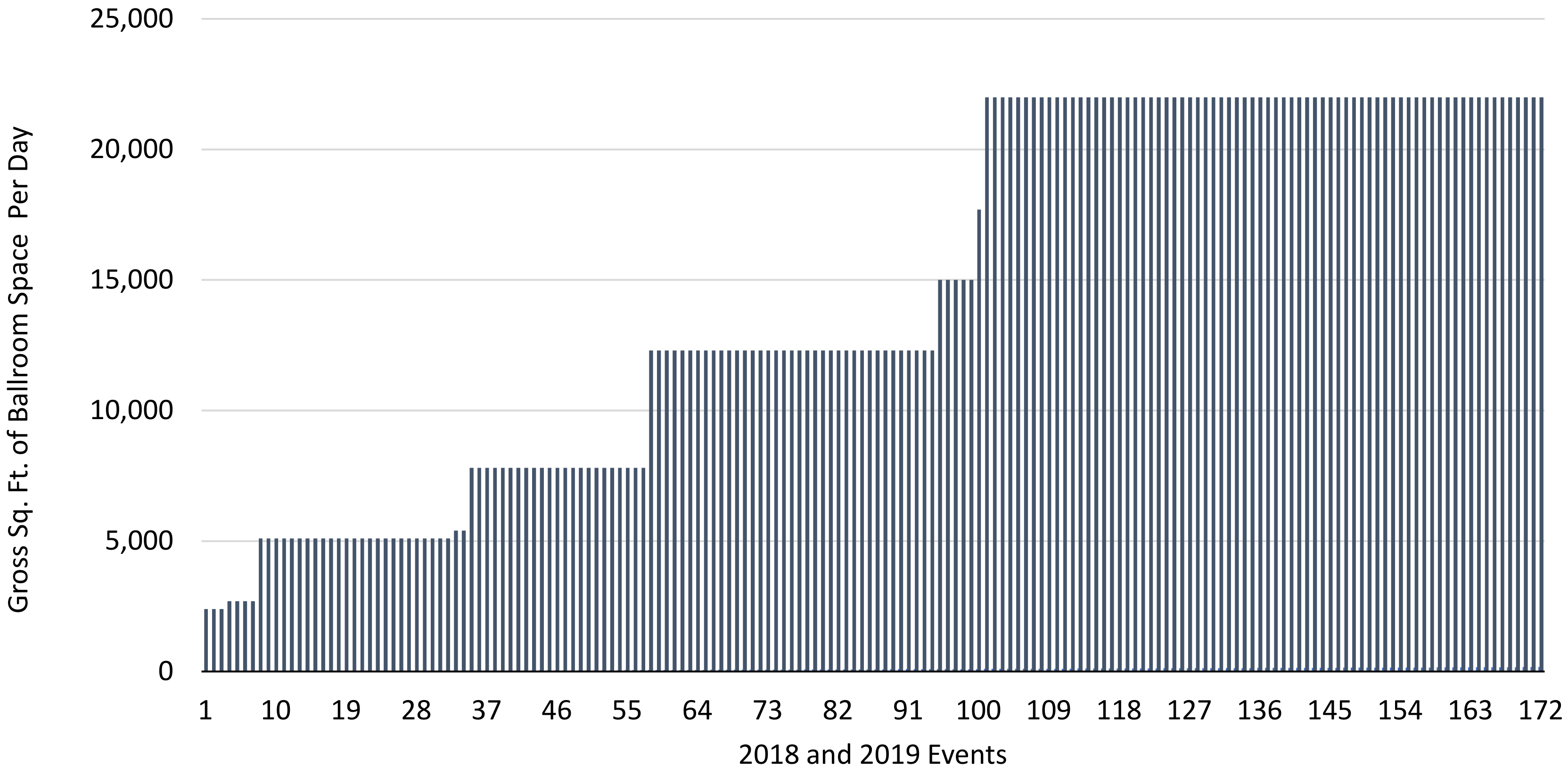


Sources: PBCCC; CSL International, 2019

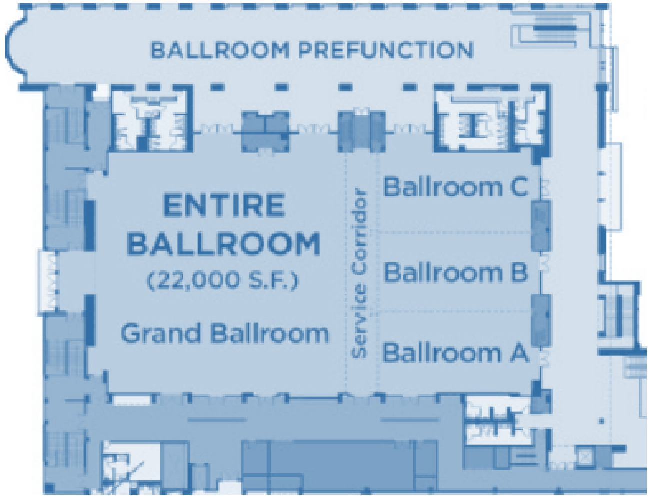
4. DEMAND GENERATORS/SOURCES OF BUSINESS: Ballroom Space Distribution

CSL also analyzed 2018 and 2019 event usage of PBCCC Ballroom space. Over 160 events used at least some portion of the Ballroom during the two year period, and 70 of these utilized the entirety of the 22,000 square feet of space.

Referencing stakeholder comments and event planner feedback, a larger Ballroom may be needed as part of any future PBCCC expansion to accommodate event growth as well as to concurrently host multiple events with moderate to significant ballroom space needs.



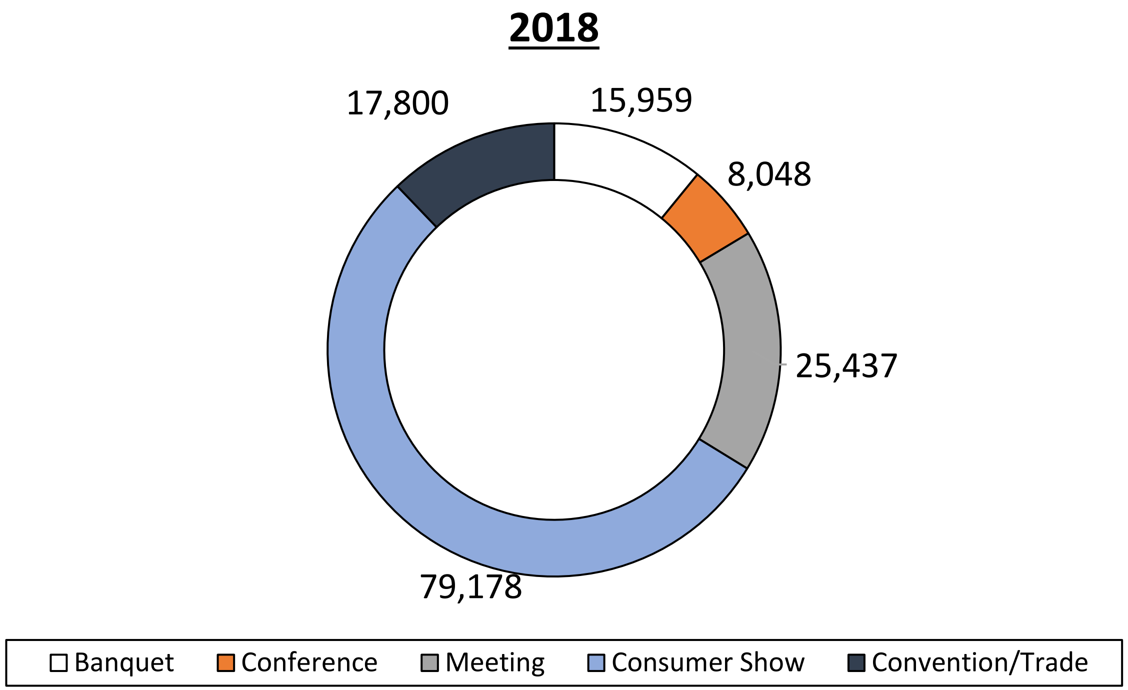
PBCCC Ballroom Layout



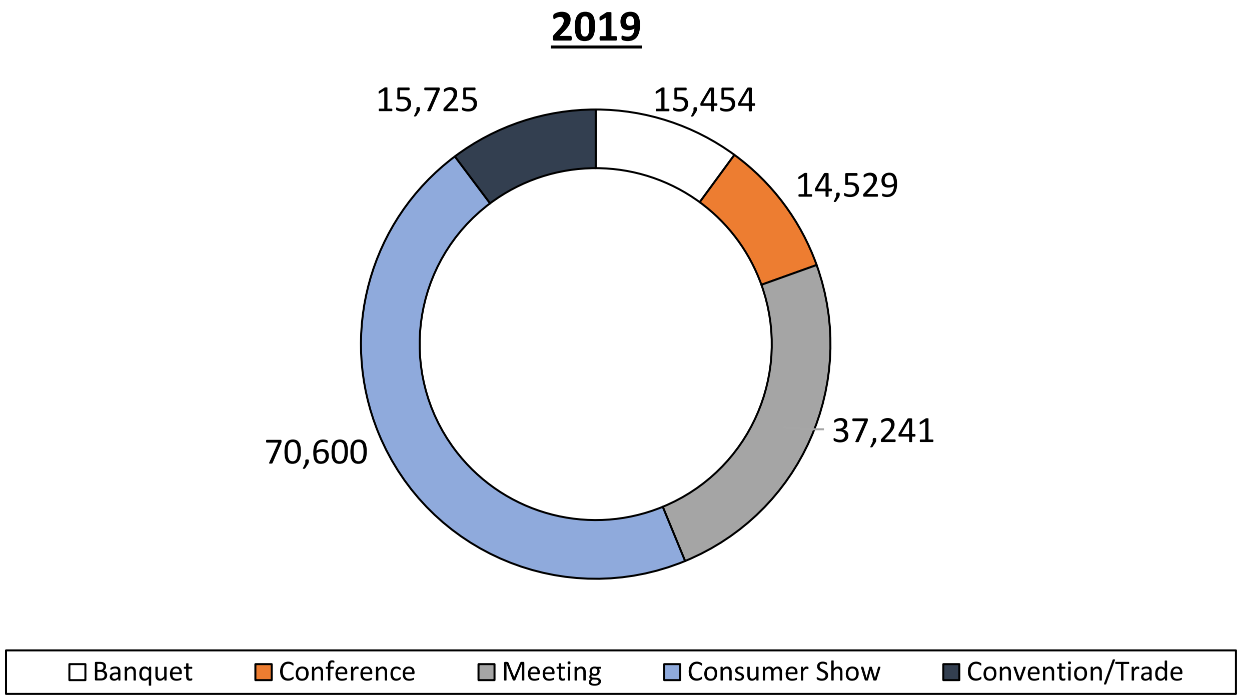
Sources: PBCCC; CSL International, 2019

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Attendance by Event Type

Levels of attendance at PBCCC events remained generally steady between 2018 and 2019. Consumer shows, such as Art Palm Beach and Palm Beach Jewelry, Art & Antique, drove the significant attendance levels for consumer shows for both years. On average between the two years, consumer shows make up approximately half of the PBCCC's overall attendance levels, followed by Meetings (21 percent), Convention/Trade events (11 percent), Banquets (11 percent), and Conferences (8 percent).



Total = 146,422 Attendees



Total = 153,500 Attendees

Note: Consistent attendance data only available for calendar years 2018 and 2019.
Sources: PBCCC; CSL International, 2019

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Event Projections

Based on the analysis presented in this section and throughout the entire Study, we have developed various event estimate models. These focus on two primary PBCCC and hospitality investments scenarios.

1. Headquarter hotel investment, PBCCC improvements and improved hospitality asset connectivity.
2. These investments, plus significant expansion of PBCCC exhibit, meeting and ballroom space.

As noted in the following table, PBCCC event data are presented for banquet, conference, meeting, consumer and convention/trade activity for calendar years 2018 and 2019, along with the average of the two years. We also present the exhibit space occupancy levels for these years, at 46 percent in 2018 and 45 percent in 2019.

We then present estimates of incremental event activity generated through (1) recaptured lost business, (2) industry growth, and (3) events that are competitively taken from other destinations, termed “increased market share”.

Under the headquarter hotel/PBCCC improvement scenario, Banquets and Meetings are assumed to increase by between 9 percent and 13 percent over the two-year average. Meetings are assumed to increase by 13 percent with modest increase in Consumer Shows. Convention/Trade events, highly subject to hotel availability, are assumed to increase by 30 percent. Resulting exhibit space occupancy would reach 56 percent under this scenario.

We have also estimated event increase assuming an eventual significant expansion of PBCCC space. To reach 55 percent occupancy in the expanded exhibit space, meeting and banquet events are assumed to increase between 13 and 15 percent over the two year average, with a more modest increase in consumer shows. Conferences and Convention/Trade events, within significantly more room night generation, would increase by between 37 and 49 percent over the two year average, respectively.

These estimates reflect downward pressure from the significant convention and hospitality investment being made in competitive destinations, and the modest state of average annual industry growth.

	Historical PCC Data			**Incremental Event Potential Assuming Hotel and Short Term PBCCC Enhancements**					**Incremental Event Potential Assuming Extensive Second Phase PBCCC Expansion**				
	2018	2019	Average	Recaptured Lost Events	Industry Growth	Increased Market Share	**Total Incremental**	**Percentage Increase**	Recaptured Lost Events	Industry Growth	Increased Market Share	**Total Incremental**	**Percentage Increase**
Banquet	49	39	44	0.0	1.8	2.0	3.8	9%	0.0	1.8	5.0	6.8	15%
Meeting	85	92	89	0.0	3.6	8.0	11.6	13%	0.0	3.6	8.0	11.6	13%
Conference	21	21	21	1.0	0.9	2.0	3.9	18%	3.0	0.9	4.0	7.9	37%
Consumer Show	31	25	28	0.0	0.0	1.0	1.0	4%	0.0	0.0	3.0	3.0	11%
Convention/Trade	18	13	16	2.0	0.6	2.0	4.6	30%	3.0	0.6	4.0	7.6	49%
Exhibit Occupancy	46%	45%					56%					55%	

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Event Projections

In addition to base case event estimates presented on the previous page which generate 56 percent occupancy for the existing PBCCC with headquarter hotel and other improvements, we have also developed incremental event scenarios that assume PBCCC exhibit space occupancy levels reach 60 percent and 65 percent.

As presented in the following table, to reach 60 percent occupancy with the existing PBCCC space totals, the increase in Banquets and Meetings over the two year average reaches 16 percent. Conferences and Convention/Trade events increase by 29 percent and 39 percent, respectively, with an 11 percent increase in Consumer Shows over the two year average.

To reach 65 percent occupancy, Conferences would increase by 38 percent over the two year average, with a 52 percent increase in Convention/Trade events. The various non-local events (Banquet, Meeting and Consumer Show) increase between by 18 percent and 23 percent over the two year average

We note that achieving the higher event increase levels, particularly under the 65 percent occupancy scenario would be unlikely in the near term, even with the recommended hotel and PBCCC improvements. The investment in competitive product suggests the more moderate event growth represented by the base scenario is appropriate.

Assuming future expansion of the PBCCC, in addition to the recommended headquarter hotel development and other improvements, the base scenario event increases result in a 55 percent PBCCC exhibit space occupancy. To reach 60 percent, increases in Convention/Trade events would reach 84 percent, and more than doubling to reach the 65 percent occupancy scenario. Conference activity would have to increase by between 57 percent and 67 percent, with significant increases in Banquets, Meetings and Consumer shows.

As long-term planning for an eventual PBCCC expansion take place, we suggest that the base case event increase scenario be considered as most likely, with the higher growth percentages more of a long term prospect.

	HQ Hotel + PBCCC Enhancement Occupancy Scenarios			HQ Hotel + PBCCC Enhancement Occupancy Scenarios		
	Base Scenario	60 % Occupancy Scenario	65% Occupancy Scenario	Base Scenario	60 % Occupancy Scenario	65% Occupancy Scenario
Banquet	9%	16%	23%	45%	57%	64%
Meeting	13%	16%	18%	13%	17%	19%
Conference	18%	29%	38%	48%	57%	67%
Consumer Show	4%	11%	18%	18%	25%	36%
Convention/Trade	30%	39%	52%	65%	84%	103%

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Room Night Analysis

Room night generation within the convention industry can take many forms, reflecting rooms originally contracted by the event planner in area hotels, rooms booked by attendees outside the contracted block, and rooms that a destination marketing organization can account for post-event. The following chart summarizes the relationship between these various measures.

Contracted Room Nights – room nights that an event planner is willing to put under contract. Falling significantly short of these totals may subject the event planner to an attrition clause, triggering a payment due from the planner to the hotel.

Actualized Room Nights – room nights that the PBCCC can account for based on property-by-property outreach. Errors in the registration process or other accounting issues can prevent a 100% accounting of these room nights. These do not include rooms booked outside the block.

% of Rooms Out of Block – Based on industry research conducted for the Palm Beach County destination, studies conducted in other U.S. markets, and our own research, it is generally estimated that between 30 percent and 50 percent of event attendees actually book outside of the formal event room block.

Total Estimated Room Nights – the most accurate measure of actual PBCCC room night generation, accounting for attendees booking outside the block. These measures do not include attendees arriving early and/or staying late for leisure purposes.

For the PBCCC, DTPB provides data for various of these standard industry measures. As noted in the exhibit to the right, the contracted room nights generated by the PBCCC have fluctuated annually between 43,475 rooms in 2019, and 60,346 rooms in 2018. Recent reductions to the typical block of rooms that can be assembled for large PBCCC events is likely impacting these totals. For example, the average room night generation per event for PBCCC events dropped from 1,530 in 2017 to 1,208 in 2019.

The actualized room nights, generated using a property-by-property investigation approach, have ranged between 35,852 and 49,188. Accounting for the universal practice of attendees booking outside the block (increasing due to the growth in "shared economy" (i.e. airbnb) rooms, the estimate of actual PBCCC room night generation ranges between 55,157 in 2019 and 75,674 in 2018.

PBCCC Room Night Generation Profile

	2017	2018	2019	2020 (1)
Contracted Room Nights	48,972	60,346	43,475	53,799
Actualized Room Nights	40,433	49,188	35,852	44,180
% of Rooms Out of Block	35%	35%	35%	35%
Total Estimated Room Nights	62,205	75,674	55,157	67,968

(1) Projected - TAP Report

Notes: Consistent room night data only available for calendar years 2017 to 2020.

Sources: PBCCC; CSL International, 2019

4. DEMAND GENERATORS/SOURCES OF BUSINESS: Room Night Analysis

Using the base case scenario event estimates presented earlier in this section, we have developed estimates of resulting annual PBCCC room night generation. As noted in the adjacent exhibit, the average room night totals generated by PBCCC hosted events averaged approximately 65,000, after a noticeable drop in 2019. Based on current and expected event bookings, 2020 PBCCC room nights are expected to rebound to an estimated 68,000.

With the headquarter hotel development, PBCCC improvements and enhanced hospitality connectivity, room night generation is estimated to increase to approximately 93,000, representing a 42 percent increase over the two-year average and a 23 percent increase over 2018 room night totals.

Under an eventual PBCCC expansion scenario, room night totals are estimated at approximately 120,000, representing an 83 percent increase over the recent two-year average, and a 58 percent increase over 2018 data. We note that the room night totals under this scenario reflect a long term horizon, and will have to be further analyzed when such an expansion scenario becomes a realistic prospect.

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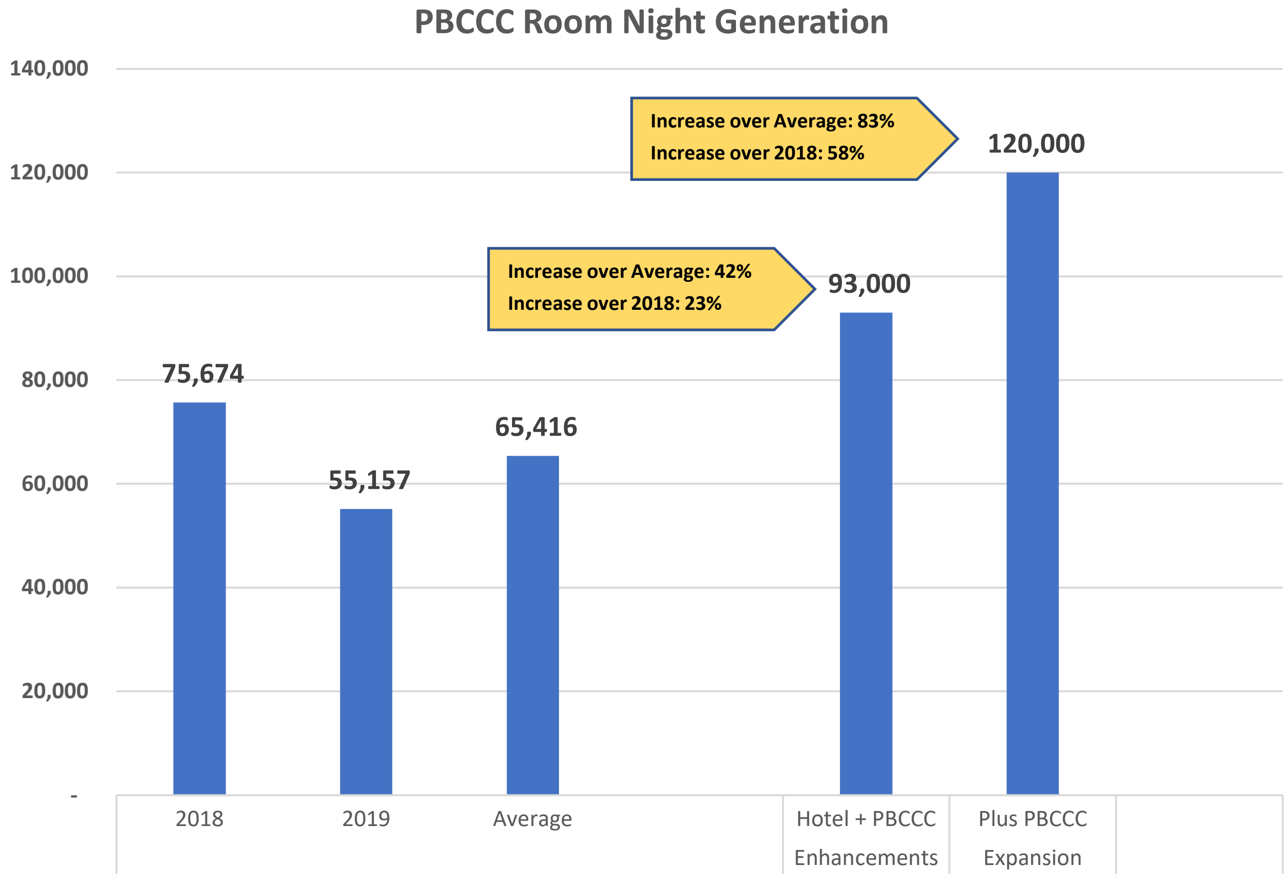
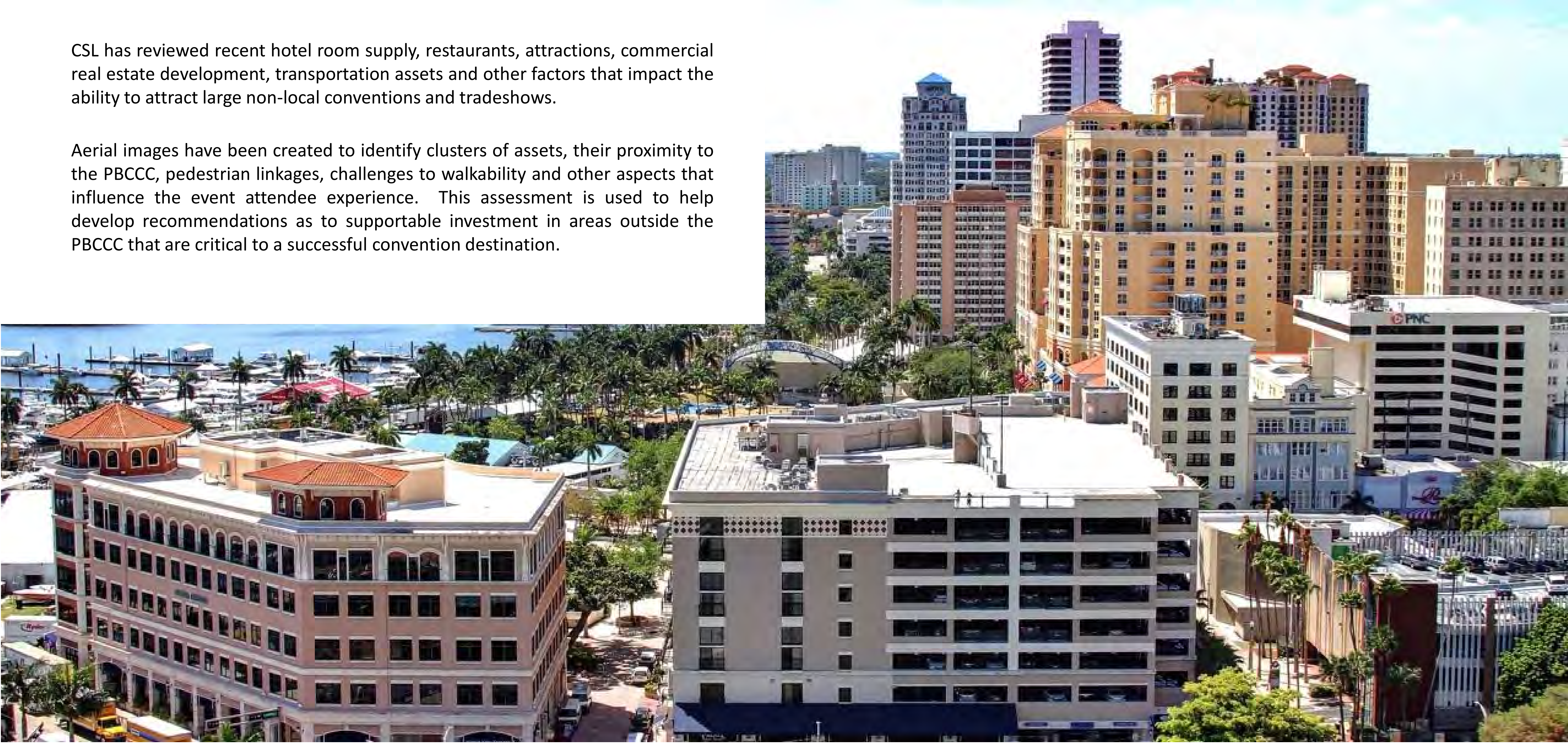


5. DEMAND GENERATOR TO SITE ANALYSIS

5. DEMAND GENERATORS TO SITE ANALYSIS: Introduction

CSL has reviewed recent hotel room supply, restaurants, attractions, commercial real estate development, transportation assets and other factors that impact the ability to attract large non-local conventions and tradeshows.

Aerial images have been created to identify clusters of assets, their proximity to the PBCCC, pedestrian linkages, challenges to walkability and other aspects that influence the event attendee experience. This assessment is used to help develop recommendations as to supportable investment in areas outside the PBCCC that are critical to a successful convention destination.



5. DEMAND GENERATORS TO SITE ANALYSIS: Current Conditions

In the two maps on the following pages, we present an overview of (1) hotel room supply, attractions, commercial development and transportation assets, and (2) restaurant and retail inventory proximate to the PBCCC. Combined, these assets impact the ability to attract large non-local conventions and tradeshows. restaurants

These amenities are generally within close proximity to the PBCCC, concentrating to the north and northeast of the facility. In addition to the four existing convention hotel properties and the three that are under construction, the area features numerous dining options, 39 retail stores, and five attractions totaling over 3,700 positive reviews on TripAdvisor. This number of reviews represents an approximation of visitation to the area and the overall popularity of its attractions among travelers.

Specific observations generated by this analysis are summarized below.

- There are four 3-star hotels in the downtown area, and several near the Airport that comprise the base of rooms used to accommodate non-local events. We note that the proximity of much of these rooms, with the exception of the Hilton West Palm Beach, requires a walk of at least several blocks. This lack of hotel proximity represents a competitive disadvantage for the PBCCC. Three additional 3-star hotels comprising 560 total rooms are planned or scheduled to open soon, however only one is walkable to the PBCCC.
- There are distinct concentrations of restaurants and retail in the Rosemary Square are and along Clematis Street, particularly east of Quadrille Boulevard. The emergence of the Warehouse District’s Grandview Public Market also provides additional options for dining, breweries, and distilleries to the southwest of the PBCCC. Other nearby pockets of restaurant activity create a desirable, walkable district that represents a competitive advantage for the PBCCC in attracting non-local events.
- Virtually all restaurant/retail activity takes place north of Okeechobee Boulevard, raising the importance of creating a desirable pedestrian pathway across the Boulevard.
- Attractions in the area include Rosemary Square, Norton Museum of Art, the Kravis Center, and the Waterfront Commons City Park on the Intracoastal Waterway Trail.
- The downtown is also undergoing substantial investment from the private sector in the form of several planned and proposed commercial development projects, including a 300,000-square foot Class A office tower under construction at the north edge of Rosemary Square and a residential development being planned for the former site of Macy’s. One West Palm under construction on the northside of downtown along 550 Quardrille Blvd will include a 327-condo tower, 200 hotel rooms, and 209,000 square feet of office space. In addition, a 490,000-square foot office development is being planned for the site at Okeechobee Boulevard and Dixie Highway, just to the east of the Convention Center. Each of these projects would enhance the amount of foot traffic and vibrancy in the downtown area, thereby making West Palm Beach a more appealing convention destination.
- Opened in early 2018, the Virgin Trains USA (VTUSA) West Palm Beach station in downtown is also highlighted, and is located just under one mile from the PBCCC. The station is also reachable via automobile in under five minutes. The VTUSA offers high quality and convenient public transit and connects downtown West Palm Beach with downtown Fort Lauderdale in under 30 minutes, and downtown Miami in approximately one hour. Phase II of its construction will include connections to the Orlando International Airport, greatly enhancing access to the Palm Beach County Convention Center for out of state event attendees. Phase III of the project will include stations at the Port of Miami, Adventura Mall and Boca Raton.

5. DEMAND GENERATORS TO SITE ANALYSIS: Hotels, Restaurants, Attractions, Retail, and Amenities

Key	Hotel	Rooms
1	Hilton West Palm Beach	400
2	West Palm Beach Marriott	352
3	Hilton Palm Beach Airport	249
4	Holiday Inn Palm Beach Conference Center	199
5	Embassy Suites by Hilton WPB Central	194
6	DoubleTree by Hilton Hotel WPB Airport	175
7	Hyatt Place West Palm Beach/Downtown	165
8	Residence Inn West Palm Beach Downtown	152
9	Studio 6 West Palm Beach	138
10	Quality Inn Palm Beach International Airport	135
11	Hampton Inn West Palm Beach Central Airport	105
12	Courtyard West Palm Beach Airport	103
	West Palm Beach Hotels Under Construction	**Rooms**
A	The Ben – Autograph (opens 2020)	208
B	One West Palm	201
C	Canopy by Hilton West Palm Beach Downtown	151

Key	Connectivity Issue
1	Okeechobee Crossing
2	Marriott Railroad Crossing
3	Distance and Traffic to Clematis St.

Key	Attraction	Positive TripAdvisor Reviews
1	Rosemary Square	2,125
2	Clematis Street	621
3	Norton Museum of Art	617
4	Kravis Center	357
5	Drive Shack	7
	TOTAL	**3,727**

Key	Planned/Proposed Commercial Development
1	One West Palm
2	360 Rosemary
3	Macy's Residential Development
4	Tent Site Development

Assets Proximate to Palm Beach International Airport

Hotels: ③ ④ ⑤ ⑥ ⑨ ⑩ ⑪ ⑫

Attractions: ⑤

5. DEMAND GENERATORS TO SITE ANALYSIS: Hotels, Restaurants, Attractions, Retail, and Amenities

Key	Dining Option	Count
🟢	Restaurant	44
🟠	Café/ Bakery	22
🔴	Bar/Lounge/Nightlife	18
	TOTAL	**84**

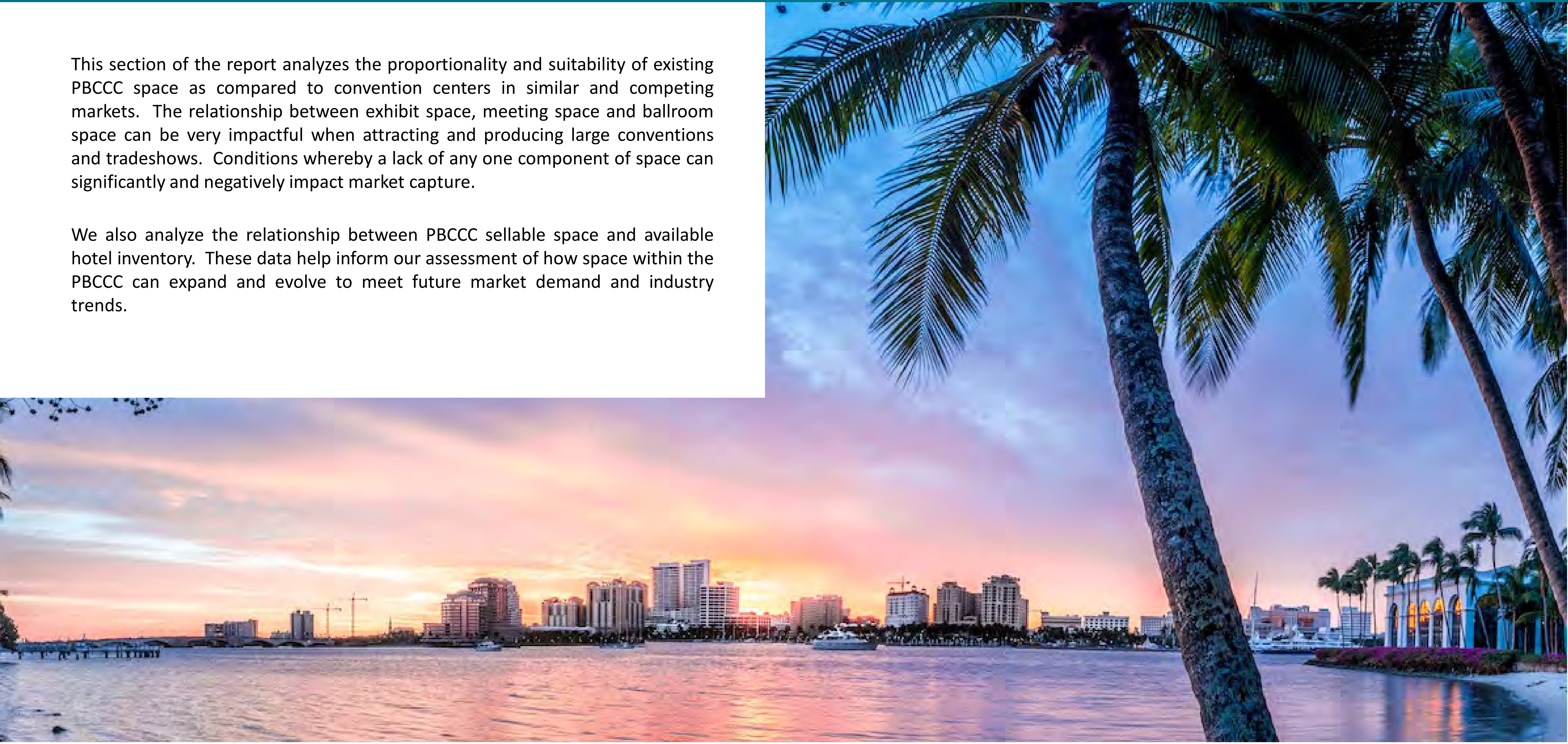
Key	Other Amenities
★	Retail Stores – 39 Stores
brightline	Brightline/VT USA West Palm Beach Station

6. PROPORTIONALITY & SUITABILITY OF CENTER

6. PROPORTIONALITY & SUITABILITY OF CENTER: Introduction

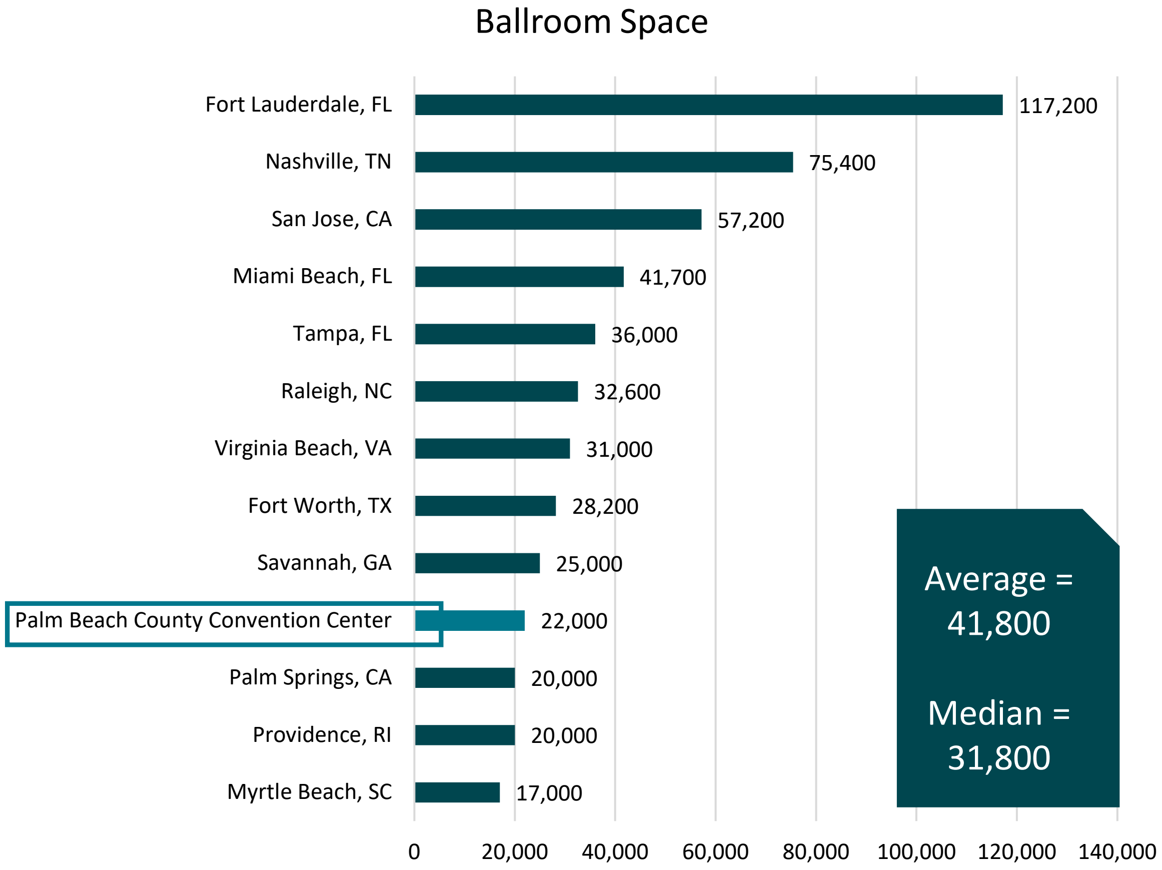
This section of the report analyzes the proportionality and suitability of existing PBCCC space as compared to convention centers in similar and competing markets. The relationship between exhibit space, meeting space and ballroom space can be very impactful when attracting and producing large conventions and tradeshows. Conditions whereby a lack of any one component of space can significantly and negatively impact market capture.

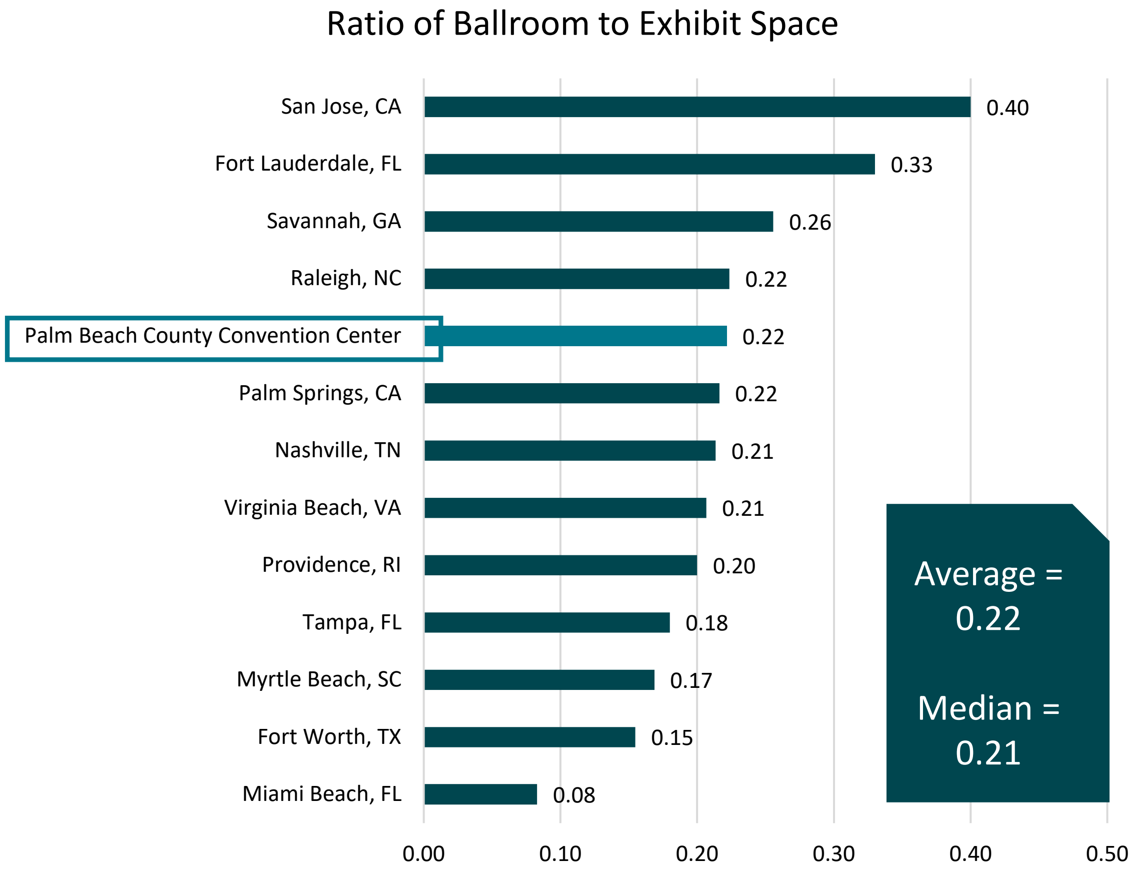
We also analyze the relationship between PBCCC sellable space and available hotel inventory. These data help inform our assessment of how space within the PBCCC can expand and evolve to meet future market demand and industry trends.



6. PROPORTIONALITY & SUITABILITY OF CENTER: Center Ballroom Space Comparison

The PBCCC's 22,000-square foot ballroom ranks 10th out of the 13 facilities reviewed, but puts PBCCC above the median of the comparison set in terms of the ratio between its ballroom and exhibit space offerings. We note that event planners increasingly prefer larger multipurpose space to host food functions, general sessions, poster sessions, smaller exhibits and other such functions. **As such, any expansion of the PBCCC's exhibit space should also include a concurrent increase in ballroom space to maintain and enhance this favorable ratio.**

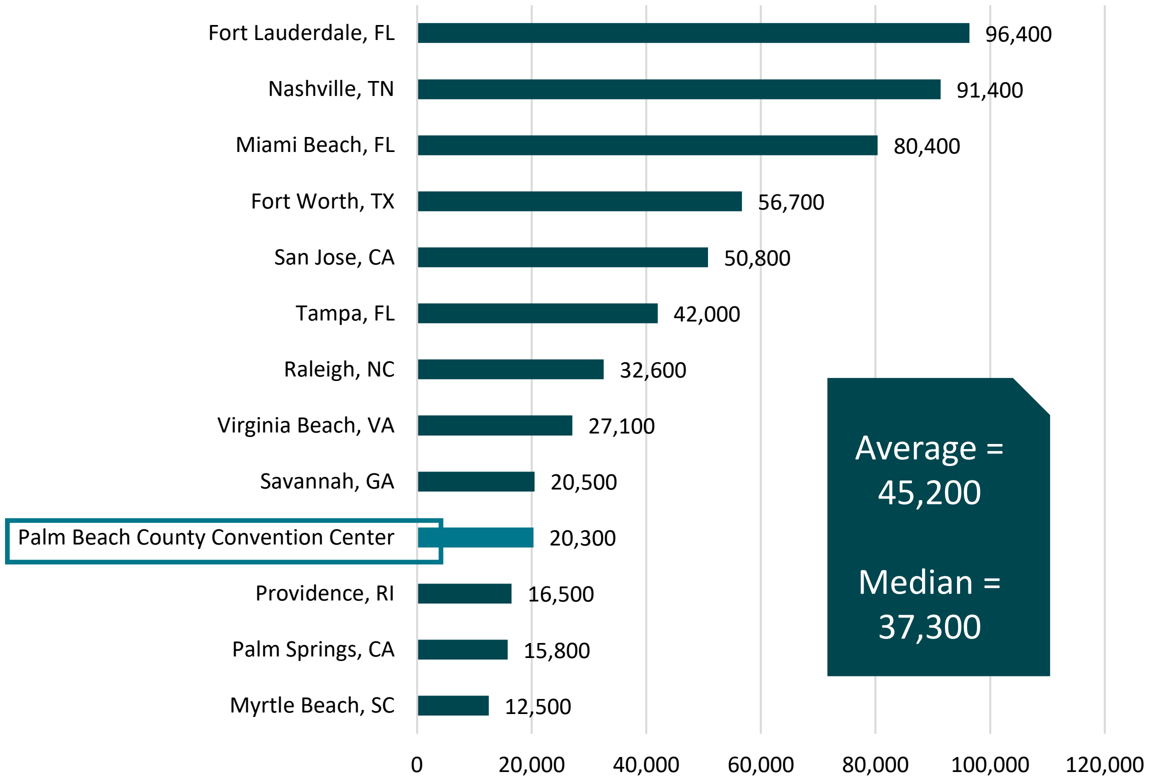




Sources: facility management, facility websites, 2019.

6. PROPORTIONALITY & SUITABILITY OF CENTER: Center Meeting Space Comparison

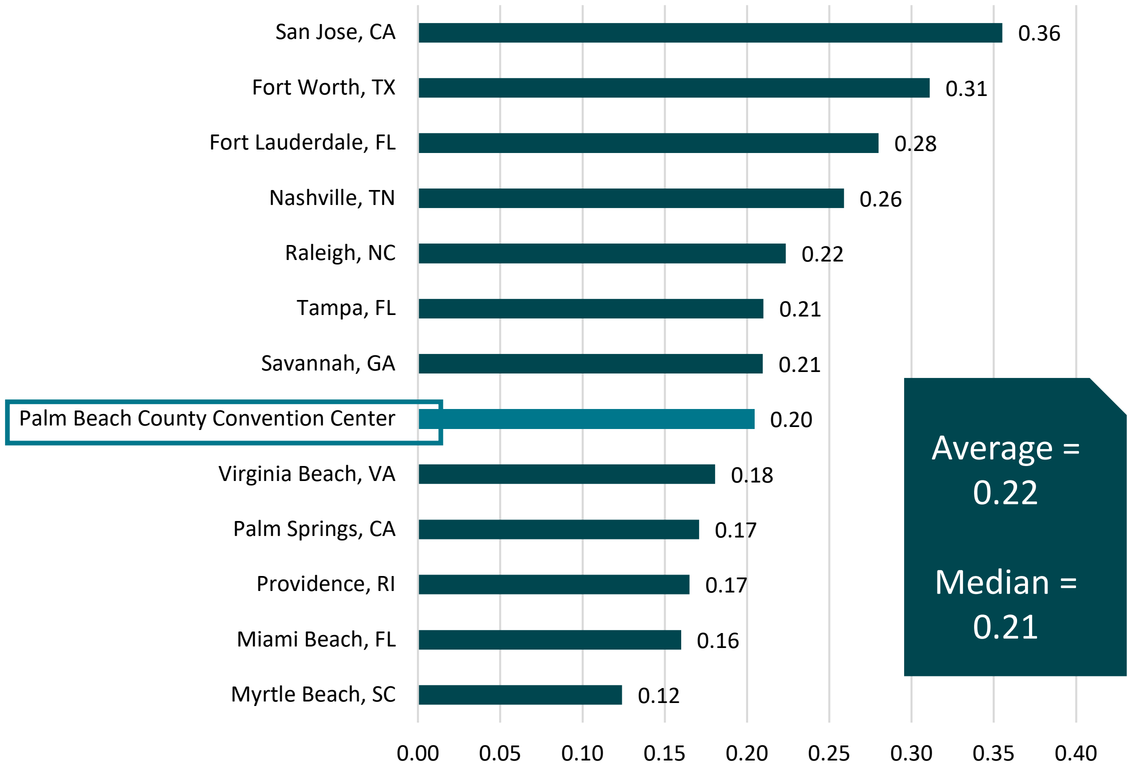
The PBCCC's breakout meeting space square footage ranks 10th out of the 13 facilities reviewed, and its ratio of meeting space-to-exhibit space ranks just below the median of 0.22. These data align with stakeholder and event planner comments regarding the PBCCC's lack of meeting space and the building's lack of larger meeting rooms that can also be sub-divided. A high ratio of meeting to exhibit space and a sufficient inventory of highly divisible meeting rooms are very desirable in today's convention industry, particularly for tech and medical industry conferences and conventions. **It will be important to significantly increase the amount and flexibility of meeting space at the PBCCC as part of any future expansion.**



Meeting Space

Average = 45,200

Median = 37,300



Ratio of Meeting to Exhibit Space

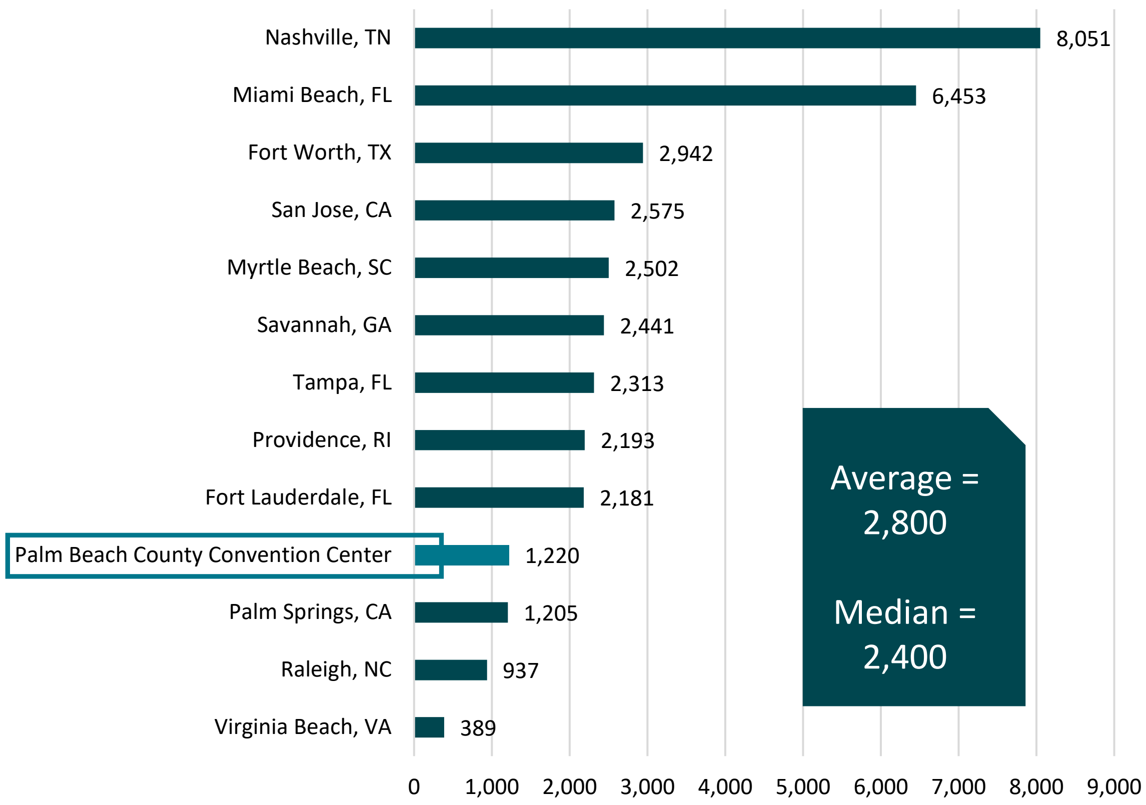
Average = 0.22

Median = 0.21

Sources: facility management, facility websites, 2019.

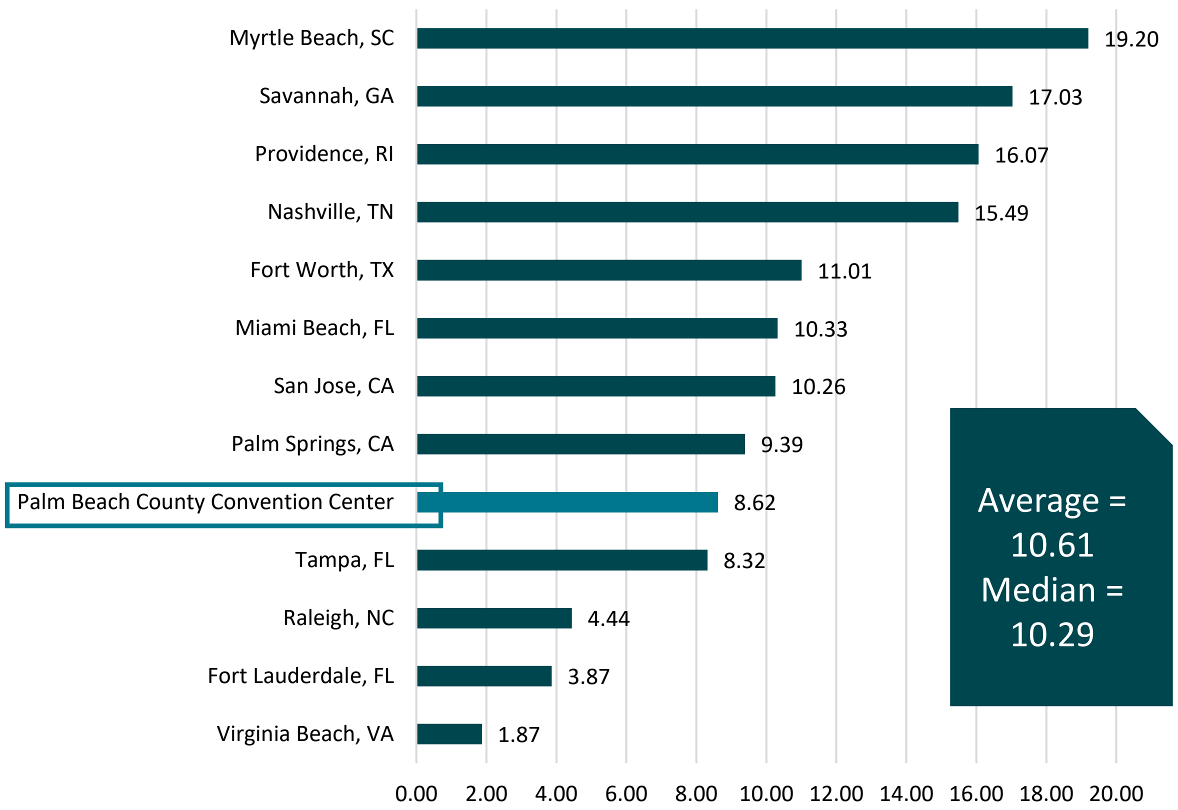
6. PROPORTIONALITY & SUITABILITY OF CENTER: Hotel Proportionality Comparison

The PBCCC's inventory of convention quality hotel rooms within one-half mile totals 1,220, ranking low among the comparable and competitive set. When measured in proportion to the available sellable space at the PBCCC, this hotel inventory maintains a relatively low ranking. We also note that the assessment of total hotel room inventory does not consider committability factors, which as noted herein, negatively impact the ability to attract large non-local events to the PBCCC. Hotel room committability for large non-local events has decreased in recent years as reported by DTPB. Aerial maps detailing the ½-mile hotel inventory for each of the facilities reviewed are provided within Appendix 2 herein.


1/2 Mile Hotel Rooms

Average = 2,800

Median = 2,400


Ratio of Hotel Rooms per 1,000 SF of Sellable Space

Average = 10.61
Median = 10.29

Sources: facility management, facility websites, 2019.

7. PBCCC EXPANSION OPTIONS

7. PBCCC EXPANSION/SITE OPTIONS: Introduction

The market demand, historical operations, competitive/comparable facility, industry trend and other analyses presented herein have been used to develop near and long term hotel and expansion/improvement site options.

As presented in the hotel analysis section, it is difficult to support a large PBCCC expansion without significant increases to the committable hotel inventory near or connected to the Convention Center. Timing and location of this type of hotel development will dictate the future PBCCC expansion needs. We also note that beyond any space expansion, continual PBCCC reconfiguration and upgrades as described later in this Study will be necessary even to effectively maintain market capture.

In the nearer term, there are numerous trend-forward upgrades to the PBCCC that should be considered based on industry best practices and meeting planner and attendee feedback. We have worked with the architectural firm of Populous to develop a set of PBCCC improvements, as well as long term expansion options, headquarter hotel development locations, and options to improve connectivity to Rosemary Square.

The results of this analysis are presented throughout this section, focusing on:

- Stage One – addressing headquarter and other hotel shortages.
- Stage Two – large-scale expansion of PBCCC space.

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Hotel Development Options

7. PBCCC EXPANSION OPTIONS: Stage One - Headquarter Hotel Development Implications

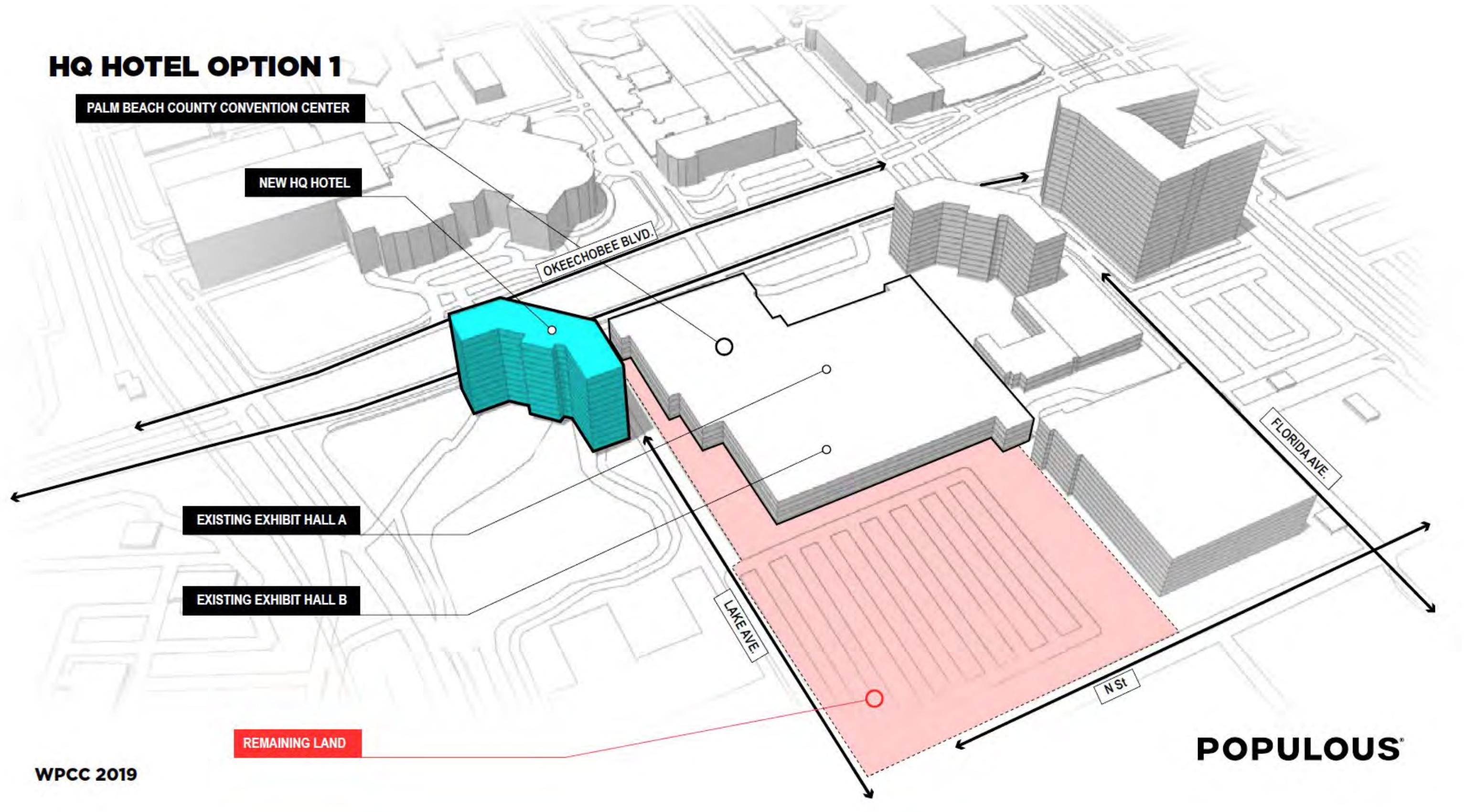
Successfully developing sufficient hotel inventory in support of the PBCCC is a key strategic precondition to any significant future expansion.

Populous has prepared conceptual images of six potential future headquarter hotel site options. Each of these are discussed below and on the following page.

Howard Park

The Howard Park site represents a very prominent gateway into West Palm Beach. The adjacency to the PBCCC also allows for a desired Center/hotel connection. The location can create a western hotel anchor, pairing with the Hilton on the eastern side of the site. None of the designated PBCCC expansion sites would be required for this option. The Howard Park site provides desired access along Okeechobee Boulevard. Distance to the 2,648 space County garage will prevent use of the space for hotel guest parking, however existing PBCCC surface parking could potentially be used pending future expansion.

The parcel size may require that portions of the existing PBCCC meeting/ballroom space be used to support the hotel. In turn, this would require that replacement space for the PBCCC be developed concurrently with the headquarter hotel project. Configuration options for replacement PBCCC space development are discussed later in this section.



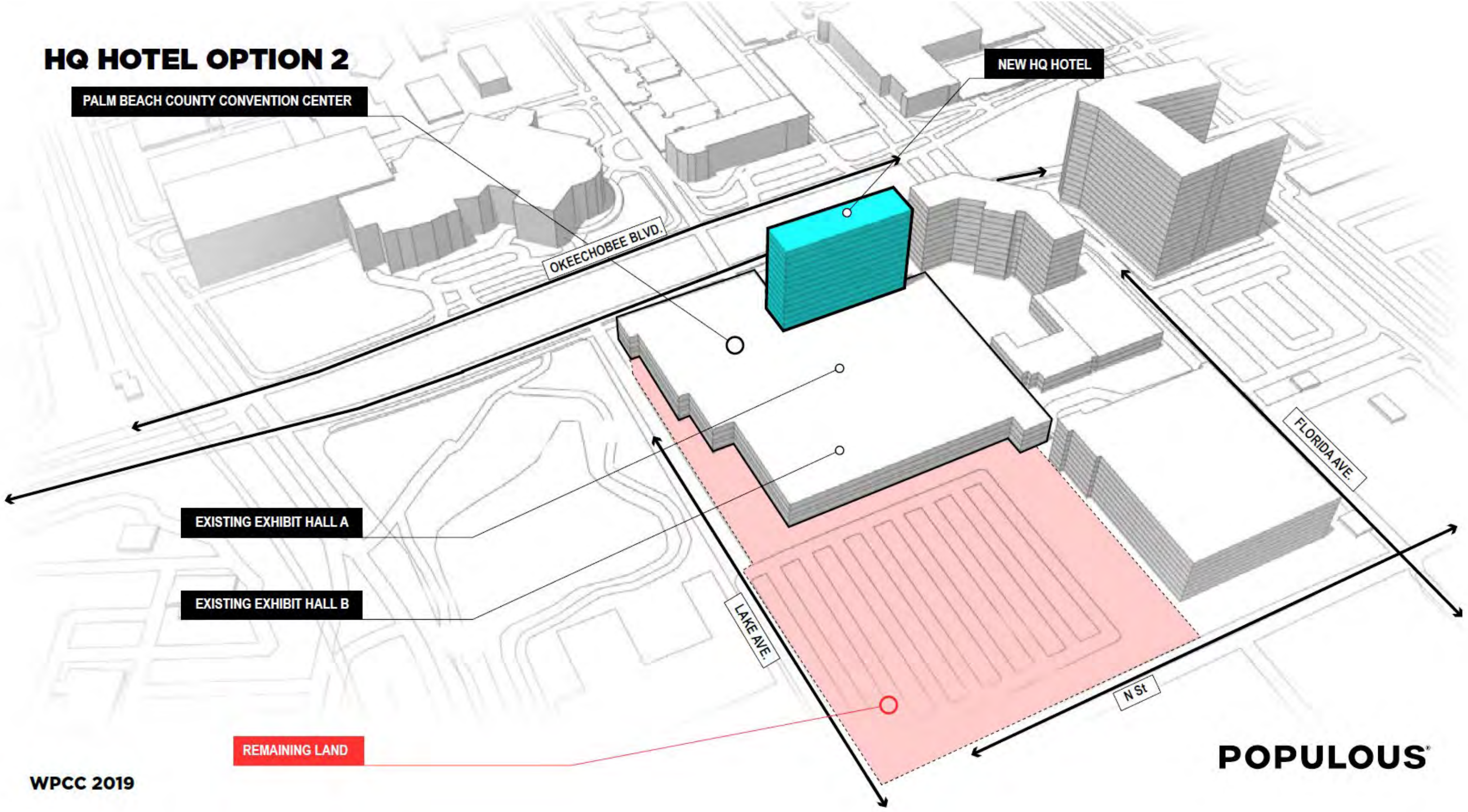
Challenges to development on this site relate primarily to the need to secure portions of the existing Howard Park. While hotel development on this site could help activate areas of the Park, and various park enhancements could be undertaken, the City of West Palm Beach would have to make a determination that such a project is in the best interest of the City and area residents. Considerations as to increased economic activity associated with the project should be reflected in these discussions.

7. PBCCC EXPANSION OPTIONS: Stage One - Headquarter Hotel Development Implications

Fronting Okeechobee Boulevard

This site encompasses the open area and entry space in front of the PBCCC facing Okeechobee Boulevard. The site provides direct connection to the PBCCC, a prominent placement on the Boulevard, and desired adjacencies to Rosemary Square. County ownership of the site could reduce development costs. The site also provides an opportunity to support an above grade connection across Okeechobee Boulevard to Rosemary Square.

As with the Howard Park site, the parcel size may require that portions of the existing PBCCC meeting/ballroom space be used to support the hotel. In turn, this would require that replacement space for the PBCCC be developed concurrently with the headquarter hotel project.

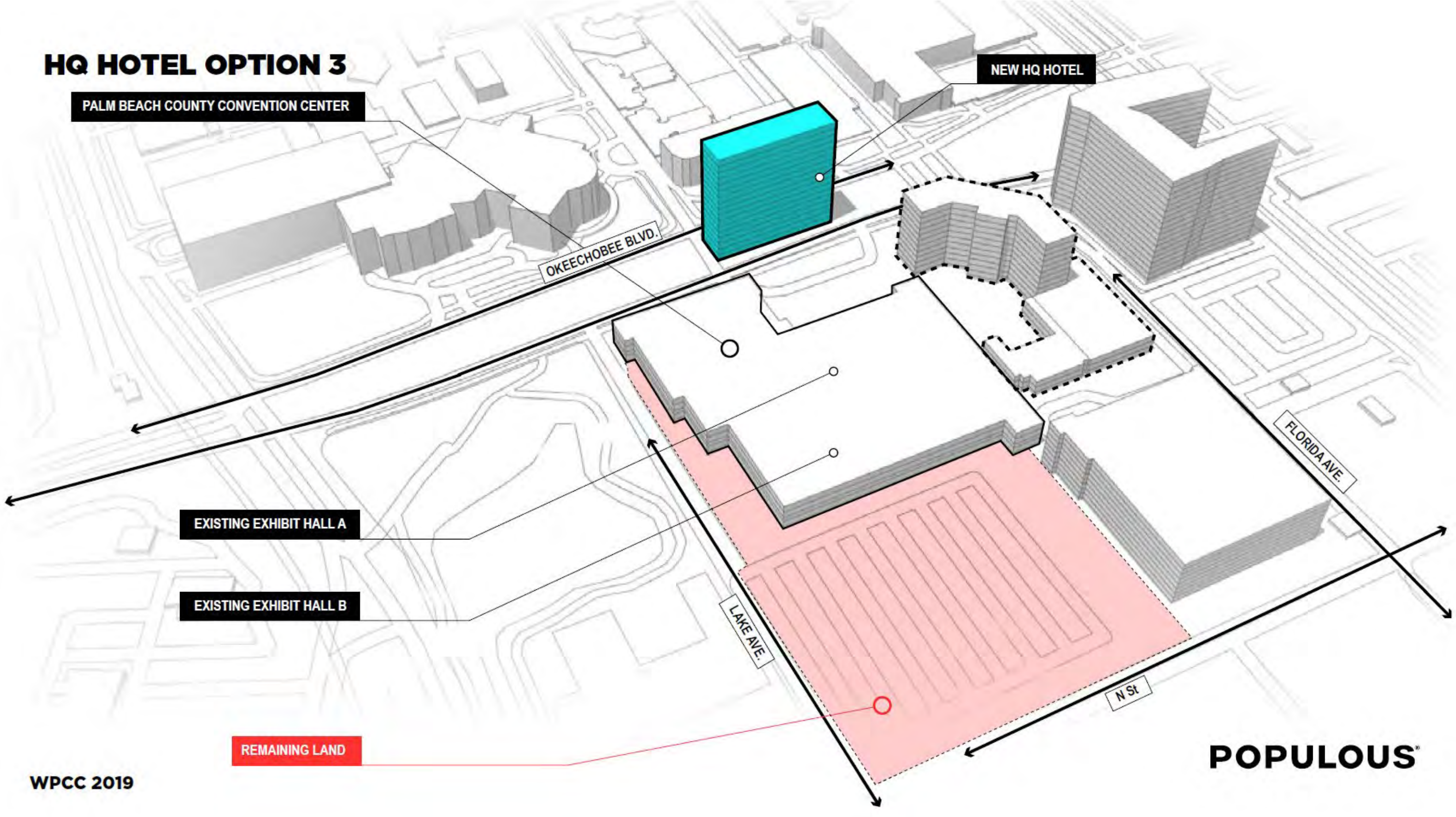


7. PBCCC EXPANSION OPTIONS: Stage One - Headquarter Hotel Development Implications

Okeechobee Boulevard Median

This is a very conceptual site option involving use of space in the median of Okeechobee Boulevard, similar to the recent development of the Restoration Hardware (RH) building. The site would create a desirable link between the PBCCC and Rosemary Square, and would create an iconic entry piece along the Boulevard.

Significant challenges with the site include vehicular access, impact on traffic along Okeechobee Boulevard, minimal footprint and difficulties in developing needed meeting and ballroom space. Distance to the 2,648-space County garage will prevent use of the space for hotel parking.



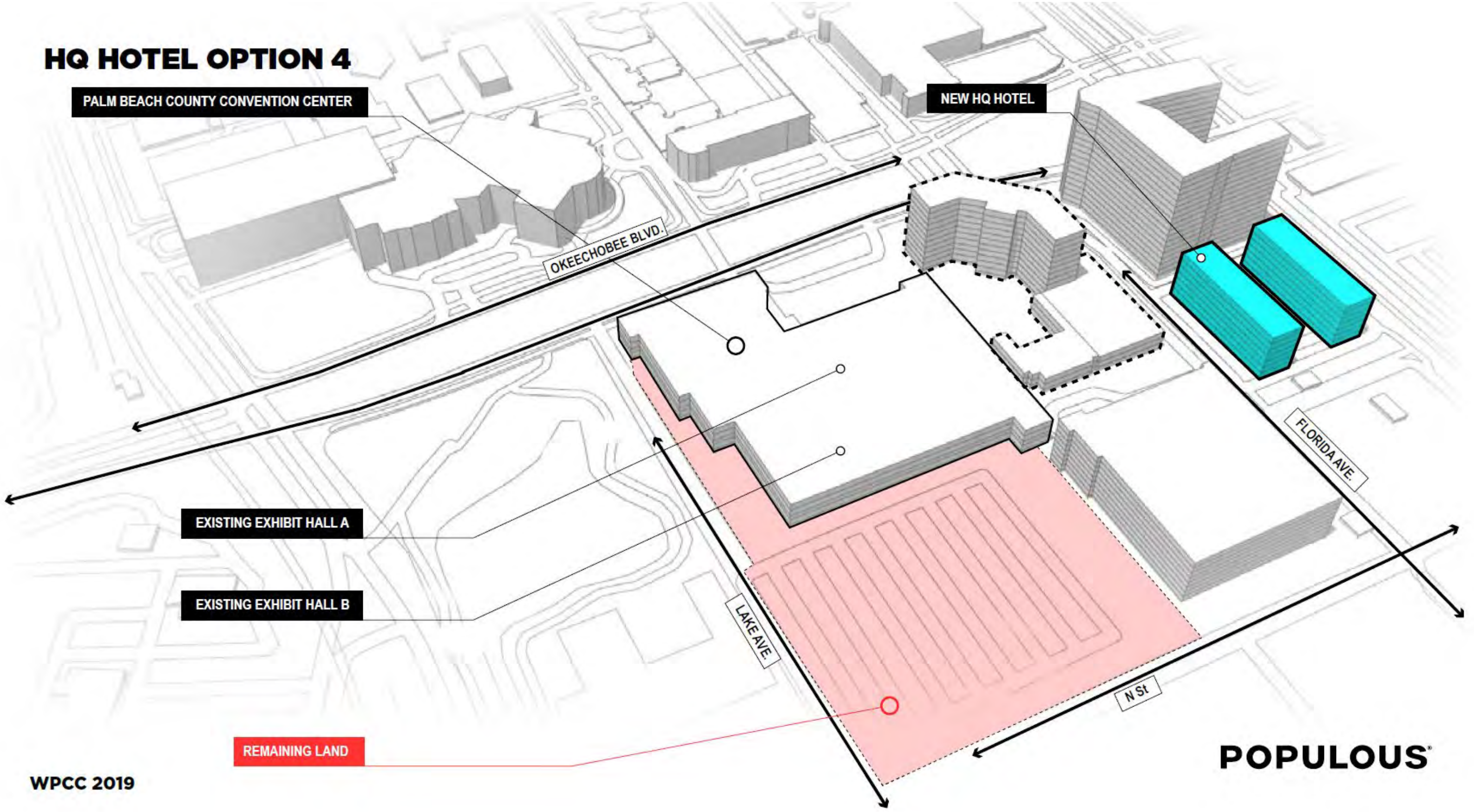
7. PBCCC EXPANSION OPTIONS: Stage One - Headquarter Hotel Development Implications

Related Properties Site

Related has proposed developing the first of two 250 room hotel towers on land across Florida Avenue from the existing Hilton. While not directly connected, joint operation of the Hilton and added inventory could serve to create a larger single headquarter product. The ability of Related to quickly develop the property in the near is beneficial. Use of the site places no encumbrances on existing PBCCC or adjacent parcels. Proximity to the 2,648-space County garage will allow for use of the space by hotel guests at this site.

The location of the tower(s) is one parcel removed from the PBCCC, and the physical disconnect to the Hilton creates a product that is not as convenient as larger headquarter hotels in competitive markets. Common ownership of all headquarter hotel property adjacent to the PBCCC may limit competition on rates.

If this option is pursued, consideration should be given to reopening discussion of the existing room block agreement with the goal of creating a more consistent ability to secure blocks for large PBCCC events.

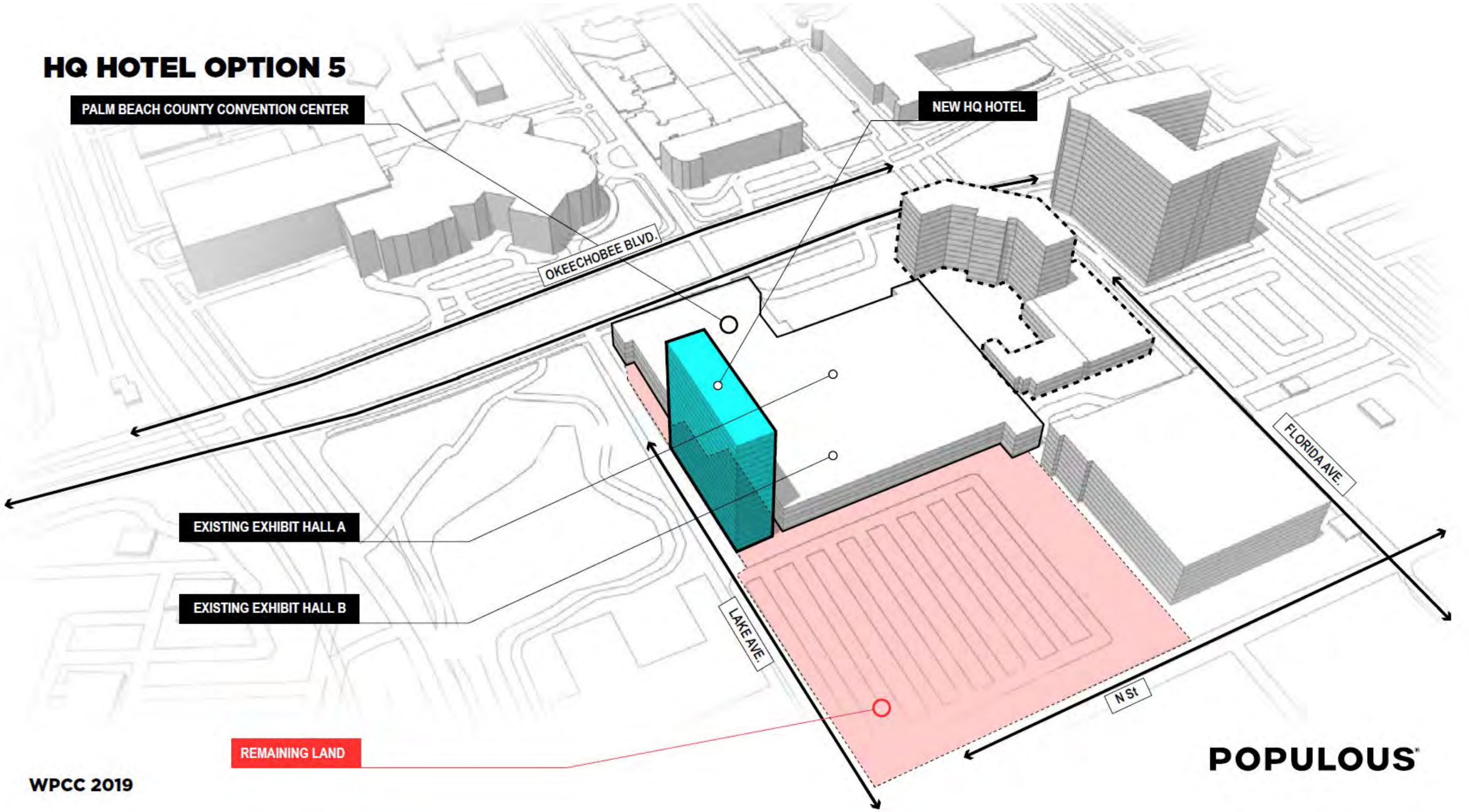


7. PBCCC EXPANSION OPTIONS: Stage One - Headquarter Hotel Development Implications

PBCCC Loading Dock Site

This site encompasses the airspace above the existing PBCCC loading dock area, fronting on Howard Park. The site is County owned, reducing overall project costs. There is potential to create desired access into Howard Park, and the connection to the PBCCC is direct.

The parcel is not located as close to Rosemary Square compared to other options. As with the Okeechobee Boulevard facing site, parcel size may require that portions of the existing PBCCC meeting/ballroom space be used to support the hotel. In turn, this would require that replacement space for the PBCCC be developed concurrently with the headquarter hotel project. This option also provides an opportunity for hotel surface parking behind the Convention Center, pending future expansion. Configuration options for replacement space development are discussed later in this section.

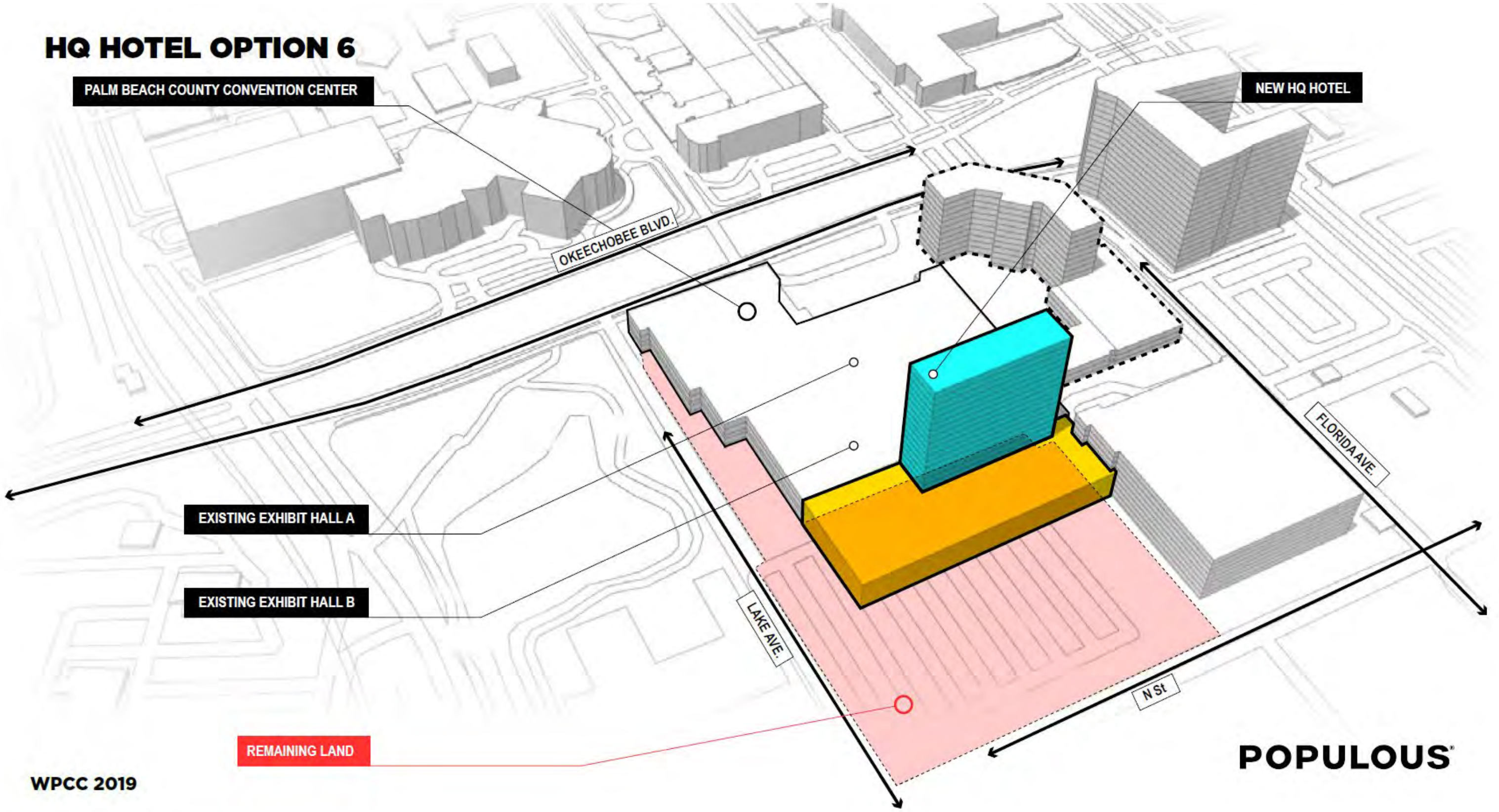


7. PBCCC EXPANSION OPTIONS: Stage One - Headquarter Hotel Development Implications

PBCCC Expansion Space

There is a significant amount of land south of the PBCCC that could easily house a new headquarter hotel and all needed meeting/ballroom space. The site is also located adjacent to the 2,648 space garage, and connects directly into the PBCCC.

The development of a hotel on this site could significantly hinder the future expansion of PBCCC exhibit space, preventing a convenient and contiguous hall addition. Consideration could be given to developing the PBCCC expansion with the hotel project to create desired coordination, however, market demand analysis does not support a near term, significant expansion of PBCCC space. The location of the hotel site is also distant from Rosemary Square, creating a less than desired pedestrian experience and lack of visibility towards Okeechobee Boulevard.



__Next Steps – Headquarter Hotel Development__

Going forward, we recommend that further evaluation of headquarter hotel site options on the Howard Park site, the PBCCC space fronting Okeechobee Boulevard, the site above the loading dock and the Related parcel be undertaken (particularly if the room count on the Related parcel achieves the targets presented herein).

This process should include issuance of a Request for Interest (RFI) from developers with headquarter hotel project experience. The County's desire for a large headquarter hotel should be clearly defined in this document. Qualified developers can then be asked to submit more formal Development Proposals, inclusive of program options, location, funding plans and management plans.

PBCCC Expansion Options

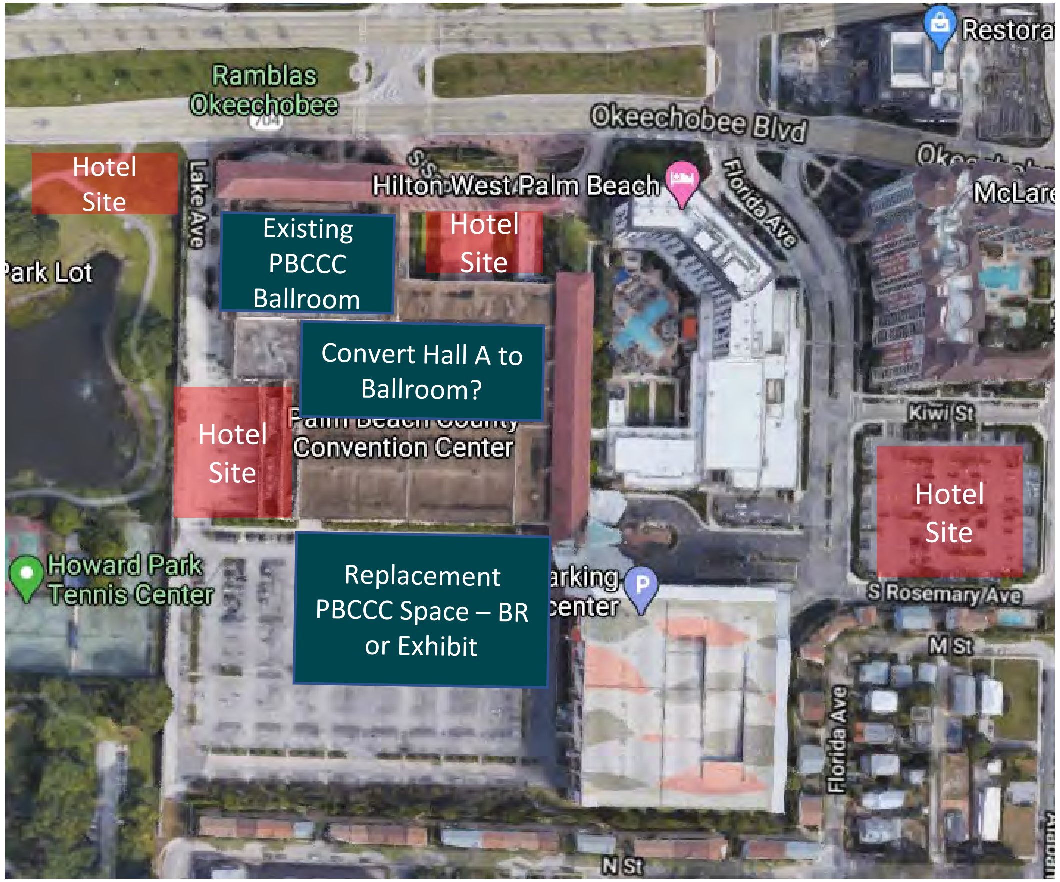
7. PBCCC EXPANSION OPTIONS: Stage Two – PBCCC Expansion

The timing of future expansion of PBCCC space is subject to improvements to the overall hotel inventory supporting the attraction of large city-wide events, particularly the development of new headquarter hotel inventory.

There are several hotel development sites that could benefit from use of existing PBCCC space to support hotel meeting/ballroom space needs. For example, development of a headquarter hotel in Howard Park, in front of the PBCCC facing Okeechobee Boulevard or above the loading dock could benefit from use of the existing PBCCC ballroom. This in turn would reduce hotel development costs, and would then require the development of replacement ballroom space for the PBCCC.

On a longer term basis, the development of headquarter hotel inventory should help increase overall PBCCC event activity and resulting occupancy. As occupancy levels increase, reaching 60 percent or greater on a consistent annual basis, added exhibit and associated meeting and ballroom space could potentially be supported.

The near term replacement space and longer term full expansion concepts are discussed below.



Hotel Site-Driven Replacement Space

As noted in the adjacent exhibit, there are three hotel sites that could benefit from the use of the existing PBCCC ballroom. If a new headquarter hotel is developed on one of these sites, this could help reduce hotel development costs, but would require replacement PBCCC space. With the development of this replacement space, several concepts could be considered.

1. Build a contiguous multi-use hall to the South of PBCCC, suitable for ballroom events. Opportunity exists to create a larger ballroom, addressing industry trends.
2. Convert the existing Hall A into ballroom space, and develop dedicated multi-use exhibit space to the South of the PBCCC. This would allow for future contiguous exhibit space expansion.

7. PBCCC EXPANSION OPTIONS: Stage Three – PBCCC Expansion

Under this scenario, the added PBCCC space could be configured with higher ceiling heights and some element of portable seating to create an environment suitable to attracting entertainment events. PBCCC management considers this a viable market for future Center event activity.

Full PBCCC Expansion

The original PBCCC was developed with the intent of future convenient expansion to the South. Added exhibit space would be developed, with the potential for second floor meeting and ballroom space. Loading docks along the west side, and lobby space along the east side would be developed. Connectivity to the parking garage could be established.

Timing for this type of expansion would depend on market demand conditions. As previously noted, significant increases in committable hotel inventory near the PBCCC will be required in order to support future large-scale PBCCC expansion.

8. INFORMATION TECHNOLOGY

8. INFORMATION TECHNOLOGY: Introduction

We have conducted assessments of the types of technology investment being introduced or considered at competitive and comparable convention centers nationally. We have also conducted interviews with past PBCCC customers regarding their views on existing technology assets and service, and worked with PBCCC management to identify current technology related investment and potential future initiatives.

We have also reviewed pricing and availability data at a selected set of venues for comparison to conditions at the PBCCC. This analysis is used to develop recommendations as to how future investments could be directed in order to address both standard technology needs (WiFi capacity, for example), and emerging areas of technology such as augmented/virtual reality spaces.

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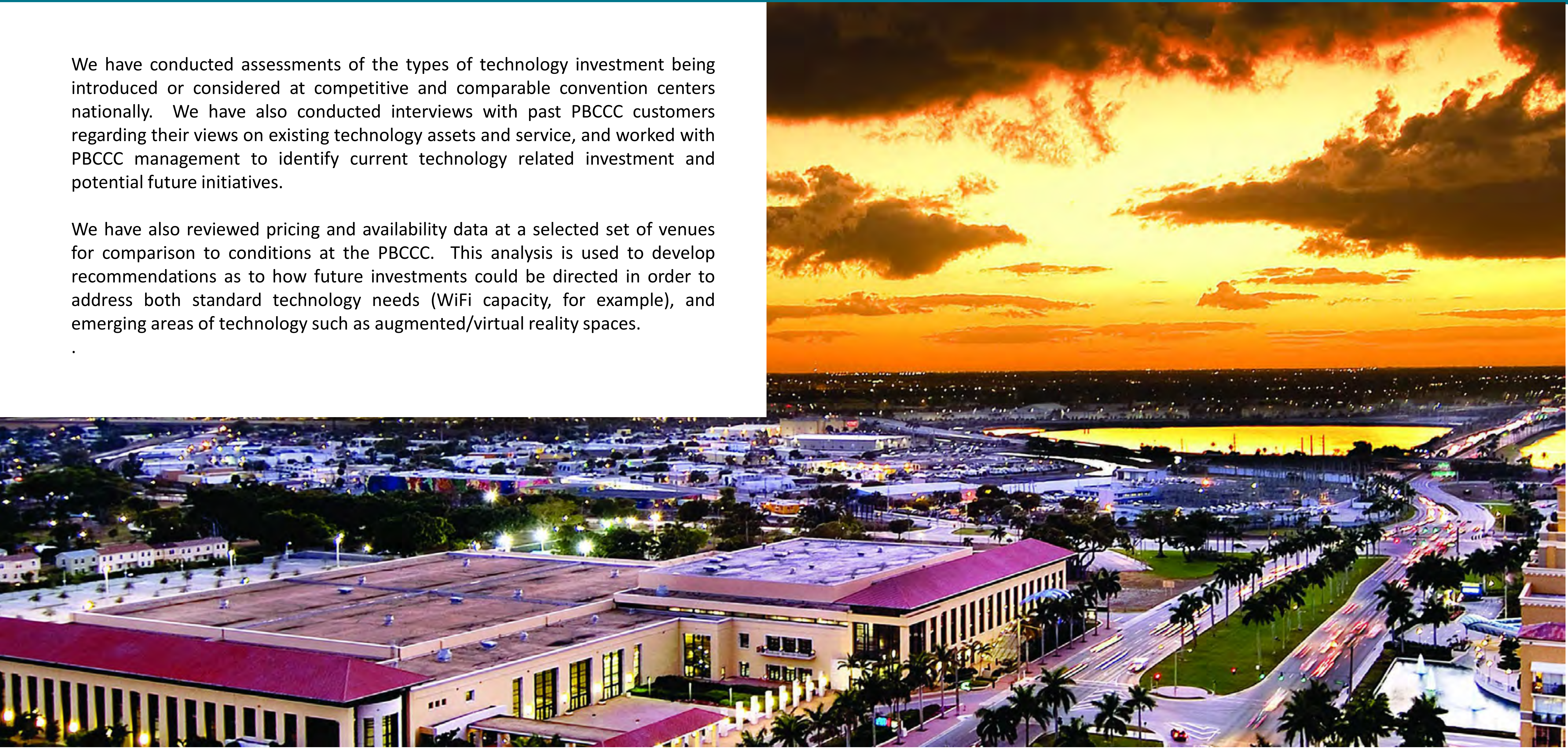


8. INFORMATION TECHNOLOGY: Critical Investment

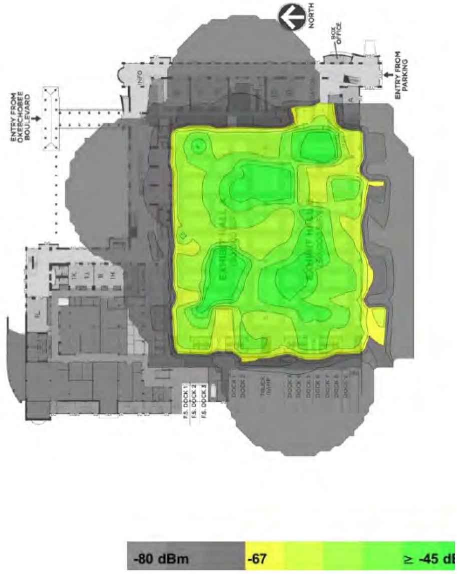
In response to the extensive internet needs of events such as those organized by Tony Robbins, Palm Beach County recently made a significant investment to greatly enhance the wireless access throughout the PBCCC. Wi-Fi and cellular data access systems were both enhanced as part of the investment, and the improvements will enable the facility to accommodate mobile check-ins, internet-connected kiosks, and wireless points of purchase systems such as Square and Apple Pay with top-tier efficiency and effectiveness.

The adjacent exhibits demonstrate the improvements in 2.4 GHz and 5.0 GHz signals throughout the Exhibit Hall. Prior to the investment, WiFi signal strength would vary considerably depending on location. Now, the heat maps show excellent coverage for both Halls with a minimum signal strength of -58dB on 5GHz AC Band and -62dB on the 2.4 GHz band. This consistency is critical to meeting the standards of many tech-oriented events in the event industry, including those organized by major IT corporations, medical events, and emerging event types such as esports tournaments.

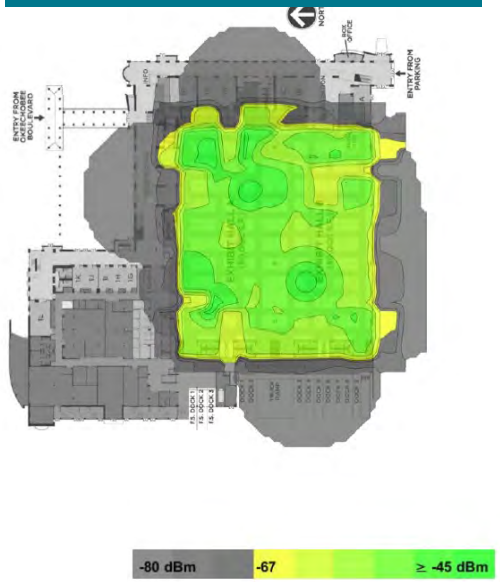
At the same time, the PBCCC's internet management structure is unique in that the IT infrastructure is both owned and managed by the County. With this recent investment, **the facility's internet capacity is considered robust by industry standards but the customer service that may be needed to help these expanded systems run optimally may require alternative management approaches.** The current IT approach for the PBCCC is compared with selected peer facilities throughout the country on the following page, in addition to the building's internet service pricing and number of on-site IT staff.

Before IT Investment

2.4 GHz band Signal Strength

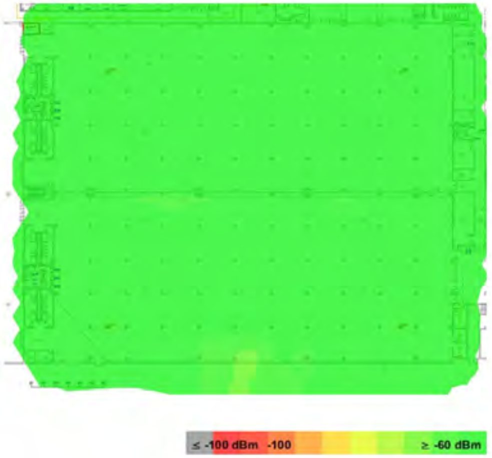


5.0 GHz band Signal Strength

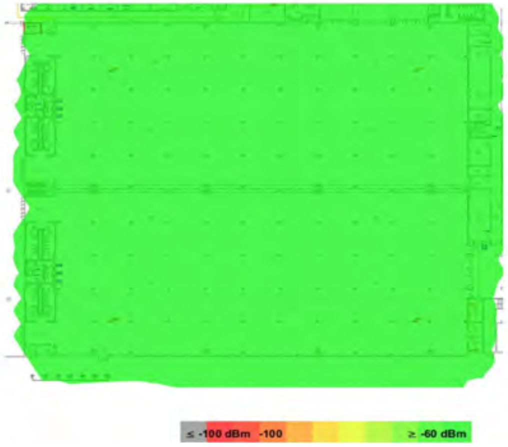


After IT Investment

2.4 GHz band Signal Strength



5.0 GHz band Signal Strength



Source: facility management, 2019.

8. INFORMATION TECHNOLOGY: Internet Service Comparison

The table below summarizes the management structure, staff size, and general pricing for the IT services provided at the Palm Beach County Convention Center and at several comparable convention centers. In reviewing the table's notes on pricing, PBCCC's complimentary building-wide Wi-Fi and modest hardline internet service cost should be considered a significant point of strength of the facility. This competitive pricing should help the building continue to retain events with significant needs for online capacity such as those affiliated with Tony Robbins and other large conference and convention/trade events.

The building is also well positioned for previously discussed emerging event types that rely heavily on internet use, including esports, augmented reality/virtual reality experiences, and drone races.

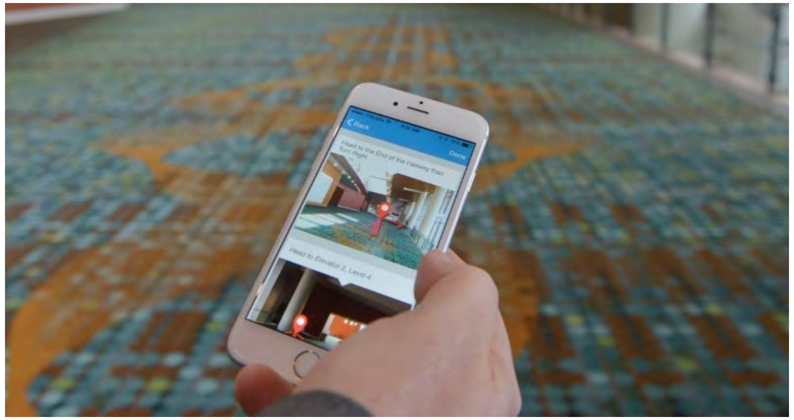
The PBCCC is the only facility reviewed that has municipality-owned and managed internet. Customer service approaches reflective of County staffing can be challenged with event needs that can run 18 hours during an event day. **Consideration should be given to a new management model that calls for either (1) retaining a third party vendor, or (2) hiring additional staff onsite, dedicated staff managing Center's system.**

FACILITY	CONTRACTED	IN-HOUSE	GOVERNMENT	# OF STAFF	PRICING NOTES
Raleigh Convention Center		●		4	WiFi ranges from free to $5 per attendee depending on the extent of internet capabilities necessary for event; Wired internet ranges from $350 per day for shared bandwidth, to $150 per mbps per day for dedicated bandwidth.
Facility A	●			1	Utilize Smart City for their internet and connectivity. Router supported, wired access pricing ranges from $7,850 to $11,772 for 10mbps services and 5 static IP addresses. Available mbps speeds range from 3 to 20, significantly impacting pricing.
Facility B	●			1	Contract with CCLD Networks. Wired connection ranges from $275 to $650, depending on daily rate or total event rate and wireless connection ranges from $50 to $125, daily versus total event rate.
Facility C	●			n/a	Contract with Smart City for wired and wireless internet services. Router supported, wired access pricing ranges from $7,850 to $11,772 for 10mbps services and 5 static IP addresses. Available mbps speeds range from 3 to 20, significantly impacting pricing.
Facility D	●			3	Contract with Smart City for internet and connectivity. Router supported, wired access pricing ranges from $7,850 to $11,772 for 10mbps services and 5 static IP addresses. Available mbps speeds range from 3 to 20, significantly impacting pricing.
Music City Center		●		9	Dedicated Wired Internet services for 10mbps range from $6,750 to $9,450, depending on whether it is an advanced rate or floor order. The wired internet services offered range from 3 mbps to 29mbsp and are broken up into 4 tiers. In addition, each of these 4 tiers vary in terms of additional equipment and labor.
Palm Beach County Convention Center			●	**2**	PBCCC charges $100 (14-day advance rate) to $200 per day for hardline internet service, or $300 to $400 per length of the any given event. The building also offers complimentary WiFi throughout the facility. Center maintains two staff positions to support County IT staff, but Center is not staff's sole responsibility.

Source: facility management, 2019.

8. INFORMATION TECHNOLOGY: Technology Trends

While not typically at the cutting-edge of emerging technology, the convention industry has incorporated various mainstream technologies into overall building development and operations. Wireless technology is common, with various experimentation as to bandwidth, accessibility and pricing. Local area networking and broadcasting capabilities, Internet cafés, digital signage and other technology aspects are now common in the convention industry. These investments, and overall trends in the industry reflect a process of advancement and adoption of technology within the convention industry. A decade ago, WiFi was considered an emerging amenity, now convention centers are spending millions of dollars to continually upgrade their bandwidth and access points to allow significant and reliable access throughout the entire facility. **Summaries of forward looking trends and examples of how convention facilities have adapted these technologies are provided below. Future PBCCC planning should incorporate these features, and we recommend the appropriate technology consultants be hired to assist with any development or application of these concepts.**



Cell Phone and Beacon Technology: Used for event apps, they provide a digital map of facility activity for in-facility wayfinding, provide real-time attendee metrics, improve networking and content delivery, among other features. Second-screen technology is also an emerging trend that creates a two-way conversation allowing attendees to ask questions of general session presenters, participate in panels and take notes on slides to improve presentation engagement. Recent PBCCC investments in bandwidth, cellular data connectivity and WiFi could allow for effective implementation of these types of opportunities.

Video Streaming: As hybrid meetings continue to grow in importance, facilities are investing in technologies to accommodate virtual attendees. The redeveloped tcf Center in Detroit includes a 5,000-square foot broadcast studio that offers all of the technologies and services needed to create programming, live event webcasting, and large-scale program distribution, among other offerings.

Occupancy Sensors: Center owners are installing state-of-the-art sensor technologies. The sensors are connected to both LED lighting and thermostat controllers, allowing for adjustments to be made depending on the number of people in a room.

8. INFORMATION TECHNOLOGY: Augmented Reality/Virtual Reality/Mixed Reality and Shared Attention

As Virtual Reality (VR), Augmented Reality (AR) and Mixed Reality (MR) products continue to evolve and become more accessible, the private sector has begun to adopt these technologies for practical applications. As summarized below, major companies such as Walmart and Ford are using VR to train their employees, while the medical industry has begun to use AR, VR and MR to simulate surgery procedures and share information dynamically in real-time.

CSL's periodic survey outreach to national event planners identified that while only 19 percent of event planners have utilized these technologies as part of their past event programming, 54 percent believe that they will be significant event components in the future. **For PBCCC management and Palm Beach County decisionmakers, it will be important to consider the implications this trend has as it relates to future event planners' preferences of event space, lighting, capacity and internet access. With the County's recent investment in the PBCCC's Wi-Fi and cellular data infrastructure, opportunities may exist to adopt these technologies for event use and to gain national recognition as a trend forward Convention Center. We recommend the TDC and/or PBCCC management retain consultants to evaluate the feasibility and potential use of such technology.**

According to industry experts such as Tim Merel, Founder/CEO of Menlo Park VR/AR/MR, corporations are adopting AR/VR/MR technology in various ways.

- **Walmart** – Introduced VR to the retail space by using the technology to upgrade manager training at its 200 Walmart Academies.
- **Ford** – Using a Gamified VR Experience to Demonstrate the New Co-Pilot360 Safety Technology. Also using AR for training of 10,000 employees.
- **Verizon** – Used for training 22,000 employees.
- **Lockheed Martin** – Used for training, helping to reduce training and operations time.
- **BAE Systems** – Used for training, reducing overall training time and assembly worker time cycles.
- **Medical/Healthcare Sector** - Medical Realities, a company that uses virtual reality and other immersive technologies for surgical training.
- **DMO and Convention Sectors** –An Augmented Reality app enables passersby to view a three-dimensional, fully walkable simulation of the Greater Fort Lauderdale Convention Center expansion and waterfront development on their mobile devices.

9. PARKING & PEDESTRIAN ACCESSIBILITY

9. PARKING & PEDESTRIAN ACCESSIBILITY: Introduction

We have reviewed parking conditions with respect to hosting events at the PBCCC, and developed both utilization assessments and comparisons to conditions in other markets.

The market demand analysis has been used to create a profile of parking needs that have to be addressed to ensure the PBCCC can accommodate important local and non-local events. The ability of the existing parking garage to accommodate other uses, including hotel development, is also assessed.

We have also analyzed the transportation options available that impact demand and destination appeal including, but not limited to, bike, car, air, bus, Uber, Lyft, ZipCar and trains in similar markets. The proximity of PBCCC to Palm Beach International Airport (PBI), Tri-Rail and Virgin Trains USA stations and I-95, Florida Turnpike and Route 80 has also been considered.

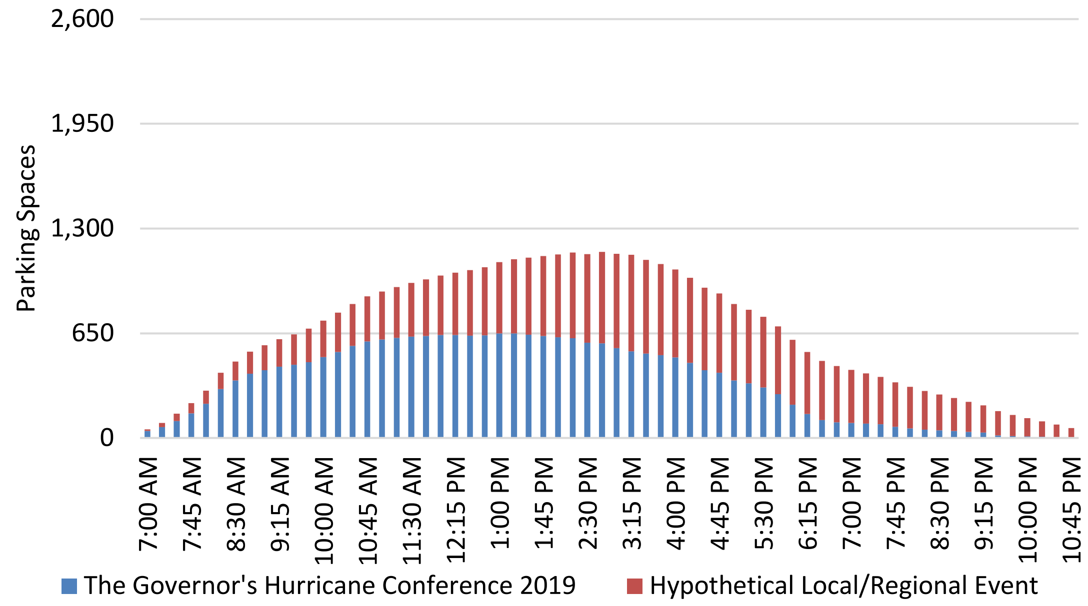
Finally, we consider traffic-related connectivity issues between the PBCCC and Rosemary Square. Traffic count data are used to understand pedestrian challenges, and various examples for structured connections are provided.

9. PARKING & PEDESTRIAN ACCESSIBILITY: PBCCC Parking Availability

With 2,648 total spaces, the parking garage at the PBCCC enables the facility to host a substantial number of drive-in attendees requiring parking spaces. In fact, event activity at the Center rarely occupies even half of the structure's total available parking. To assess the effects of a potential expansion and future increases in event activity on the garage's capacity, we have prepared two separate analyses as summarized below. Each exhibit reflects parking levels throughout a theoretical day during which a past event (The Governor's Hurricane Conference 2019) is run concurrently with both an hypothesized local/regional drive-in event with extensive parking needs, and an hypothesized national convention event with lesser drive-in attendance.

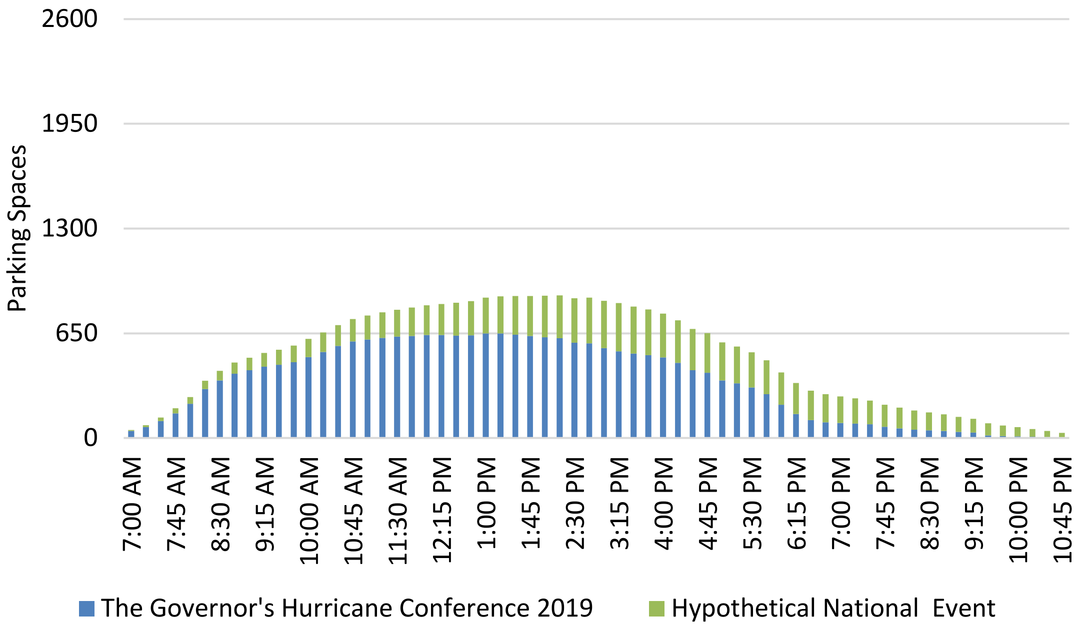
In both scenarios, the two events' combined parking levels fail to reach even half of the garage's max capacity. This aligns with the PBCCC Parking and Circulation Study's conclusion regarding existing capacity of the garage to accommodate anticipated parking demand. The analysis on the following page puts this surplus of parking inventory in context with several comparable convention facilities throughout the country. **The significant surplus of parking space for combinations of local and non-local events suggest that certain portions of the garage structure can be used for other purposes such as special events space.**

Hypothetic Regional Event running concurrently
with The Governor's Hurricane Conference on May 15, 2019:
1,500 attendees, peak vehicular parking requirement of 600 spaces



PBCCC Parking Garage Max Capacity

Hypothetic Regional Event running concurrently
with The Governor's Hurricane Conference on May 15, 2019:
1,500 attendees, peak vehicular parking requirement of 300 spaces



Source: Palm Beach County Convention Center Parking and Circulation Study, 2019.

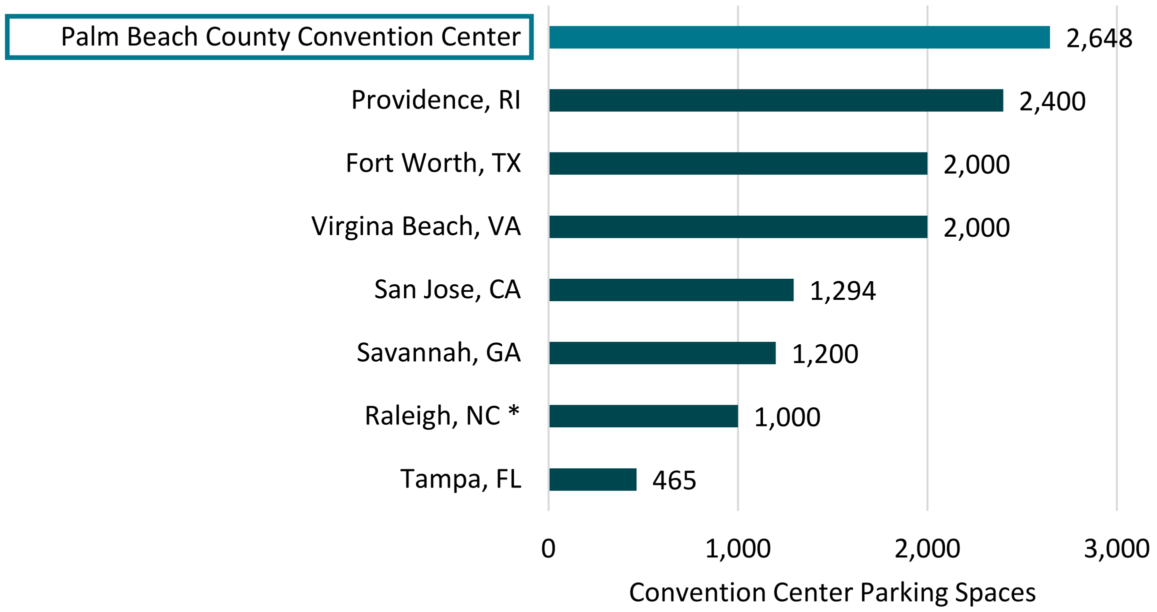
9. PARKING & PEDESTRIAN ACCESSIBILITY: Parking Comparison

Though convention attendees increasingly use alternate methods of transportation such as Lyft, Uber or public transit to travel to/from events at convention centers, ample parking is still beneficial to accommodate large public consumer shows, civic events or state and regional conventions that are largely comprised of drive-in attendance. To further assess the PBCCC's inventory of available parking, a comparison of PBCCC's parking garage with the parking inventories at several comparable facilities is shown on the chart to the right.

As shown, the PBCCC has the most available parking spaces, offering more than 200 more than the Rhode Island Convention Center in Providence, RI, and 600 more than comparable facilities in Fort Worth and Virginia Beach. Further, with the exception of the Savannah Convention Center and the Tampa Convention Center, each of the facilities reviewed share some portion of their parking spaces with other event venues and for other public uses. In Providence, the 564-room Omni uses parking inventory in the Authority-controlled garage.

Considering these data, PBCCC is well served in terms of parking availability, and future expansion scenarios would not require parking beyond existing capacity. It is expected that future headquarter hotel development would require its own parking inventory. Considering industry standards, the property would likely require between 300 and 500 parking spaces depending on room count. Existing inventory will sufficiently accommodate these needs, while accommodating multiple overlapping PBCCC events.

Total Parking Spaces by Convention Center



FACILITY	NOTES ON PARKING FIGURES ABOVE
Palm Beach County Convention Center	Estimated that 84 percent of Center's 2,648-space parking garage are Convention Center event attendees.
Providence, RI	2,400-space parking facility shared with Dunkin' Donuts Center, Omni Hotel and the Providence Place Mall.
Fort Worth, TX	2,000 spaces between two structures are also used by attendees of events at the adjacent arena as well as by city workers.
Virginia Beach, VA	Will have 2,400 spaces by November 2020, but will share with a new adjacent sports complex.
San Jose, CA	Parking inventory also supports three nearby theater venues.
Savannah, GA	Upcoming parking expansion will add 300 net new spaces in a new garage.
Raleigh, NC	Parking is city-owned and controlled.
Tampa, FL	Parking inventory full dedicated to Convention Center.

Source: facility management, 2019.
Note: * Parking is not owned by building management, it is all city-controlled.

9. PARKING & PEDESTRIAN ACCESSIBILITY: Vehicular Traffic at Other Centers

We have also considered the impact that vehicular traffic has on the pedestrian experience at the PBCCC. The adjacent chart summarizes the average daily traffic count of the portion on Okeechobee Boulevard adjacent to the PBCCC, and compares it with the busiest intersections adjacent to other comparable convention centers. As shown, the portion of the Boulevard in front of the north entrance to PBCCC hosts nearly 40,700 vehicles per day, far outpacing convention district intersections in markets such as Nashville, (TN), San Jose, (CA), and Tampa, (FL).

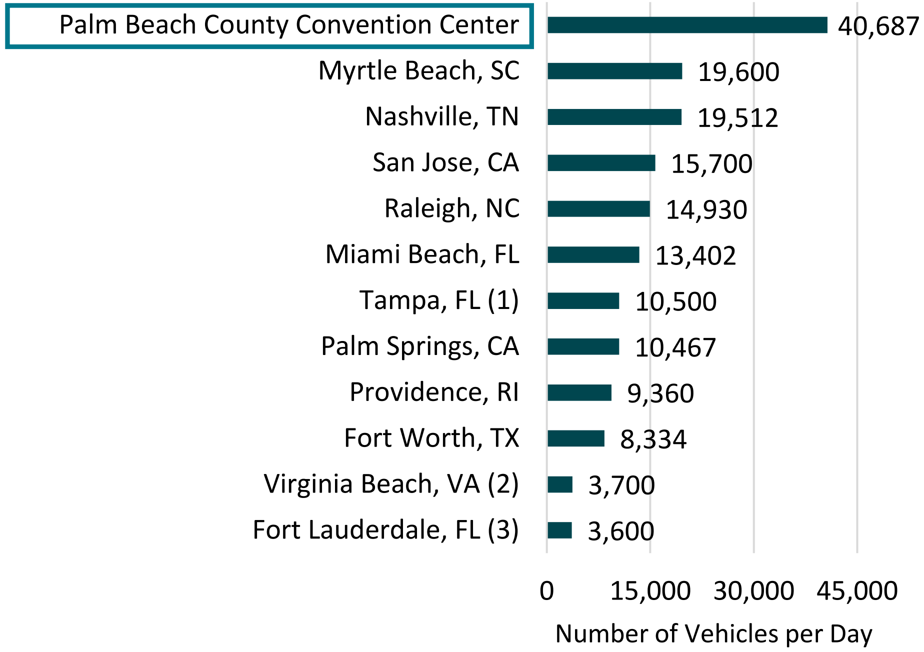
Combined with comments provided by meeting planners and stakeholders, these data illustrate the unique challenge that PBCCC event attendees face when attempting to walk to Rosemary Square and other locations in downtown. Comparable facilities such as the Tampa Convention Center, San Jose Convention Center and Palm Springs Convention Center are also located in urban settings, but are removed from high traffic corridors designed for quick entries or exits to/from their downtowns.

Okeechobee Boulevard represents a challenge that should be addressed in order to create a connected, convenient convention environment that is competitive with those found in peer destinations. A number of planning actions should be considered to at least partially address this issue, including:

- **Traditional traffic calming initiatives** – narrowing of lanes, added landscaping and other measures to slow traffic.
- **Development of additional east/west routes** – several opportunities exist to the north on various east/west connections to increase capacity. This could reduce traffic counts on Okeechobee Boulevard.
- **Pedestrian bridge development** – a bridge structure spanning Okeechobee would be ideal that connects the PBCCC with the Kravis Center and Rosemary Square to provide much quicker and safer passage for pedestrians, bicyclists, and those traveling by scooter. Several examples of such a development are provided later herein. We note that any such structure would have to be considered a public art piece that carries pedestrian traffic, as opposed to a traditional pedestrian bridge.

Illustrations of the vehicular traffic surrounding each of the convention facilities reviewed are presented in an Appendix of this report. A presentation of the potential bridge concepts that could address pedestrian connectivity issues is presented on the following page.

Daily Traffic at Nearest Intersection
by Comparable Convention Center



Source: Esri Traffic Maps, 2019.

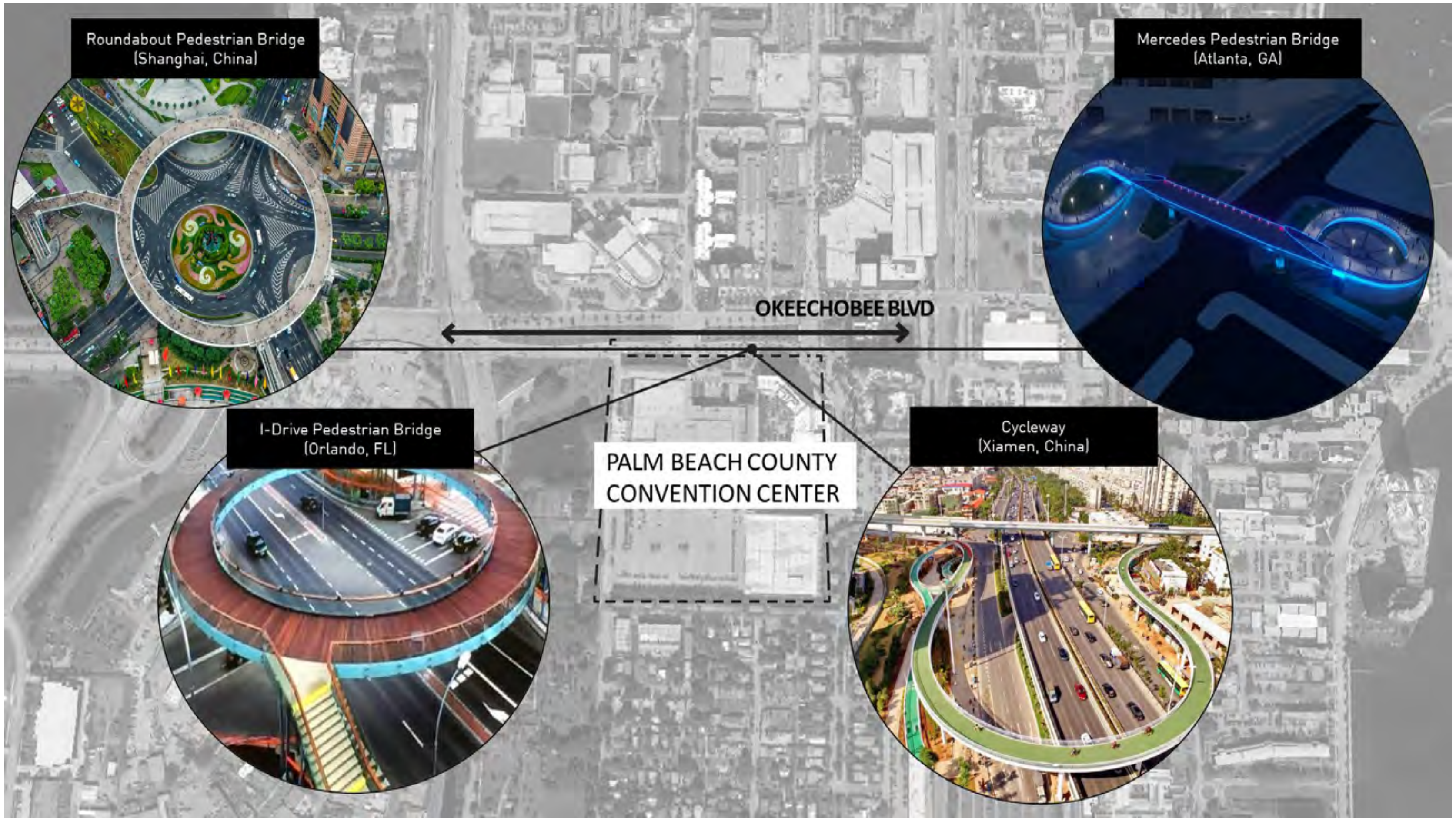
(1) – analysis excludes Selmon Expressway due to access to underpass.
(2) - analysis excludes Norfolk Virginia Beach Expressway due to its lack of use as a pedestrian passage.
(3) - analysis excludes SE 17th St due to access to underpass.

9. PARKING & PEDESTRIAN ACCESSIBILITY : Potential Connectivity Solutions

As discussed previously, opportunity exists to improve the pedestrian connection between the PBCCC and the primary hospitality districts in West Palm Beach by developing a pedestrian-oriented connection over Okeechobee Boulevard.

The concepts illustrated in the adjacent graphic demonstrate that an Okeechobee pedestrian connection could be uniquely designed as an arts-inspired, signature asset for the destination. Each of the various connections highlighted provide safe passage for pedestrians and bicyclists in an artistic, iconic manner.

We recommend Palm Beach County and West Palm Beach leadership work with the development community, land/property owners, arts/cultural organizations, traffic planners, economic development professionals, event planner groups and other key stakeholders to consider such an initiative to provide a signature pedestrian crossing. Ultimately, this will connect assets across Okeechobee Boulevard, including the PBCCC, the Hilton West Palm Beach, Rosemary Square, the Kravis Center, Restoration Hardware, and the residential development just to the east of the Convention Center.

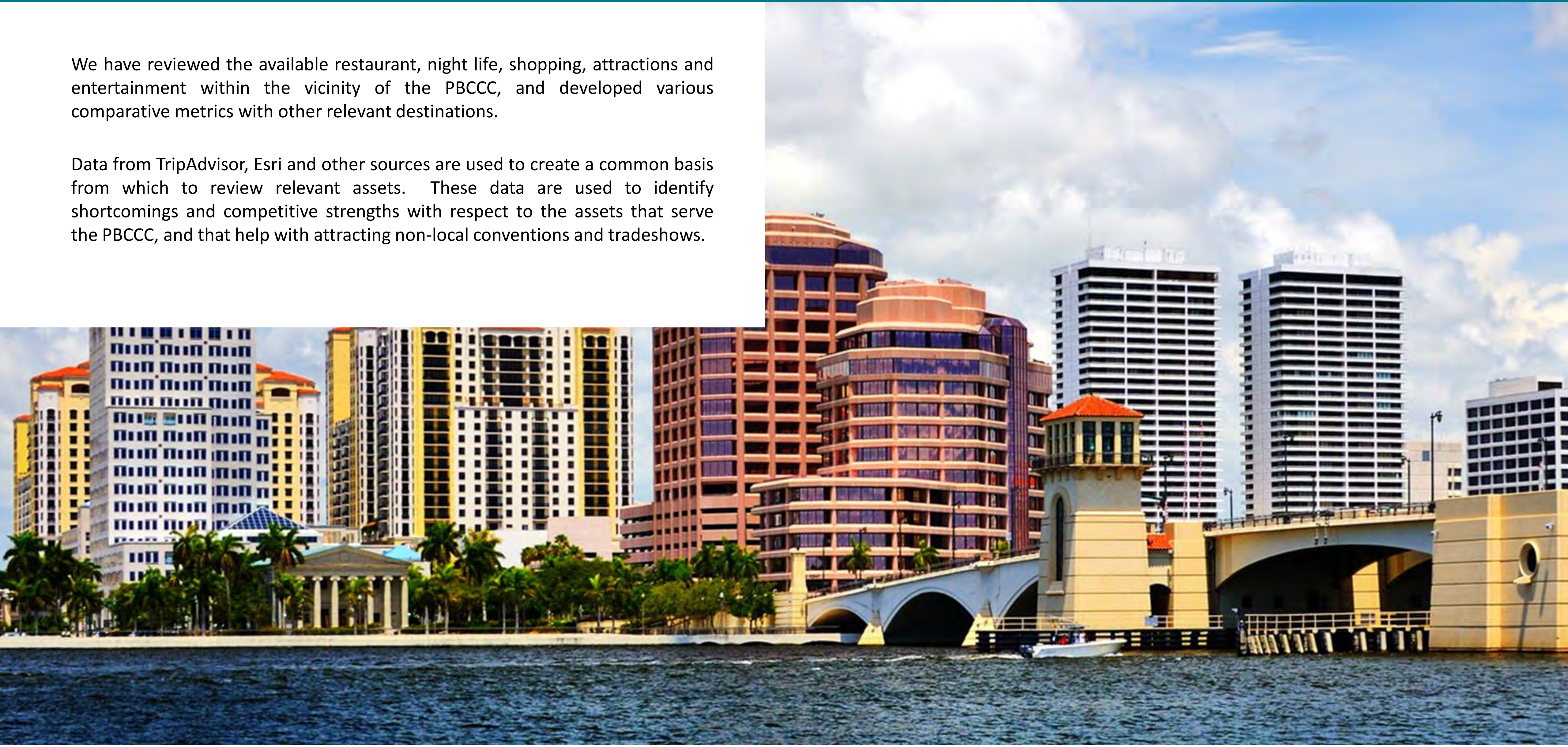


10. COMMUNITY AMENITIES

10. COMMUNITY AMENITIES: Introduction

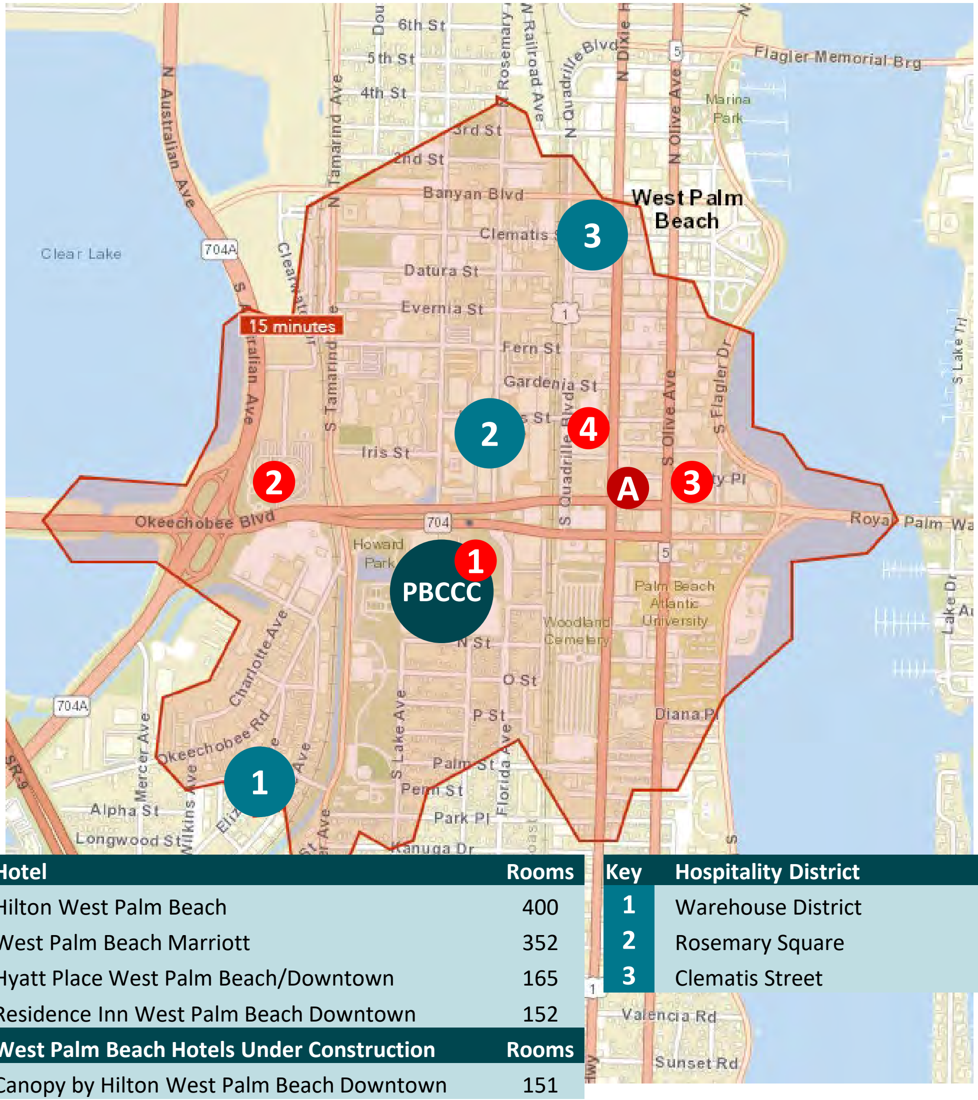
We have reviewed the available restaurant, night life, shopping, attractions and entertainment within the vicinity of the PBCCC, and developed various comparative metrics with other relevant destinations.

Data from TripAdvisor, Esri and other sources are used to create a common basis from which to review relevant assets. These data are used to identify shortcomings and competitive strengths with respect to the assets that serve the PBCCC, and that help with attracting non-local conventions and tradeshows.



10. COMMUNITY AMENITIES: Assets within 15-minute Walking Distance of PBCCC

Area Captured by 15-minute Walktime from PBCCC



Key	Hotel	Rooms
1	Hilton West Palm Beach	400
2	West Palm Beach Marriott	352
3	Hyatt Place West Palm Beach/Downtown	165
4	Residence Inn West Palm Beach Downtown	152
	West Palm Beach Hotels Under Construction	**Rooms**
A	Canopy by Hilton West Palm Beach Downtown	151

Key	Hospitality District
1	Warehouse District
2	Rosemary Square
3	Clematis Street

It is critical to consider the walkable environment surrounding the Palm Beach County Convention Center to determine the appeal of the destination’s overall convention package for the event attendee. With a majority of national and regional convention attendees staying in hotels within close proximity to the Convention Center, and a significant portion of these attendees often traveling without a rental vehicle, many attendees mainly remain within a 15-minute walk of their host convention center over the duration of their stays.

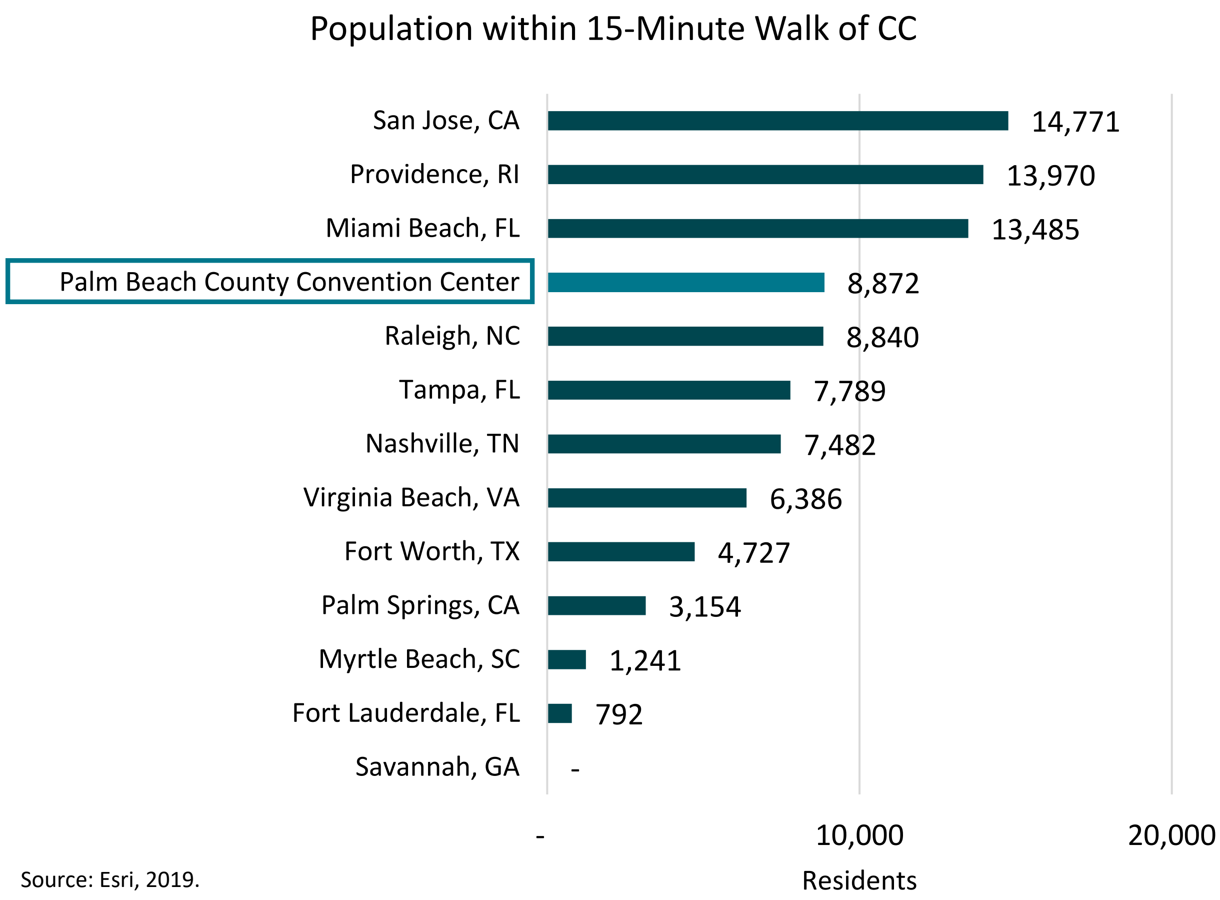
As such, we have prepared an analysis of the area captured by a 15-minute walktime radius surrounding the Convention Center. The map to the left illustrates the land area captured within our analysis, and partially stretches to key areas with hospitality appeal such as Grandview Public Market to the southwest of the PBCCC and Clematis Street to the northeast. Four existing convention hotels totaling 1,069 rooms are also included in this capture, in addition to the 208-room Canopy that is due to open in 2020.

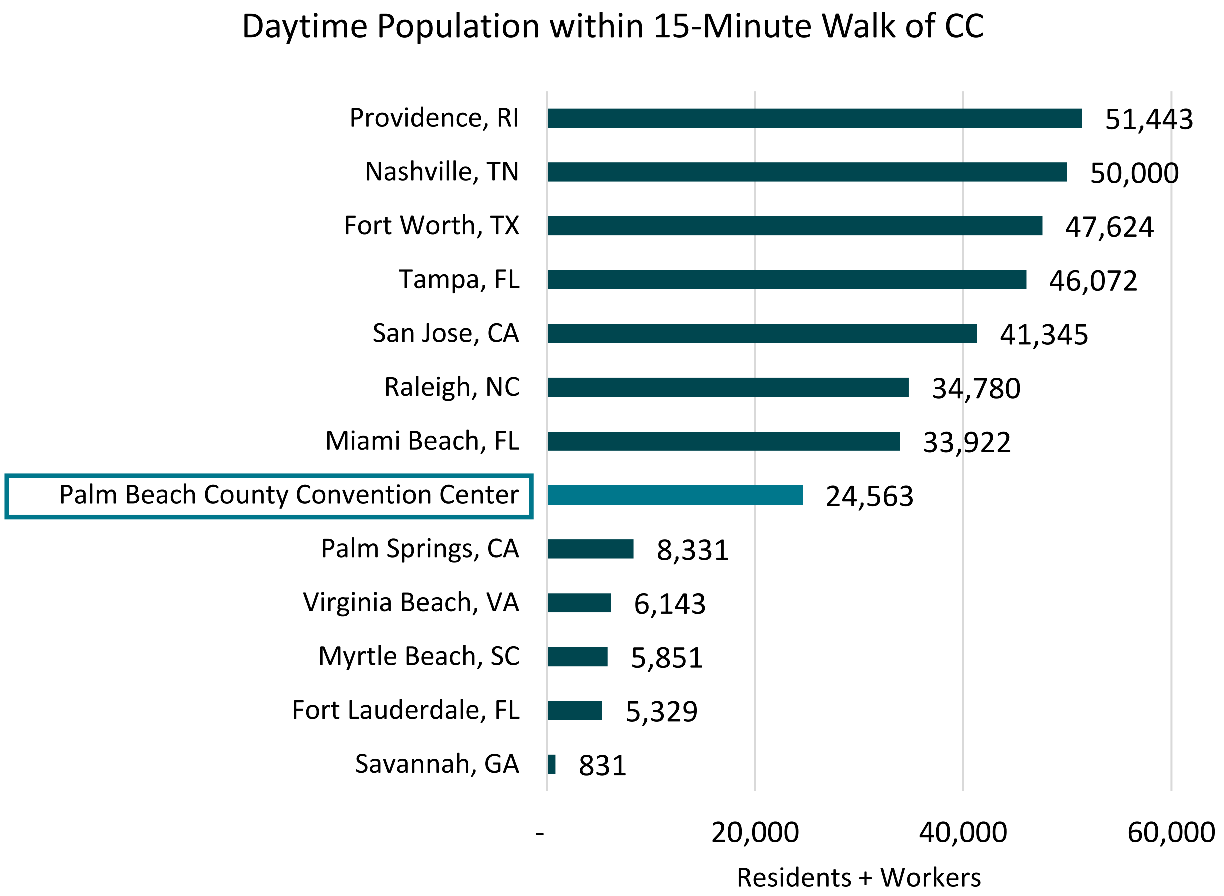
The following pages compare the overall vibrancy and hospitality-related economic activity generated in this area with the 15-minute walktimes surrounding other comparable convention centers throughout the country. To determine the magnitude of these elements, the following metrics were considered:

- Population,
- daytime population (residents + daytime employees),
- eating and drinking sales; and,
- non-dining retail sales.

10. COMMUNITY AMENITIES: Comparison of Foot Traffic within 15-minute Walking Distance

The residential population and employee base near a convention center can provide an indication of the overall foot traffic and vibrancy in the area. The two charts below compare the population and daytime population of the geographic area captured by a 15-minute walktime from the Palm Beach County Convention Center with the same walktime area captures at other convention centers nationally. **The number of residents near PBCCC ranks favorably within the comparison set, outranking larger cities such as Raleigh, (NC), Tampa, (FL), and Nashville, (TN), and highlighting the unique urban setting in downtown West Palm Beach.** The area's daytime population ranks lower among the comparison set, but still ranks much closer with the population base in Miami Beach, (FL), than the cluster of small urban centers that are ranked at the bottom of the set.

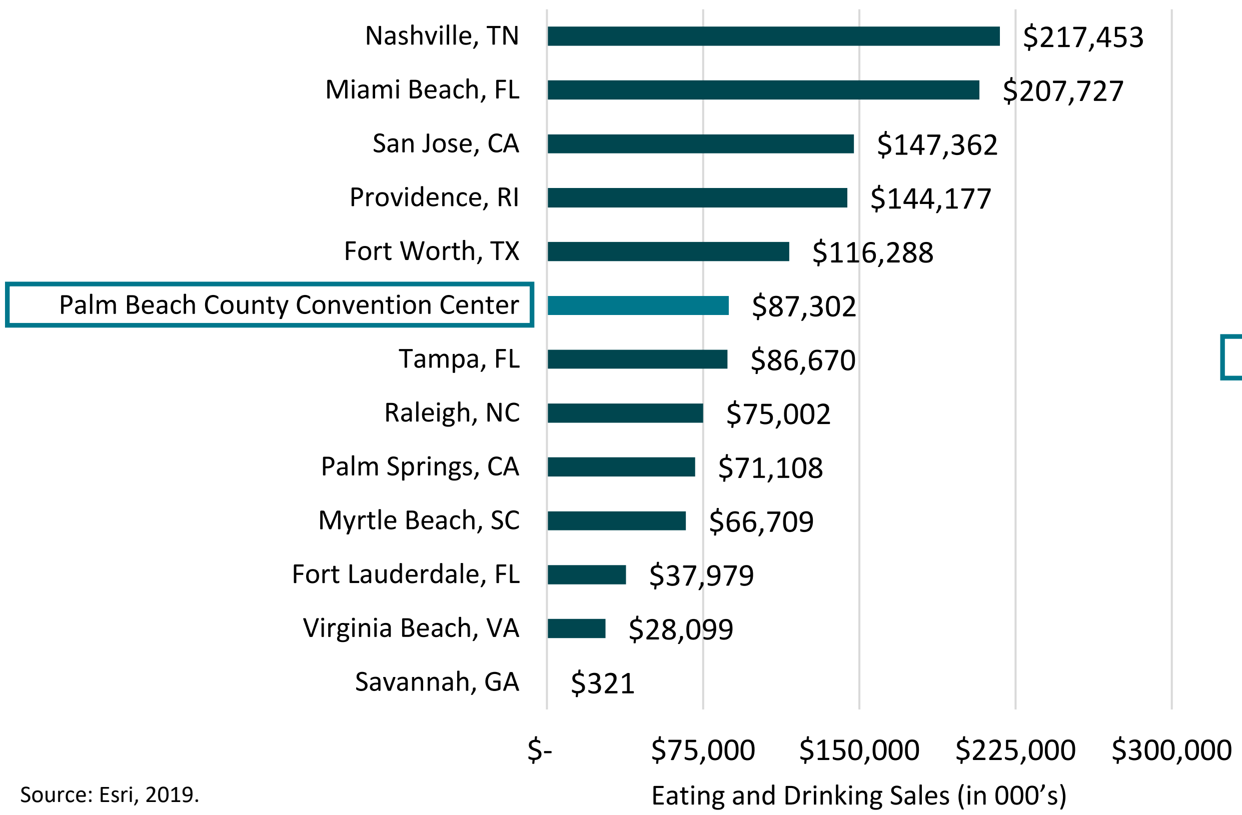

Population within 15-Minute Walk of CC


Daytime Population within 15-Minute Walk of CC

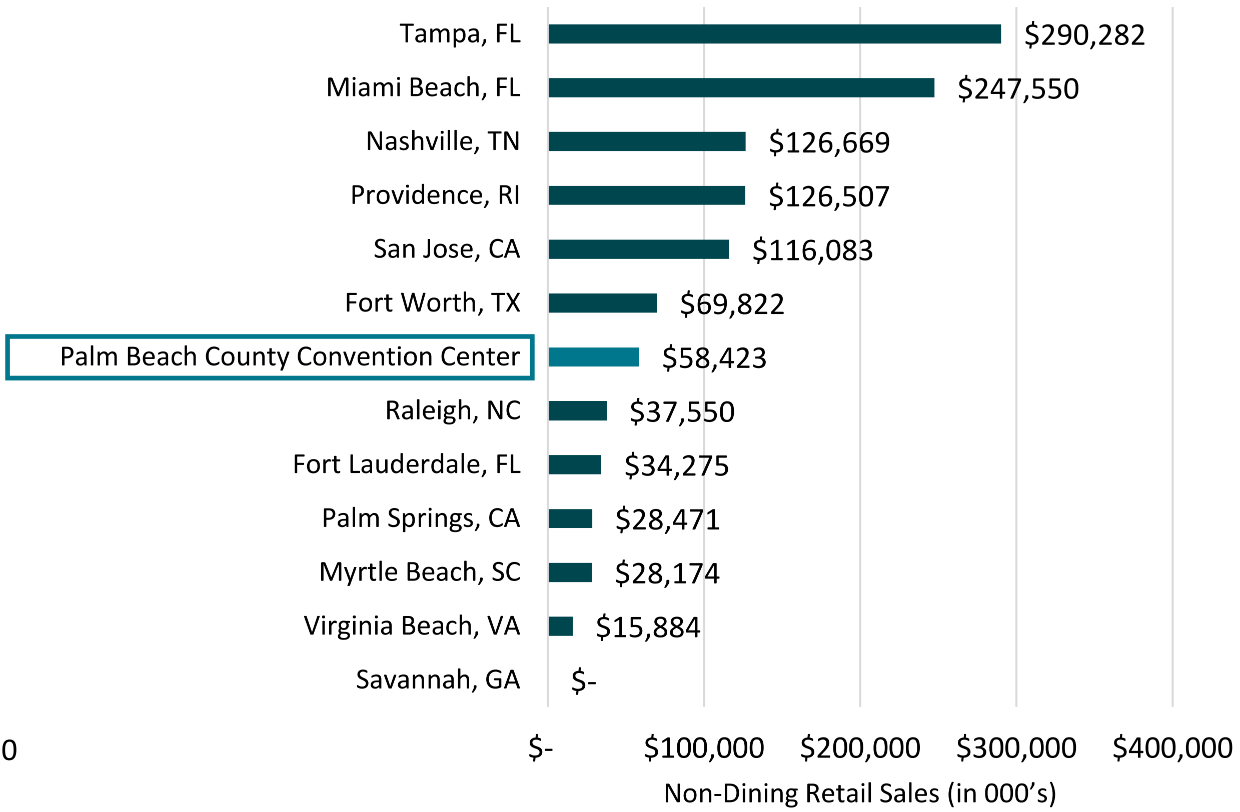
Source: Esri, 2019.

10. COMMUNITY AMENITIES: Comparison of Foot Traffic within 15-minute Walking Distance

Using GIS software, we have also determined the level of spending in the hospitality segment within a 15-minute walktime from each compared convention center. The charts below provide a comparison of the total amount of sales that are generated at eating and drinking establishments and miscellaneous retail establishments near each center. **Though smaller in convention facility size and overall population than a majority of other compared markets, West Palm Beach is at the median of the comparison set for non-dining retail sales, while ranking 6th out of 13 markets in terms of eating and drinking sales.** The spending generated by nearby areas such as Rosemary Square and Clematis Street demonstrates a vibrant urban core that compares closely with the walkable environment near other centers in Raleigh, (NC), Fort Worth, (TX), and Tampa, (FL).



Eating and Drinking Sales within 15-Minute Walk of CC



Non-Dining Retail Sales within 15-Minute Walk of CC

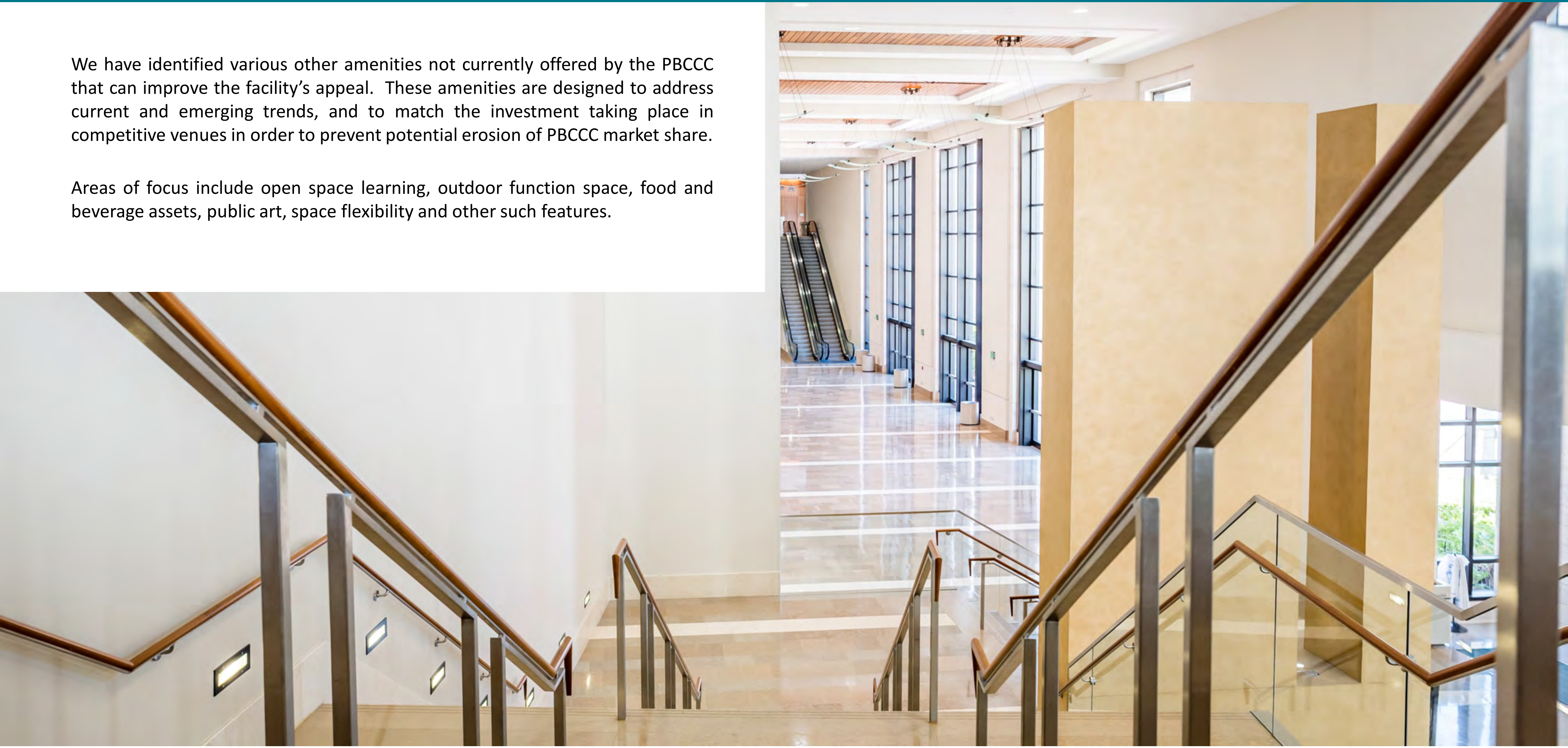
Source: Esri, 2019.

11. OTHER AMENITIES

11. OTHER AMENITIES: Introduction

We have identified various other amenities not currently offered by the PBCCC that can improve the facility's appeal. These amenities are designed to address current and emerging trends, and to match the investment taking place in competitive venues in order to prevent potential erosion of PBCCC market share.

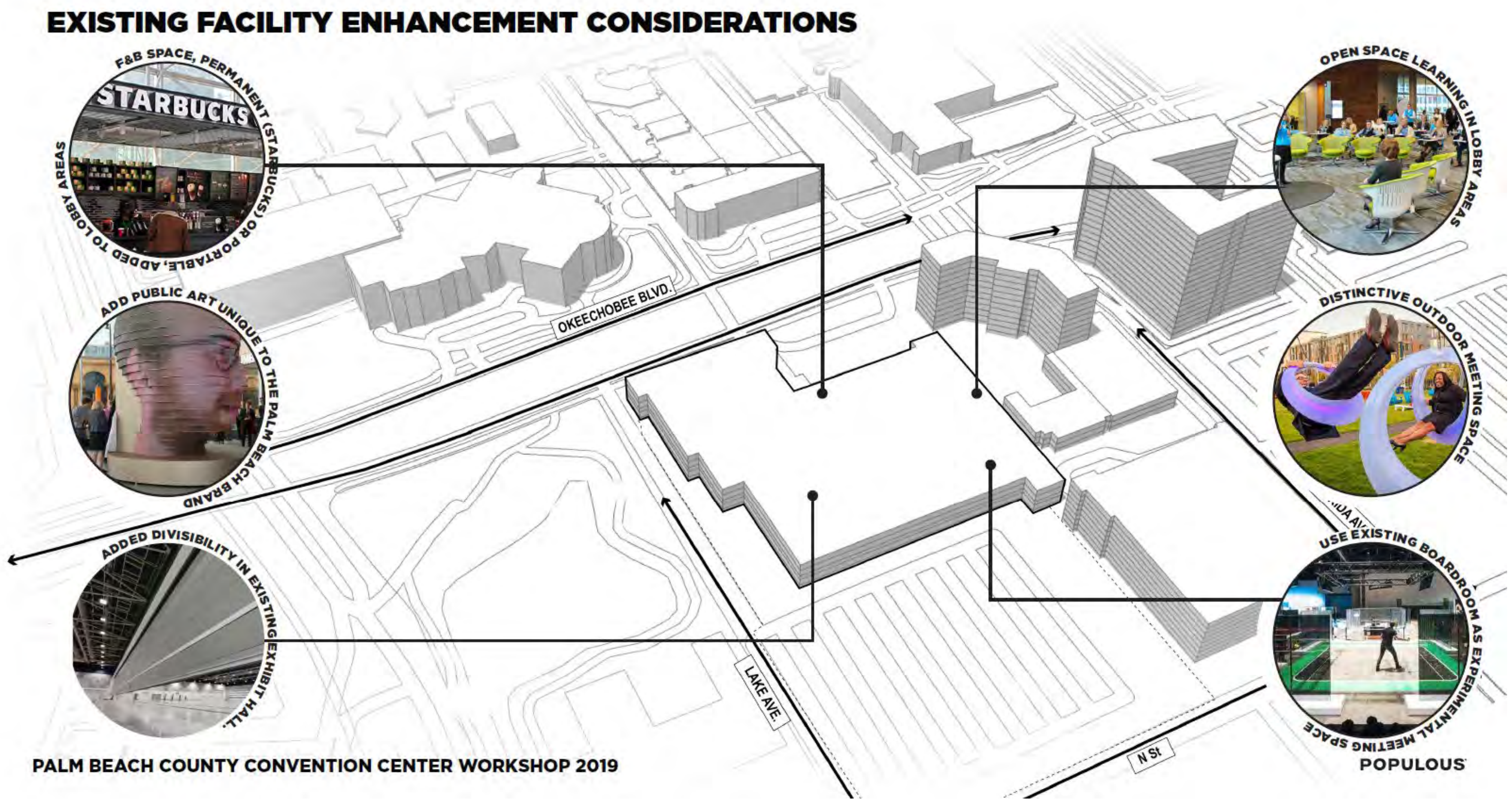
Areas of focus include open space learning, outdoor function space, food and beverage assets, public art, space flexibility and other such features.



11. OTHER AMENITIES: Stage One - Near Term Investment

Our team has conducted a thorough review of existing PBCCC spaces, amenities, configuration, site adjacencies and other physical planning considerations. Based on this review, the extensive industry trend, competitive/comparable facility analysis, customer outreach and other analysis presented throughout this Study, as well as our experience in the convention industry throughout North America, we have developed a set of near term improvements to the PBCCC that should be considered. These improvements will help the PBCCC to remain current with developing event planner and attendee needs and to remain competitive in the market place.

Recommended areas of improvement, focusing on food and beverage, public art, open space learning, outdoor space, repurposing existing underutilized space and added hall subdivisibility, are discussed in more detail on the following pages.



11. OTHER AMENITIES: Stage One - Near Term Investment

Food and Beverage Space

PBCCC management has discussed an initiative that would introduce a coffee shop in the lobby area. This type of asset would address current industry trends, and could take advantage of several advancements to the concept introduced in recent center expansions. Two examples are discussed below:

- tcf Center, Detroit – The branded Cork & Grind operation in the lobby of the tcf Center serves coffee, wine, food options that emphasize Made in Detroit. The space is highly utilized throughout the day/evening during all major events.
- Kentucky International Convention Center, Louisville – The branded Oak & Brew is a daytime coffee shop, offering bourbon tasting in the evening. The operation is not open to the public, but is accessible during events at the KICC. Grab and go food items are available during the day. Oak & Brew is managed Levy Restaurants, the food and beverage provider for the Center. Levy is working with local food businesses to introduce a unique element to the operation.

For the PBCCC, it will be important for such a space to leverage local flavors, create an open concept within the lobby area, serve relevant food and beverage throughout the day, consider branding unique to the market versus a national chain, and be open for all major events. Emerging local businesses in the craft beer, food and coffee sectors within Palm Beach County can form a basis for this effort.

tcf CENTER – DETROIT
Cork & Grind– a coffee-by-day, wine-by-night experience

KENTUCKY INT'L. CC – LOUISVILLE
Oak & Brew – a coffee-by-day, bourbon-by-night experience

11. OTHER AMENITIES: Stage One - Near Term Investment

Open Space Learning

Organizations are willing to pay for flexible spaces that facilitate and foster networking, create more interactive and collaborative work, and learning environments that are reflective of the unique destination. One example of space flexibility can be found in emerging open-space learning (OSL) environments.

This concept challenges the traditional lecture or seminar-based formats that tend to draw attendees off the main show floor during events and instead provides unique and creative learning environments that can be constructed in lobbies, pre-function areas, exhibit halls, ballrooms, etc. The concept relies on access to portable furniture, white boards, monitors, lighting, charging stations and other portable amenities.

The adjacent images reflect open space learning concepts at center's in markets as diverse as Vancouver, BC; Fort Wayne, IN; and San Francisco, CA.

There are numerous areas within the PBCCC that could be considered for open space learning investment, including the lobby space on the east side of the Center, as well as enclosing various outdoor spaces adjacent to the lobby.

11. OTHER AMENITIES: Stage One - Near Term Investment

Public Art

In our on-going industry focus group work with national and international event planners, the concept of public art and creating a unique sense of place within a center appears to be increasing in importance.

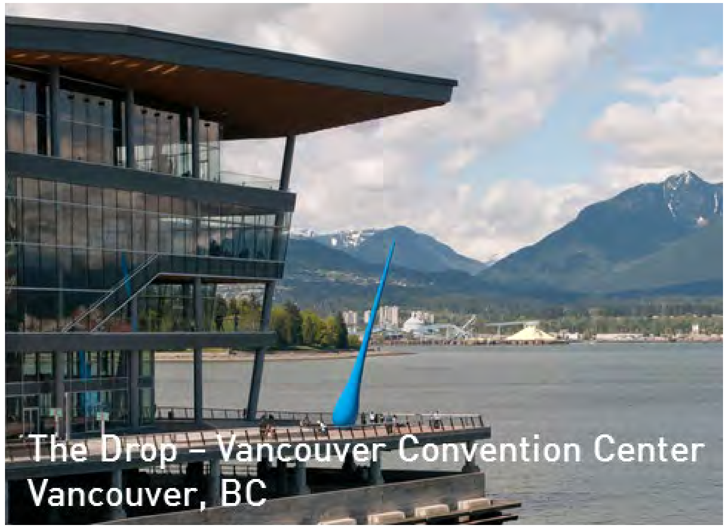
For example, the "As We Are" installation at the Columbus Convention Center contains a photobooth and recreates a person's portrait 17 times the size of the person represented (shown below). The "Big Blue Bear" has become an iconic symbol not just for the Colorado Convention Center, but for the City of Denver. The Drop outside the Vancouver Convention Center creates a large scale, iconic reflection that is unique to the destination. Convention center and overall destination planning initiatives nationally are considering the value of large iconic public art installations.

For the PBCCC, numerous elements of public art exist, helping to create a desirable ambience. **We recommend going beyond the existing conditions to introduce more of a monumental public art and interior element unique to the destination.** These efforts would build on current projects such as the Wave. Various interior public areas could be considered for this type of investment, as well as prominent exterior spaces, including the connector to the Hilton and exterior pieces helping to link the pedestrian experience to Rosemary Square. Management could also work with the Cultural Council, Norton Museum of Art and other local organizations to identify installations and locations most advantageous for the project.

Management could also work with the Cultural Council, Norton Museum of Art and other local organizations to identify installations and locations most advantageous for the project.

As We Are – Columbus Convention Center
Columbus, OH

Big Blue Bear – Colorado Convention Center
Denver, Colorado



The Drop – Vancouver Convention Center
Vancouver, BC

11. OTHER AMENITIES: Stage One - Near Term Investment

Hall Subdivisibility

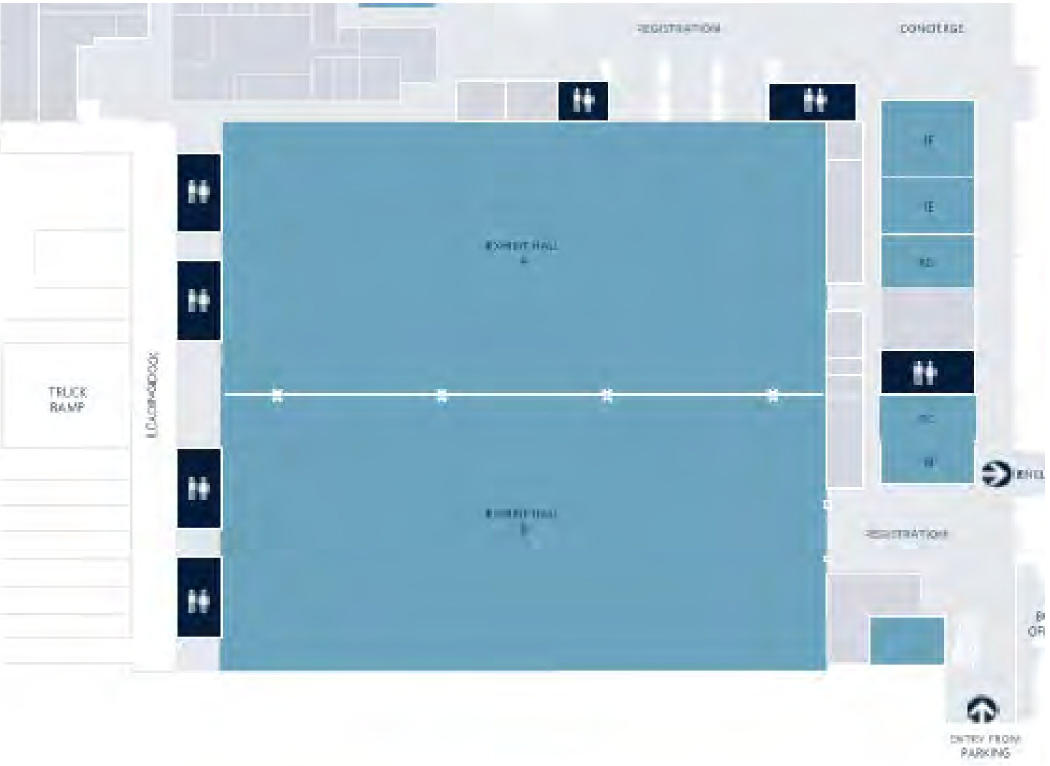
The existing Halls A and B are designed for future expansion to the south, with loading docks along the western edge of the Center. While this layout is desirable from a future expansion standpoint, it can create challenges when trying to subdivide the hall for multiple overlapping events.

While there does not appear to be an obvious and ideal solution to hall divisibility, **consideration should be given to adding a movable north/south divider wall in, at least, Hall A. This would allow for a smaller event to be held simultaneously with a larger event using a portion of Hall A and all of Hall B.** A portion of Hall A could also then be used for a separate general session, food function or other use to support larger exhibit hall users. Architectural assessments and planner focus groups should be conducted to verify the value of this scenario.

Distinctive Outdoor Space

Planners are increasingly seeking to use outdoor space for banquets, receptions, meetings and other functions. Current plans being developed by PBCCC management include programmable outdoor space outside the front of the Center along Okeechobee Boulevard. We note that this space is part of a potential hotel location as discussed earlier in this Study. **Consideration should be given to finalizing hotel plans prior to proceeding with the planned outdoor space.**

Additional opportunities for outdoor function space should also be considered, including use of portions of Howard Park. This type of use would not intrude on the current Park function, but would allow for pop-up structures to host events. Outdoor space atop the adjacent 2,648 space garage could also be considered. For any outdoor space, consideration should be given to developing permanent footings, power, lighting and other amenities to allow for efficient setup for outdoor functions These areas, particularly Howard Park, could also be used for numerous community-oriented events.



BUILDING	CONVENTION CENTER	HILTON WEST PALM BEACH
Ballrooms	1	2
Meeting Rooms	19	6
TOTAL SQUARE FEET	350,000 sq.ft.	29,000 sq.ft.

11. OTHER AMENITIES: Stage One - Near Term Investment

Other Potential Initiatives

In reference to suggestions made by PBCCC management, local stakeholders, and interviewed event planners, we also recommend considering the costs and potential benefits associated with each of the following PBCCC space and service enhancements.

Tech/LAN Room – One or more of the PBCCC's underutilized meeting spaces could be converted into a Local Area Network center outfitted with a number of high performing computer stations; this space could be used for esports or streaming during conventions.

Create Convenience – To address corporate event demand, the PBCCC could convert an under-utilized space or show office into a business center complete with computers and printing and shipping services. To provide convenience for overnight travelers, the Exhibit Hall concessions stand could be converted into a sundry store, or portable kiosks could be developed in the concourse areas.

Augmented Reality/Virtual Reality (AR/VR) Room – The PBCCC could also convert one or more of its underutilized spaces into a turnkey AR/VR room. These rooms would be supported by the PBCCC's strong Wi-Fi, robust power, and could feature curtaining, space markers, and movable set pieces to set up different environments for various uses. These rooms could be used for 3-D virtual lectures, surgery simulations, and shared attention video content.

Development of Micro Spaces in/along Exhibit Hall – Tradeshow planners, especially from the medical sector, increasingly prepare small temporary gathering spaces in or adjacent to the exhibit hall to draw more attendees to the tradeshow floor and to better engage them with more varied event programming. Consideration could be given to building one or more small breakout spaces adjoining the exhibit hall to provide this type of "quick break" environment for event attendees.

On Demand Micro Meeting Spaces – ZenSpace has developed private, tech-enabled Smart Pods that can be rented on demand using an integrated mobile app. These spaces are outfitted with comfortable booth seating, table tops, whiteboards, monitors, HDMI cables and phone charging stations. PBCCC management should considered renting or purchasing these PODS for placement in pre-function areas or in the Exhibit Hall to provide attendees with a quick and convenient option for impromptu meetings.

Identification of New Off-Site Venues – PBCCC management and DTPB leadership should identify potential retail or dining spaces throughout downtown that would be interested in hosting breakout meetings for visiting conventions. For example, Oakland, (CA) recently hosted an urban planner convention that accommodated breakout sessions exclusively in retail and office spaces (both vacant and occupied) throughout downtown. Visit Oakland worked with property owners to negotiate rental prices for these spaces, and they hope to replicate the initiative in the future after its successful execution.

GameTyrant LAN Center (Salt Lake City, UT)

UPS Store (San Jose, CA)

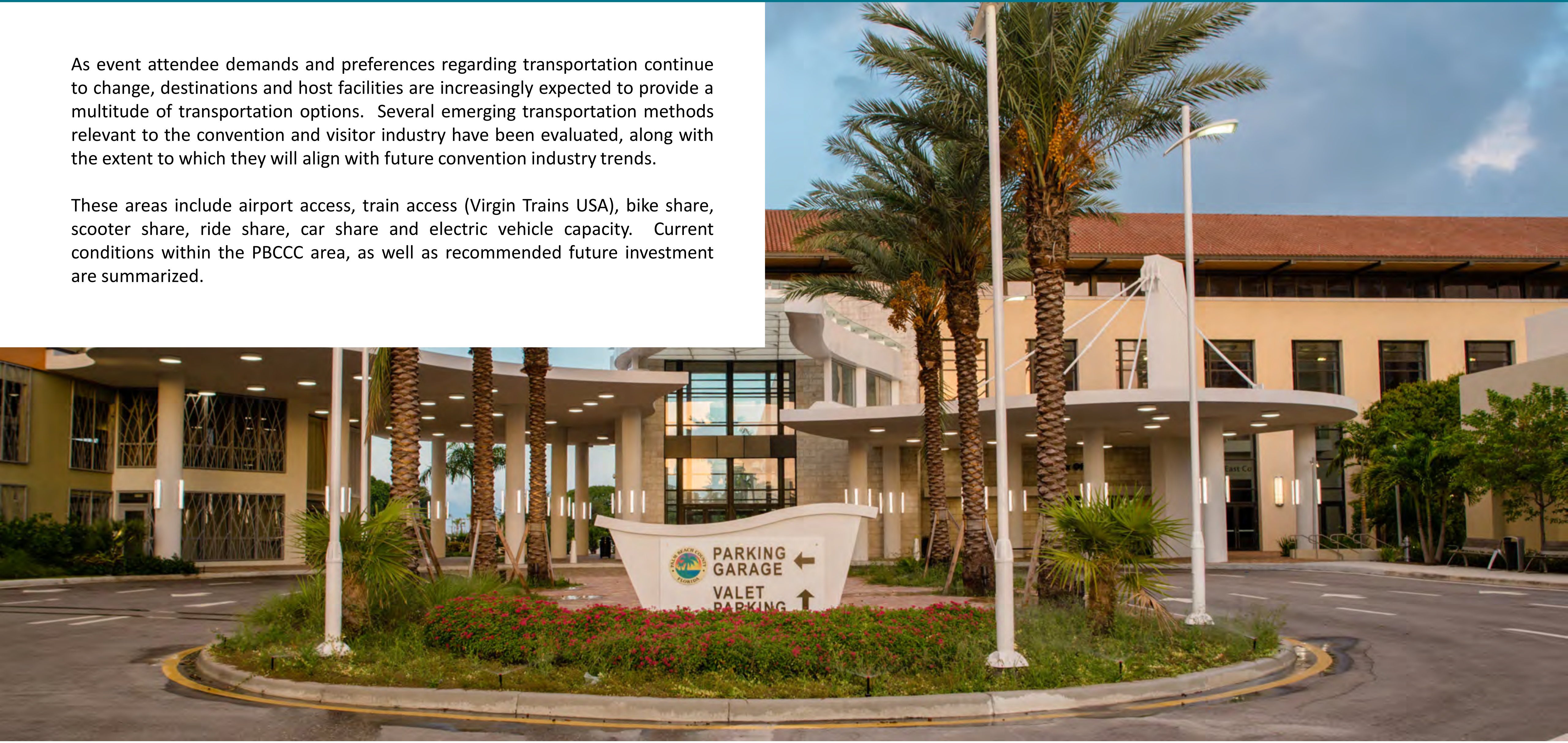
ZenSpace SmartPods

12. TRANSPORTATION

12. TRANSPORTATION: Introduction

As event attendee demands and preferences regarding transportation continue to change, destinations and host facilities are increasingly expected to provide a multitude of transportation options. Several emerging transportation methods relevant to the convention and visitor industry have been evaluated, along with the extent to which they will align with future convention industry trends.

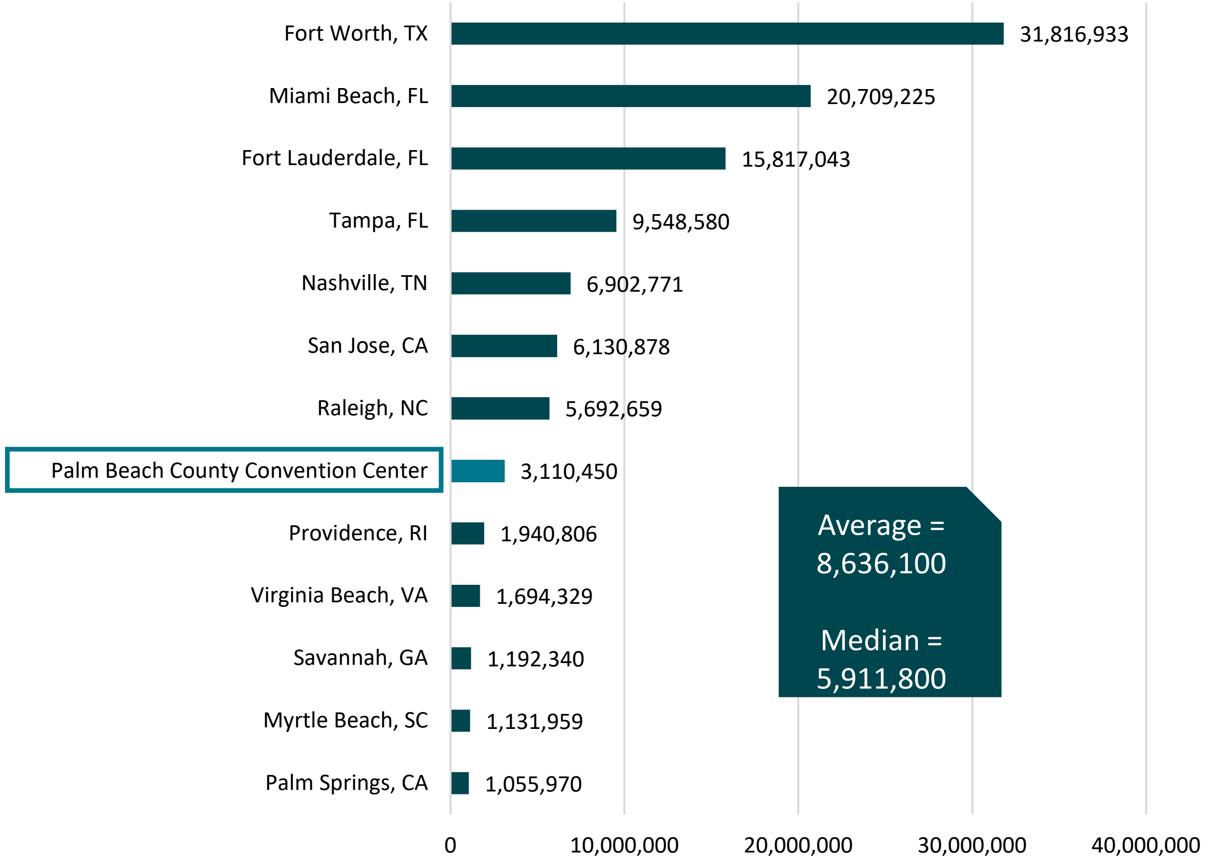
These areas include airport access, train access (Virgin Trains USA), bike share, scooter share, ride share, car share and electric vehicle capacity. Current conditions within the PBCCC area, as well as recommended future investment are summarized.



12. TRANSPORTATION: Airlift Comparison

Air access is an important asset when trying to attract events with more of a national audience. As noted below, the air access into Palm Beach International Airport is comparatively limited relative to some of its major metropolitan area peers. It is not expected that these conditions deter a significant number of events from choosing West Palm Beach as a host site, and future VTUSA rail connectivity to the airport in Orlando could effectively add convenient air access.

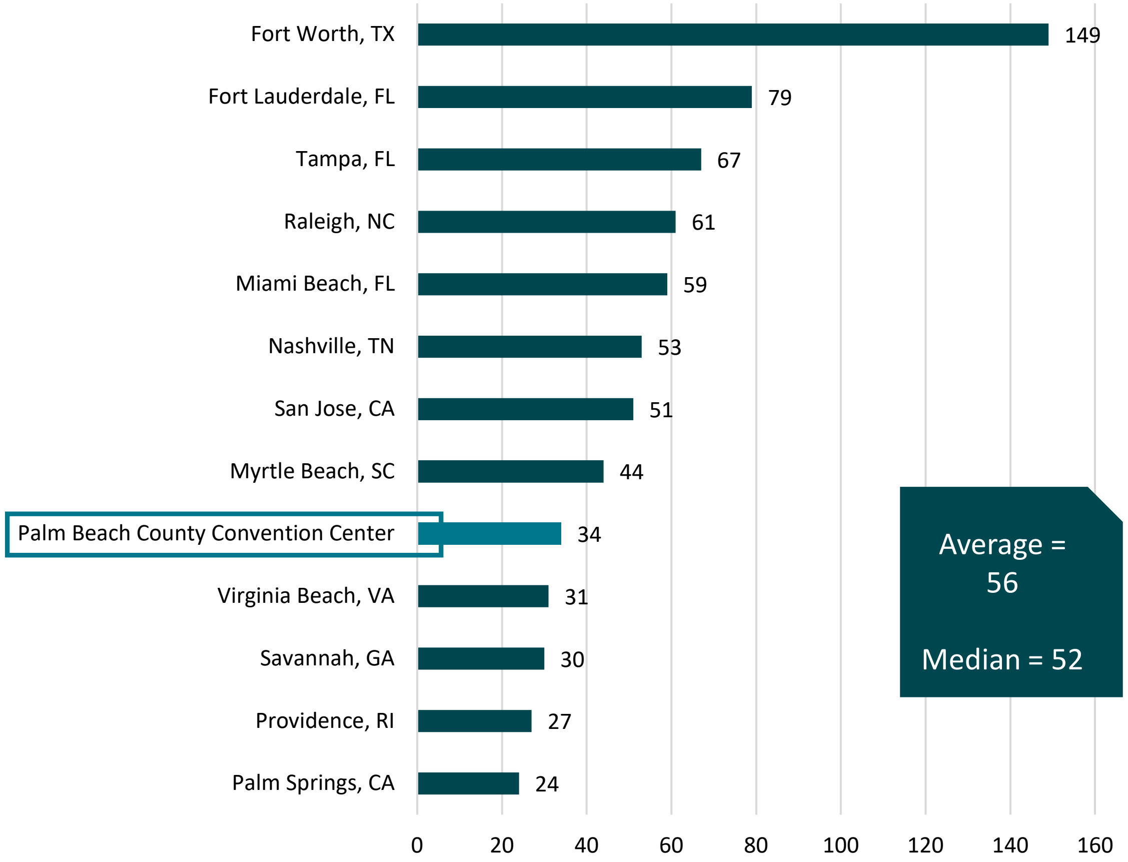
Total Enplanements



Average = 8,636,100

Median = 5,911,800

Cities Reachable via Non-Stop Direct Flights



Average = 56

Median = 52

Sources: facility management, facility websites, airport websites, 2019.

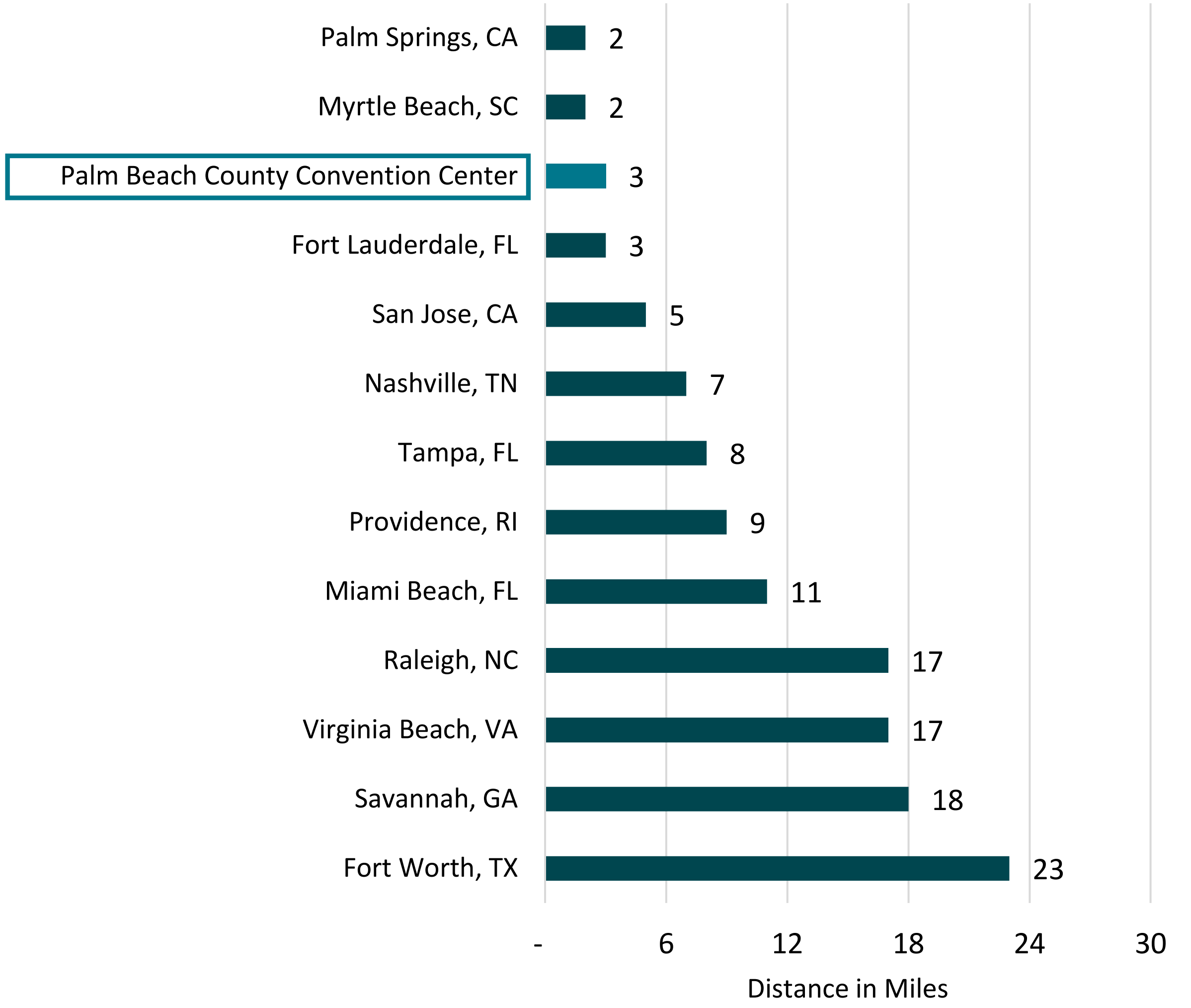
12. TRANSPORTATION: Distance from Convention Centers to Airports

Meeting planners of national and regional events consider the distance between host convention facilities and the nearest airport when selecting future destinations. The airports in many markets throughout the country are often far removed from their urban cores, where convention facilities typically are located. This distance makes it more difficult and time consuming for event attendees to frequent the facility or their hotels, and can at times deter attendance of the event.

One of the Palm Beach County Convention Center's key geographical strengths is its proximity to the Palm Beach International Airport. As shown in the adjacent chart, the less than three-mile distance between the two facilities is tied for third in the comparison set, with the Greater Fort Lauderdale/Broward County Convention Center's distance from the Fort Lauderdale-Hollywood International Airport. Only Palm Springs, (CA) and Myrtle Beach, (SC) offer shorter distances between their convention centers and their primary airports.

This close proximity is another point of strength for a smaller leisure market such as West Palm Beach, helping the PBCCC to compete with larger cities such as Fort Worth, (TX), and Raleigh, (NC) for larger national events.

Distance from Convention Center to Primary Airport



Source: Google Maps, 2019.

12. TRANSPORTATION: Benefits of Virgin Trains USA

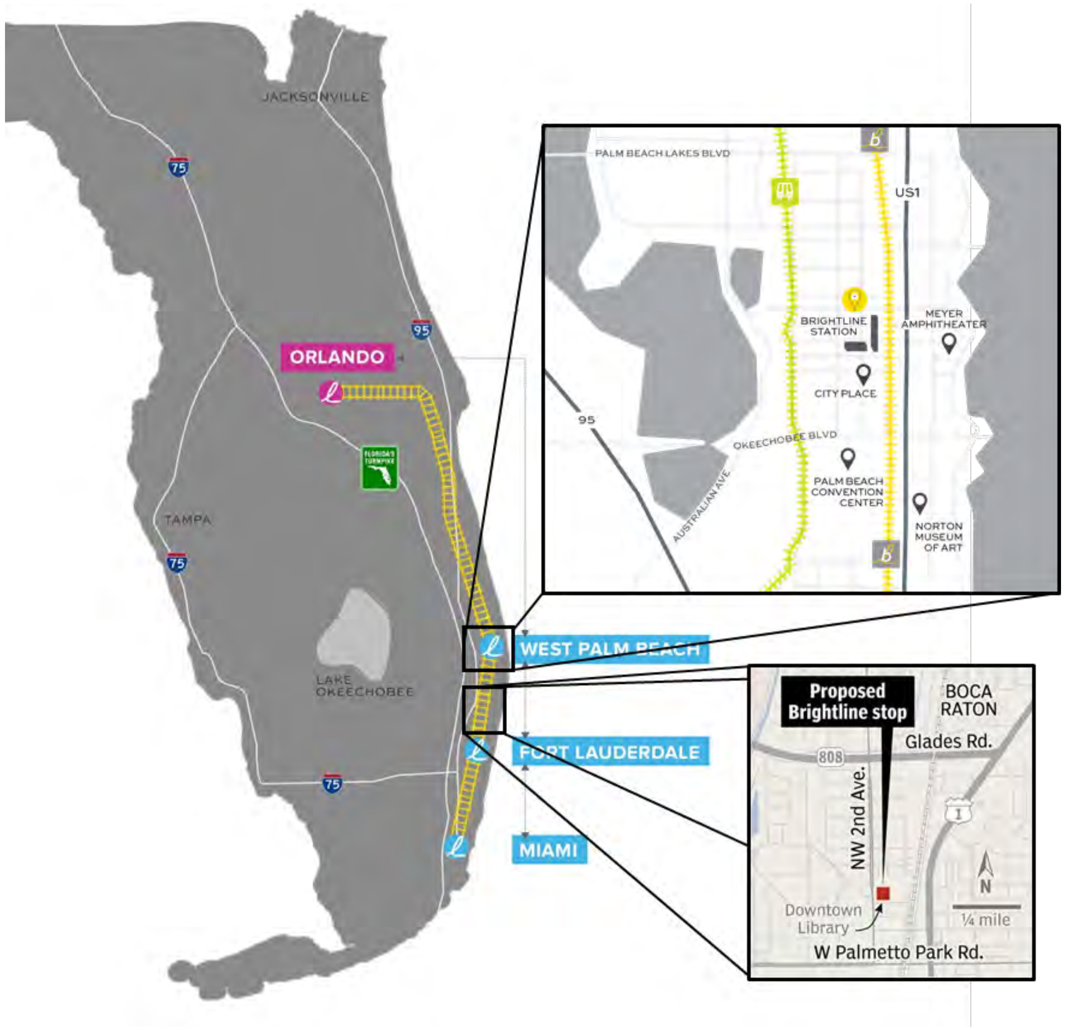
The Brightline, which will be known as Virgin Trains USA (VTU) by end of 2020, was developed in January of 2018 to provide non-stop rail services between West Palm Beach, Fort Lauderdale, and Miami. Additional stops are planned for development in Aventura, the Port of Miami, Boca Raton, and an extension connecting the railway to the Orlando market will be completed by 2022, which will greatly increase access to the service and enhance the convenience of traveling between Orlando and Miami. An extension to Tampa and Disney World have also been proposed as long-term priorities.

We expect the PBCCC and the West Palm Beach destination to increasingly benefit from VTU's service as traveler preference regarding transportation alternatives to cars continue to increase. National and international convention attendees now are able to fly in to either West Palm Beach, Miami, Fort Lauderdale, or Orlando (in 2022), forego renting a car, and arrive in West Palm Beach in under two hours via train for between $15 and $30 (assuming no future price increases in the near term). The service also allows PBCCC convention attendees to explore Florida on a more regional basis, and make daytrips to Miami and Orlando during convention downtimes.

An asset such as VTU that connects the destination with other major population centers and enables car-less travel throughout much of Florida will provide a vital competitive advantage over peer facilities that are only serviced by airports and highways, particularly in attracting business from the national and international convention segments.

The DTPB should continue to aggressively market these benefits of VTU and consider increasing its promotion once the service is extended to Orlando and (potentially) Tampa. West Palm Beach leadership should also consider increased investment in or partnerships with scooter/bikeshare/smart car/electric vehicle services to provide quick and convenient methods of transportation for the growing influx of car-less leisure and group visitors in downtown that will arrive via VTU.

Virgin Trains USA Map (known as Brightline through mid-2020)



Source: GoBrightline.com, 2020.

12. TRANSPORTATION: Evolution of Convention Transportation Methods

As previously discussed, event attendee demands and preferences regarding transportation continue to change, destinations and host facilities are increasingly expected to provide a multitude of transportation options. Several emerging transportation methods relevant to the convention and visitor industry are described below, along with the extent to which they will align with future convention industry trends. Any future PBCCC expansion should consider these trends, and how ingress/egress could best accommodate each transport option. On the following page we present a number of case studies and key takeaways regarding strategic transportation initiatives.

Nice Ride – Minneapolis, MN

Bike Share

Bicycle sharing systems allow individuals to rent a bicycle on a short-term basis for a price or for free. These systems are often connected to a mobile app, which helps the individual locate the bike dock stations, unlock and pay for the bike. Bike sharing services not only promote a greener way of travel, they help to alleviate pressure in congested areas due to the lack of traditional parking areas. Bike share docks located in close proximity to a convention center provide a highly accessible method of transportation to explore areas within several miles.

Bird Scooters – Indianapolis, IN

Scooter Share

Scooter share services have become increasingly popular in recent years due to the fact that they provide a fast and convenient mode of transportation for a relatively low fee and on a short-term basis. Similar to bike sharing systems, scooter services help to promote economic impact, cut down on traditional transportation congestion often seen around hubs such as convention centers, as well as promote more exploration of a given metro market.

Ride Share

Ridesharing includes services that arrange one-way transportation on short notice through an app such as Uber or Lyft. These apps help to organize, locate and hail a ride as well as purchase a service. Such services have become a large part of transportation to and from a convention center, and many center's throughout the nation have created partnerships with the companies. Partnered efforts include creating pre-determined drop-off zones and potential discounts for riders utilizing the app from convention centers.

Car2Go – Seattle, WA

Car Share

Carsharing is a version of car rental where individuals can rent a vehicle for short periods of time, often by the hour. The purpose behind this version of mobility sharing is to create a greener way to commute within a metro area, cut down on the amount of people owning cars and to promote connectivity within a community by sharing rides to and from busy areas. Such a service can be beneficial to a convention center due to its impact of reducing the amount of parking spaces used while also providing convenient access to mid- to long-distance travel for vehicle-less event attendees.

The Wave – Chandler, AZ

Electric Vehicle

Electric Vehicle taxi's, such as the Wave in Chandler, Arizona, offer free shuttle services that are sponsored by various local businesses. In Chandler, these e-cabs were introduced to increase access to public transport as well as help promote public safety. Such services are designed to encourage visitors to explore more of urban areas, and to alleviate parking issues by enabling visitors to park and ride from concentrated parking areas just outside of a downtown.

12. TRANSPORTATION: Evolution of Convention Transportation Methods

We have identified the existing conditions for each of the various forms of transportation as they exist in West Palm Beach today, as well as various examples of best practices for each transportation method throughout the country. These findings are summarized below.

Bike Share

West Palm Beach recently discontinued its bike sharing service in downtown. In reviewing peer destinations, it may be beneficial to consider an improved bike sharing program, perhaps utilizing both dock and dock-less stations to service the visitor industry as well as PBCCC event attendees.

EXAMPLE: The Oregon Convention Center partnered with the bike sharing service BIKETOWN.

- The Center hosts a corral of sixteen bikes..
- Center management utilizes various means of incentives to promote the service such as:
  - Providing coupons and subscription information to convention attendees upon registration.
  - Providing links to bike and walk maps.
- The partnership is part of their sustainability initiative.

Scooter Share

West Palm Beach recently passed a new ordinance to allow scooter share services access to downtown. Some stakeholders have raised concerns with the pedestrian environment and connectivity as potential challenges for scooter users. These issues could be addressed in part through the development of a scooter and pedestrian friendly connector between PBCCC and Rosemary Square.

EXAMPLE: Convention centers such as McCormick Place utilize designated drop-off zones for scooter share services.

- Locations of the drop-off zones are strategically placed to avoid ingress/egress, while also dropping off the attendees as close to the Center as possible.
- Drop-off zones are often cordoned off by pylons or painted “corrals” within the Center’s parking lot, or along the sidewalks.

Ride Share

The PBCCC currently does not have a partnership with any major ride-sharing app. **Opportunity may exist to develop designated pick-up/drop-off zones or discounted services for convention attendees through partnerships with Lyft and/or Uber.**

EXAMPLE: The Phoenix Convention Center partnered with the ride-sharing app Lyft.

- Through this partnership attendees can receive up to 15% off their ride when they order from the convention center.
- Other centers work with the ride-sharing apps to create designated organized drop off and pick up zones to ease congestion around the convention center and to promote safety.
- One surveyed facility designated a portion of its parking to serve as a Lyft/Uber pick-up point.

Car Share

The City of West Palm Beach and the car-sharing company Zipcar have partnered to provide quick vehicle access to the community with the development of two hubs throughout downtown. **PBCCC management should consider reserving a small portion of the south parking lot to repurpose as a hub for one or more car share vendors.**

EXAMPLE: Zipcar, a car-sharing company, operates a hub adjacent to the George R. Brown Convention Center.

- The hub includes 12 cars available to rent through an online membership.
- The Houston First corporation allocated the hub space to help improve the overall experience for those visiting the Houston market, and to provide an added amenity for convention center attendees.
- Vehicles can be reserved by the hour or by the day, with rates starting at $9 per hour and $73 per day.

Electric Vehicle

West Palm Beach currently has yearly contracts with the electric vehicle company CIRCUIT, in part to enhance and support the needs of events occurring at the center. This feature has been highly utilized for meeting and conventions events at PBCCC.

We suggest this partnership be continued as travelers increasingly prefer to forego renting a car.

13. DESTINATION STRENGTHS & CHALLENGES

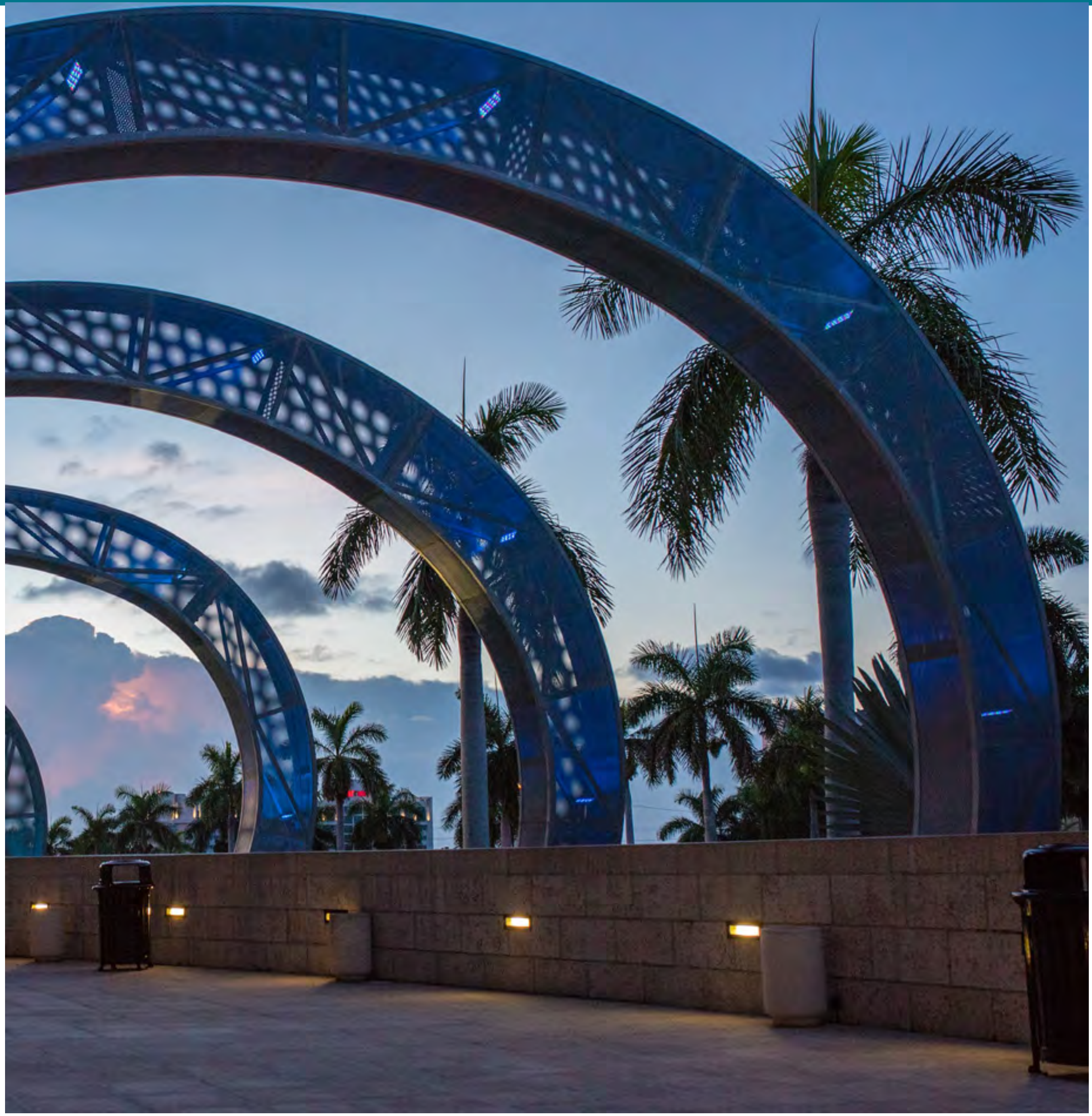
13. DESTINATION STRENGTHS & CHALLENGES: Introduction

Event planners have the ability to book in numerous competitive markets, and the hospitality and walkability conditions can significantly impact the ability to attract high-impact non-local conventions. Markets that offer sufficient hotel inventory, restaurant/retail assets and entertainment amenities, all within a convenient walkable environment, will operate with a significant competitive advantage.

As outlined in this section, there are numerous hospitality assets within walking distance of the PBCCC. The significant investment in Rosemary Square, the Hilton West Palm Beach, new commercial office space, several small hotels, cultural assets such as the Norton Museum of Art and the Kravis Center for the Performing Arts, and other developments help to create a desirable and growing set of assets walkable to the PBCCC.

At the same time, the committable hotel inventory adjacent to or very near the PBCCC is lacking in terms of accommodating large non-local groups. The significant traffic levels and distance to cross Okeechobee Boulevard to Rosemary Square can create challenges for event attendees, and has been documented by DTPB as a reason for lost business.

Within this section of the report, we provide a detailed assessment of existing and future Palm Beach County destination assets, pricing, hotel conditions, corporate base and other factors that contribute to the ability to attract high-impact, non-local meetings and conventions.



13. DESTINATION STRENGTHS & CHALLENGES: SWOT Analysis

STRENGTHS AND OPPORTUNITIES:

West Palm Beach Destination & Ability to Expanded Palm Beach County Convention District

As an important step in our study process, in-person and over the phone interviews were conducted with a number of stakeholders throughout the Palm Beach County market, including PBCCC management, Tourism Development Council Board, Discover The Palm Beaches Board and Staff, the Board of County Commissioners, other representatives from Palm Beach County government, West Palm Beach government, hotel developers and management, economic development professionals and cultural organizations among other community leaders from a number of local business and organizations.

We have analyzed their comments and observations as a part of a broad SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis of the PBCCC District, as well as various hospitality assets within Palm Beach County and West Palm Beach destinations. Primary observations, comments and suggestions are summarized below and on the following pages. We begin with an overview of Strengths and Opportunities below, followed by Challenges and Threats that will need to be considered or addressed as part of future investment in the Palm Beach County convention and hospitality industry product, particularly with regard to the Convention Center District.

STRENGTHS AND OPPORTUNITIES

- **Discover The Palm Beaches –** Many interviewed stakeholders commented on the service, coordination and strategic vision demonstrated by Discover The Palm Beaches, and felt that the organization has been a tremendous benefit to the County's overall performance as both a leisure and group destination.
- **Rosemary Square –** Located just across Okeechobee Boulevard from the Convention Center, the Square's robust inventory of dining and shopping options makes for a true "convention art and entertainment district" for attendees to enjoy during downtimes or between meetings. This asset continues to evolve with new restaurants, rental and a $50 million investment commitment by Related Properties.
- **Downtown and Palm Beach County Dining –** Beyond Rosemary Square, other areas in downtown such as Clematis Street and Dixie Highway offer a diverse array of dining options. Many interviewed stakeholders noted that there a number of high quality restaurant options in the Worth Avenue area, Antique Row, Dixie Highway, in various destination resorts, and elsewhere in Palm Beach County.
- **Strong and Continually Evolving Destination Brand –** West Palm Beach and Palm Beach County are still recognized as luxury, warm-weather getaway destinations, and there is a sense that its resident and visitor profiles are trending younger. As a convention destination, West Palm Beach can enjoy the "best of both worlds" and leverage its identity as a world class destination to attract the next generation of convention attendees.

13. DESTINATION STRENGTHS & CHALLENGES: SWOT Analysis

STRENGTHS AND OPPORTUNITIES:

West Palm Beach Destination & Ability to Expanded Palm Beach County Convention District

- **Brightline/Virgin Trains USA –** The recently added Virgin Trains station in downtown West Palm Beach connects the downtown and Convention Center with Fort Lauderdale and Miami via highly accessible public transit. Going forward, six additional stations have been approved, and added routes will connect the destination with the Orlando International Airport, Disney World, and the city of Tampa. The rebranding of Brightline to Virgin Trains USA will provide an added opportunity to attract attendees and events from national and international markets. Further, riders can receive a $5 discount on Lyft rides to/from a VTA station when they also purchase a train ticket, allowing for cost effective and convenient transportation to/from the PBCCC for convention attendees arriving via train.
- **Affordability (during off seasons) –** According to interviewed stakeholders, overnight stays in West Palm Beach are relatively affordable when compared to peer destinations elsewhere in Florida. Depending on season, this can be a point of strength for West Palm Beach in competing for non-local events. However, it should be acknowledged that seasonality plays a significant factor in the destination's hotel pricing. During peak season (January through April) hotel rates can be more of a detriment than an asset, as high occupancy and ADR levels in West Palm Beach and Palm Beach County make it difficult for groups to afford (particularly those in the government sector).
- **Near Term Downtown Developments –** There are a number of commercial, residential and hotel projects being planned for downtown West Palm Beach, which will help support a more active, 24/7 environment in the area. Examples include 360 Rosemary, the residential development at the old Macy's site, the Tent Site development just east of the Convention Center, and One West Palm. This added vibrancy will make the destination more appealing to convention attendees. In addition, there are several other hotel projects in final planning stages.
- **Event-Friendly Labor Policies –** The utilization of non-union labor has helped the PBCCC offer competitive event service pricing relative to peer facilities throughout the country. This enables the facility to compete with larger convention facilities and/or larger destinations.
- **Health and Wellness** – Many stakeholders cited Palm Beach County's robust inventory of spas, outdoor wellness activities and health dining as a key destination component that will serve as an increasingly important asset for attracting national events that are undergoing generational shifts in the memberships. Baby Boomers and Gen-X attendees seek out health and wellness options when visiting destinations, while Millennials and Gen-Z attendees generally prefer to be active when travelling.

13. DESTINATION STRENGTHS & CHALLENGES: SWOT Analysis

CHALLENGES AND THREATS:

Key Issues to Address as Part of Palm Beach County Convention District Expansion

CHALLENGES AND THREATS

- **Hotel Availability –** Many stakeholders described West Palm Beach as lacking the necessary hotel rooms to attract larger citywide events. Beyond inventory conditions, it is common for hotel management to reserve rooms for in-house group and transient business, particularly during peak season. This further limits the number of rooms that can be committed to support groups/meeting events at the Convention Center.
- **Pedestrian Connectivity Issues –** There is a 230 foot physical disconnect between Rosemary Square and the PBCCC. The challenging walking conditions between the Convention Center and various hospitality areas can create a sense of unease and negatively impact overall walkability and destination experience. Meeting planners have also cited this as a concern relative to their delegate's safety, in addition to the area's lack of lighting.
- **Airlift/Cost of Travel –** With its relatively limited direct flight access, Palm Beach International Airport can be difficult to reach for some visitors coming from the Western or Midwestern United States. The costs associated with connecting flights can make traveling to the destination more expensive than to larger convention destinations such as Tampa, Fort Lauderdale or Miami.
- **Competitive Convention Facility Developments –** There are a number of incoming convention facility developments throughout South Florida, including the expansion and headquarter hotel development projects being implemented for both the Miami Beach Convention Center and the Greater Fort Lauderdale Convention Center, and the capital improvement project underway at the Tampa Convention Center. The expanded Seminole Hard Rock Hotel and Casino in Hollywood, Florida (a $1.2 billion investment) was also noted by a number of stakeholders as a competitive development.
- **Competitive Hotels –** South Florida features a large number of stand-alone hotel resorts with extensive sleeping room and event space inventories. With its limited hotel availability, the Palm Beach County Convention Center faces a particular disadvantage when competing with these facilities for larger hotel-focused meetings and conventions.
- **Facility Pricing –** A portion of interviewed stakeholders felt that the PBCCC may be expensive relative to competitive facilities in Tampa and Fort Lauderdale. Some explained that food and beverage minimums at the Center may drive up costs for smaller events to rent the facility.
- **Building Layout –** Though the quality of its event space has often been praised, some interviewed stakeholders note that the Convention Center has a number of challenges with regard to its overall layout and design. Specific examples include the Ballroom's distance from the parking lot and hotel, which makes it challenging to reach for some attendees. Also, the location of the loading dock prohibits connectivity with Howard Park, which could serve as valuable outdoor event space.

13. DESTINATION STRENGTHS & CHALLENGES: SWOT Analysis

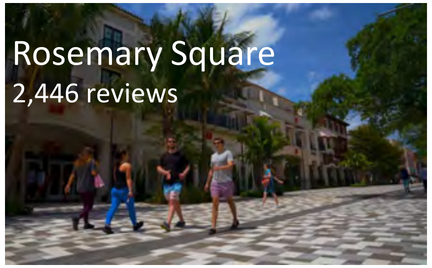
CHALLENGES AND THREATS:

Key Issues to Address as Part of Palm Beach County Convention District Expansion

- **Event Teardown/Set Up –** A portion of interviewed stakeholders noted that some event teardown and set-up times can be negatively impacted due to load-in and load-out issues.
- **Hurricane/Averse Weather –** Hurricane season, the period spanning June through November, can be a moderate deterrent for event planners. Predictability and reliance on safe weather conditions are points of priority for planners, and the small probability of a hurricane occurring during an event makes it difficult for some planners to commit to hosting at PBCCC multiple years in advance of their event date.
- **Marketing a Region** – Unlike most other Florida and national destinations, Palm Beach County has no clear epicenter of tourism activity. The effort to sell a region as opposed to a clearly delineated urban center/city spreads the impact of the marketing and sales efforts for the PBCCC across a broad area.

13. DESTINATION STRENGTHS & CHALLENGES: West Palm Beach Tourism Assets

As a world class resort destination, Palm Beach County offers a large array of unique attractions that draw tourists and also provide ancillary activities for visiting convention attendees. A sampling of some of West Palm Beach’s primary signature attractions and their number of reviews on Trip Advisor are presented below, followed by the inventory of notable tourism assets in the surrounding County. Some assets presented align more closely with typical convention attendee interests, and to help highlight such attractions we have listed the following assets in order of their impact on the overall appeal of the Palm Beach County Convention Center District to the national convention industry. These types of amenities are critical to attracting non-local events and attendees in a highly competitive market sector. **Attraction development should be a key area of focus as part of future County-wide tourism master planning.**



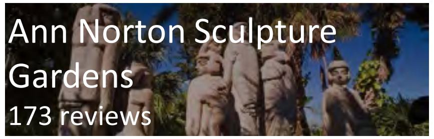
Rosemary Square (formerly known as CityPlace) is an upscale lifestyle center located in downtown West Palm Beach, Florida across Okeechobee Boulevard from the PBCCC. The Square includes open air restaurants, shopping, rental apartments, condos, a 4,000 space parking garage, offices and a number of public art installations. The property, which constitutes several city blocks, is chiefly credited for West Palm's urban renaissance in the early 2000’s. The dining/shopping/entertainment district is owned and managed by The Related Companies, L.P. The on-going $50 million, five-year investment being made by Related Companies includes a significant focus on Rosemary Square and associated office, residential, and live/work/visit assets will significantly enhance the vibrancy of the area and greatly benefit the ability to attract non-local conventions and tradeshows.

The Norton Museum of Art’s permanent collection consists of more than 7,600 works in five curatorial departments: European, American, Chinese, Contemporary and Photography. With the recent $100 million in renovations, the museum features a classroom, student exhibition space, a 210-seat auditorium, a store, a restaurant, a lawn for outdoor programming, and a sculpture garden. The Museum has received extensive national press coverage for its innovative renovation and design by the by the world rebound architect, Sir Norman Foster.

Since opening in 1992, the Kravis Center has provided the West Palm Beach destination with a world renowned performing arts center that regularly hosts Broadway shows and other world class performances. The facility includes the 2,195-seat Alexander W. Dreyfoos, Jr. Concert Hall, the 289-seat Rinker Playhouse, and the 170-seat Hele K. Persson Hall. The Center recently underwent a $50 million enhancement that includes new indoor and outdoor gathering space, parking and a pedestrian-friendly plaza on the Okeechobee/Tamarind corner.

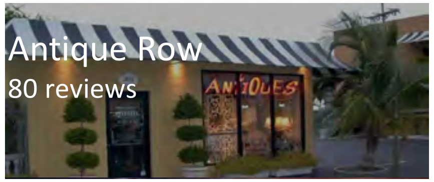
Opened in 1957, the Palm Beach Zoo has grown from a petting zoo exclusively featuring barn animals to becoming a major attraction in the County. Today, the Zoo houses over 550 animals (many of which are endangered) on 23 acres and attracts approximately 300,000 visitors annually. The Zoo features shaded paths, a carousel, an interactive water play fountain, a full-service restaurant, a Nature Play Pavilion, and 11 daily shows. Future plans exist to better connect the Zoo with the South Florida Science Center across Dreher Park via the development of an “Eco Park”, which will help make the two attractions into a combined daylong experience.

13. DESTINATION STRENGTHS & CHALLENGES: West Palm Beach Tourism Assets



Ann Norton Sculpture Gardens
173 reviews

Located near downtown West Palm Beach on the Intracoastal Waterway, The Ann Norton Sculpture Gardens includes both the Norton House and over 100 sculptures created by Ann Weaver Norton. These sculptures are displayed throughout the house, studios, and gardens. The Gardens are also home to over 250 species of tropical palms. An estimated 20,000 people visit the Gardens each year.



Antique Row
80 reviews

Featuring over 40 unique antique and design shops, West Palm Beach's Antique Row offers a robust selection of 17th to 20th century antiques, fine and decorative arts, period deco, and vintage and modern furnishings, among other selections. The area is frequented by thousands of interior designers from around the world each year, and considered by many in the antique industry as the "antique design center" of Florida. The Row is also home to several award-winning restaurants.

South Florida Science Center and Aquarium
326 reviews

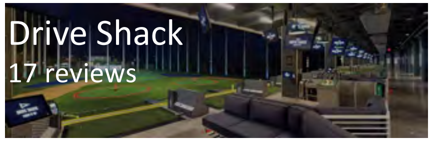
Founded in 1961, the Science Center and Aquarium attracts over 250,000 visitors annually, including 75,000 students on field trips per year. Recently, the Center has developed programming focused on computer coding, robotics, and other leading-edge educational programs. A $2.5 million dollar permanent human brain exhibit just opened in March and has since been dubbed the most advanced exhibit on the human brain in the world. The Center's Aquarium is 3,000 square feet and features various species of shark, eel, barracuda, and lobster.

Johnson Palm Beach County History Museum
36 reviews

The Johnson Palm Beach County History Museum is a free museum located within the historic 1916 Courthouse in downtown West Palm Beach. The Museum is operated by the Historical Society of Palm Beach County, which is also based in the building. The Museum attracted approximately 12,000 visitors per year between 2013 and 2018.

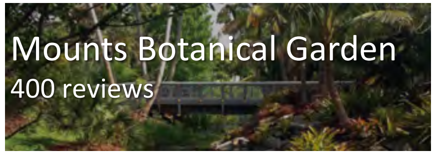
Palm Beach Outlets
515 reviews

Located off of I-95 in West Palm Beach, Palm Beach Outlets features over 100 outlets and a large Food Pavilion. Visitors can take advantage of savings as high as 70 percent on some of the country's most desired brands such as Nike, J. Crew, Anny Taylor, Brooks Brothers, and Under Armour. It is estimated that more than eight million visitors frequent the shopping center per year.



Drive Shack
17 reviews

Opened in October of 2019, Drive Shack is a three-level golf entertainment complex in West Palm Beach located near the Palm Beach International Airport. The 60,000-square foot venue features 96 hitting bays, a 150-seat sports bar and restaurant, a retro arcade room, and third-floor lounge and outdoor terrace.



Mounts Botanical Garden
400 reviews

The 14-acre Mounts Botanical Garden features 25 different gardens, and also hosts educational programming for visitors. Mounts is a favorite with nature photographers, gardeners and eco tourists, and is Palm Beach County's oldest and largest botanical garden.

13. DESTINATION STRENGTHS & CHALLENGES: West Palm Beach

In the map on the following page, we present an overview of hotel room supply, restaurants, attractions, commercial development, transportation assets and other factors that impact the ability to attract large non-local conventions and tradeshows.

These amenities are generally within close proximity to the PBCCC, concentrating to the north and northeast of the facility. In addition to the four existing convention hotel properties and the three that are under construction, the area features numerous dining options, 39 retail stores, and five attractions totaling over 3,700 positive reviews on TripAdvisor, a proximate measurement of visitation to the area and the overall popularity of its attractions among travelers.

Specific observations generated by this analysis are summarized below.

- There are four 3-star hotels in the downtown area, and several near the Airport that comprise the base of rooms used to accommodate non-local events. We note that the proximity of much of these rooms, with the exception of the Hilton West Palm Beach, requires a walk of at least several blocks. This lack of hotel proximity represents a competitive disadvantage for the PBCCC. Three additional 3-star hotels comprising 560 total rooms are planned or scheduled to open soon, however only one is walkable to the PBCCC.
- There are distinct concentrations of restaurants and retail in the Rosemary Square are and along Clematis Street, particularly east of Quadrille Boulevard. The emergence of the Warehouse District's Grandview Public Market also provides additional options for dining, breweries, and distilleries to the southwest of the PBCCC. Other nearby pockets of restaurant activity create a desirable, walkable district that represents a competitive advantage for the PBCCC in attracting non-local events.
- Virtually all restaurant/retail activity takes place north of Okeechobee Boulevard, raising the importance of creating a desirable pedestrian pathway across the Boulevard.
- Attractions in the area include Rosemary Square, Norton Museum of Art, the Kravis Center, and the Waterfront Commons city park on the Intracoastal Waterway Trail.
- The downtown is also undergoing substantial investment from the private sector in the form of several planned and proposed commercial development projects, including a 300,000-square foot Class A office tower under construction at the north edge of Rosemary Square and a residential development being planned for the former site of Macy's. One West Palm under construction on the northside of downtown along 550 Quardrille Blvd will include a 327-condo tower, 200 hotel rooms, and 209,000 square feet of office space. In addition, a 490,000-square foot office development is being planned for the site at Okeechobee Boulevard and Dixie Highway, just to the east of the Convention Center. Each of these projects would enhance the amount of foot traffic and vibrancy in the downtown area, thereby making West Palm Beach a more appealing convention destination.
- Opened in early 2018, the Virgin Trains USA (VTUSA) West Palm Beach station in downtown is also highlighted, and is located just under one mile from the PBCCC. The station is also reachable via automobile in under five minutes. The VTUSA offers high quality and convenient public transit and connects downtown West Palm Beach with downtown Fort Lauderdale in under 30 minutes, and downtown Miami in approximately one hour. Phase II of its construction will include connections to the Orlando International Airport, greatly enhancing access to the Palm Beach County Convention Center for out of state event attendees. Phase III of the project will include stations at the Port of Miami, Adventura Mall and Boca Raton

13. DESTINATION STRENGTHS & CHALLENGES: Downtown West Palm Beach

Key	Hotel	Rooms
1	Hilton West Palm Beach	400
2	West Palm Beach Marriott	352
3	Hilton Palm Beach Airport	249
4	Holiday Inn Palm Beach Conference Center	199
5	Embassy Suites by Hilton WPB Central	194
6	DoubleTree by Hilton Hotel WPB Airport	175
7	Hyatt Place West Palm Beach/Downtown	165
8	Residence Inn West Palm Beach Downtown	152
9	Studio 6 West Palm Beach	138
10	Quality Inn Palm Beach International Airport	135
11	Hampton Inn West Palm Beach Central Airport	105
12	Courtyard West Palm Beach Airport	103
	West Palm Beach Hotels Under Construction	**Rooms**
A	The Ben – Autograph (opens 2020)	208
B	One West Palm	201
C	Canopy by Hilton West Palm Beach Downtown	151

Key	Connectivity Issue
1	Okeechobee Crossing
2	Marriott Railroad Crossing
3	Distance and Traffic to Clematis St.

Key	Dining Option	Count
●	Restaurant	44
●	Café/ Bakery	22
●	Bar/Lounge/Nightlife	18
	TOTAL	**84**

Key	Attraction	Positive TripAdvisor Reviews
1	Rosemary Square	2,125
2	Clematis Street	621
3	Norton Museum of Art	617
4	Kravis Center	357
5	Drive Shack	7
	TOTAL	**3,727**

Key	Planned/Proposed Commercial Development
1	One West Palm
2	360 Rosemary
3	Macy's Residential Development
4	Tent Site Development

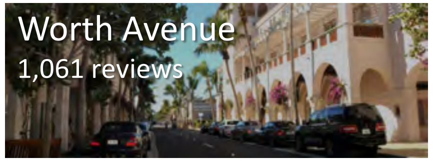
Key	Other Amenities
★	Retail Stores – 39 Stores
brightline	Brightline/VT USA West Palm Beach Station

Assets Proximate to Palm Beach International Airport

Hotels: 3 4 5 6 9 10 11 12

Attractions: 5

13. DESTINATION STRENGTHS & CHALLENGES: Palm Beach County Assets



Worth Avenue
1,061 reviews

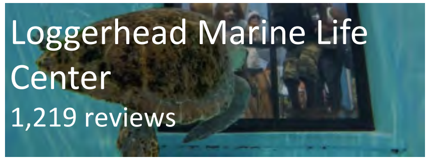
Infused with European style, Palm Beach’s Worth Avenue is one of the most esteemed shopping districts in the country, featuring a wide variety of unique shopping, dining, and resorts. The Avenue includes approximately 250 high-end shops, boutiques, restaurants, and art galleries.

Henry Morrison Flagler Museum
1,419 reviews

Henry Flagler's Gilded Age Estate is a national historic landmark that features guided tours, changing exhibits and special programs. The Museum brings in 100,000 people from around the world every year. The Museum hosts around 100,000 visitors per year.

The Society of the Four Arts
193 reviews

Based in its campus on the Intracoastal Waterway in Palm Beach, The Society of the Four Arts was founded in 1936 to meet the cultural needs of the Palm Beach community. The campus is home to scenic sculpture and botanical gardens, a library, and a children’s library. During the winter season, the Four Arts presents notable speakers, concerts, films, educational programs, and art exhibitions to the public. The campus’s winter season attendance recently grew from 124,700 in 2014/2015 to over 170,000 in 2017/2018.



Loggerhead Marine Life Center
1,219 reviews

The Loggerhead Marine Life Center is a sea turtle rescue and conservation facility that is one of Florida’s most prominent nonprofit cultural destinations. The Center features a turtle hospital, viewing tanks, interactive exhibit hall, gift store and other amenities. During sea turtle nesting season from June through July, visitors can take guided walks to watch the nesting turtles up close. The Center welcomes more than 350,000 visitors per year.

13. DESTINATION STRENGTHS & CHALLENGES: Palm Beach County Assets

Lion Country Safari features the state of Florida’s only drive-through preserve where animals such as lions, white rhinos, chimpanzees, zebras, and giraffes walk free, and it also includes a walk-through area where visitors can feed giraffes and enjoy a variety of rides. The amusement park features over 1,000 total animals and also features a number of dining and shopping options. Lion Country Safari attracts approximately 500,000 visitors per year and is considered to be Palm Beach County’s largest attraction.

The Morikami Museum is modeled after a Japanese villa and offers a permanent exhibit on the history of the Yamato Colony, a Japanese farming community in South Florida that existed 100 years ago. The attraction features three exhibition galleries, a 225-seat theater, an authentic tea house with viewing gallery, classrooms, a museum store, the Cornell Café, and lakeside terraces. The 200-acre park features nature trails, pine forests and picnic areas. The Museum attracted 200,000 visitors in 2018.

Attracting over 200,000 visitors a year, the Nature Center features a boardwalk, aquariums, butterfly garden, and a sea turtle rehabilitation facility. The Center was developed as part of a unique cooperative effort between the City of Boca Raton, the Greater Boca Raton Beach and Park District, Florida Atlantic University, and Friends of Gumbo Limbo. The Center hosts an average of 200,000 visitors each year.

Located in Lighthouse Park, Jupiter Inlet Lighthouse and Museum offers guided climbing tours of the landmark 1860 Lighthouse. The Museum’s exhibits include Five Thousand Years on the Loxahatchee, and outdoor exhibits include the Oil House & Keepers Workshop Exhibit, Tindall Pioneer Homestead, and Seminole Chickee. The Lighthouse’s staff provide tours, visitor services, programming and educational experiences to over 80,000 visitors per year.

13. DESTINATION STRENGTHS & CHALLENGES: Countywide Tourism Assets

In addition to its standalone attractions, Palm Beach County also offers a variety of countywide tourism assets that fall into several signature categories including its golf courses, MLB spring training ballparks, beaches, eco tourism destinations, and various family-friendly outdoor recreation attractions. Each of these broader areas of focus and their importance to the area visitor industry are summarized below.

Known as Florida's Golf Capital, Palm Beach County is home to over 170 golf courses. Renowned courses include PGA National Resort and Spa, The Champion, The Breakers Ocean Course, The Breakers Rees Jones Course at Breakers West, Red Reef Executive Golf Course, Southwinds Golf Course, and Park Ridge Golf Course.

Attracting thousands of baseball fans from throughout the United States each Spring, Palm Beach County serves as the Spring Training location for the Houston Astros, St. Louis Cardinals, Washington Nationals, and Miami Marlins. The area is home to two Major League team spring training ballparks, including the 7,700-seat FITTEAM Ballpark of The Palm Beaches and the 6,871-seat Roger Dean Chevrolet Stadium.

Featuring over 47 miles of coastline along the Atlantic Ocean, Palm Beach County attracts thousands of visitors per year to world class beaches located in areas such as Gulfstream Park, Jupiter, Juno Beach, Ocean Ridge, Singer Island, Palm Beach, Boca Raton and Tequesta.

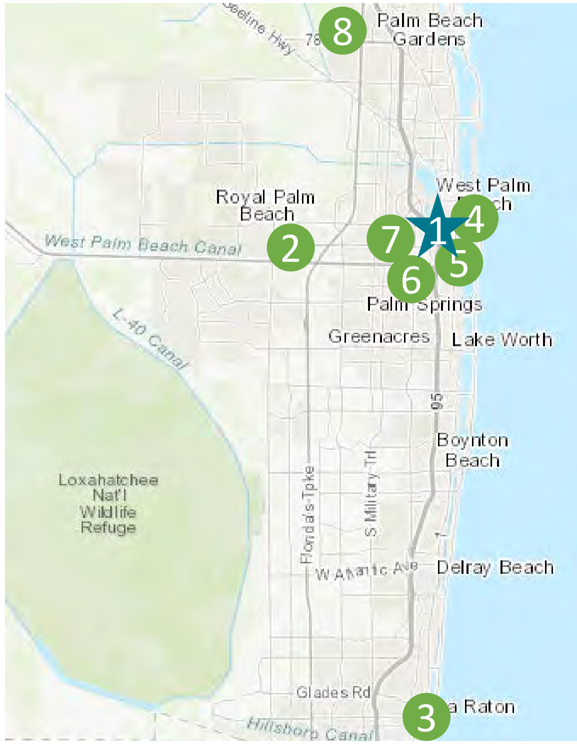
Beyond its world class beaches, Palm Beach County is also home to a variety of nature centers, parks and other destinations for outdoor recreation. Notable examples include Peanut Island Park, which is a favorite destination of boaters, divers, and snorkelers throughout the country; Okeeheelee Park offers five lighted bicycle paths, an 8-mile BMX track, 18-hole disc golf course, and a world-class equestrian showplace; Loxahatchee National Wildlife Refuge offers 147 acres of wetland ecosystem that is home to over 257 species of bird as well as a 12-mile bike trail and 5½-mile paddling trail. In addition, there are numerous other outdoor areas where visitors can enjoy fishing, paddle boarding, snorkeling, diving, kayaking and outdoor yoga.

Palm Beach County also offers a number of attractions for convention attendees traveling with children, including the Sugar Sand Park in Boca Raton, which includes a Children's Science Explorium, playgrounds, nature trails, a carousel, and a 155-seat theater that hosts family-friendly productions. Other assets include Rapids Water Park, which is a highly rated outdoor waterpark in Riviera Beach, and an array of mini-golf parks throughout the County.

13. DESTINATION STRENGTHS & CHALLENGES: Palm Beach County

The PBCCC is unique among event venues within the County, offering a large amount of contiguous, high ceiling exhibit space in a high-end convention environment. The Expo Center at the South Florida Fairgrounds also offers a large amount of space, but is geared more for the important sporting and local consumer show sectors. Larger resort properties tend to provide smaller contiguous areas with lower ceiling heights. As shown below, eight facilities throughout Palm Beach County were identified that offer 10,000 square feet or more of contiguous event space. Several of the facilities identified, including the Boca Raton Resort & Club and The Breakers, offer significant amounts of ballroom and breakout meeting space and compete to a lesser extent for event activity with the PBCCC.

These facilities do not have the amount or type of prime exhibit space offered at the PBCCC, reinforcing the notion that the PBCCC is the host facility for exhibit-oriented citywide conventions. **Any investment in the improvement of its event space and/or supporting hotel inventory would further distinguish the facility as the County's most economically impactful large convention asset, help the destination's brand/image as a convention destination, and attract larger national convention events.**



Key	Facility	Location	Total Sellable Space (sf)	Largest Contiguous Space (sf)	Largest Room Ceiling Height
1	Palm Beach County Convention Center	West Palm Beach, FL	141,600	99,300	29'2"
2	Expo Center at the South Florida Fairgrounds	West Palm Beach, FL	126,700	84,800	32'0"
3	Boca Raton Resort & Club	Boca Raton, FL	110,800	26,000	22'0"
4	The Breakers Palm Beach	Palm Beach, FL	50,100	15,000	23'0"
5	Hilton West Palm Beach	West Palm Beach, FL	24,100	13,400	23'0"
6	Hilton Airport/Majestic Ballroom	West Palm Beach, FL	18,800	10,800	14'0"
7	Kravis Center for Performing Arts	West Palm Beach, FL	23,500	10,500	18'6"
8	PGA National Resort & Spa	West Palm Beach, FL	31,100	10,000	19'8"
	AVERAGE (excluding PBCCC)		**55,000**	**24,300**	**21'7"**
	MEDIAN (excluding PBCCC)		**31,000**	**13,400**	**22'0"**

Note: Only including facilities with at least 10,000 square feet of contiguous event space.
Source: Discover The Palm Beaches, 2019.

13. DESTINATION STRENGTHS & CHALLENGES: Targeted Employers

The breadth and characteristics of the inventory of local corporations and employers can provide an indication of general potential for corporate meeting activity in a given market. Often, the major employers in a local market are an important source of facility usage with regard to corporate meetings, banquets and other similar uses, all of which are important to maintain the utilization and financial viability of a convention/conference center.

Indirectly, the size of a local corporate base also tends to be correlated with the level and breadth of supporting community amenities (i.e., hotels, restaurants, transportation infrastructure, etc.), which are relevant when considering non-local events. Finally, attracting events consistent with industry clusters that are sought after by a community can create important business generation synergies.

The listing to the right includes 32 private and non-profit sector employers in Palm Beach County with 100 or more total full-time employees, segmented into industry clusters that are reflective of the business attraction objectives of the Business Development Board of PBC (aviation/aerospace, life sciences, finance, corporate HQ, telecommunications, and distribution and logistics). Hosting events in these sectors at the PBCCC can be a valuable asset in creating exposure that can attract targeted businesses.

As shown, industry sectors including health care, aerospace engineering, banking, and distribution and others that are consistent with the Business Development Board objectives are represented by the existing base of Palm Beach County businesses and are industries targeted by DTPB to create further exposure for Palm Beach County.

There is a close collaboration between the BDB and DTPB with respect to developing destination assets. PBCCC sales efforts should continue to include a focus on the target industries, both in selling the existing building and a potentially expanded product.

Company	Approx. Employees	Industry
Tenet Healthcare Corp.	6,136	Health Care
Hospital Corporation of America	3,550	Health Care
Boca Raton Regional Hospital	2,800	Health Care
Veterans Health Adminstration	2,468	Health Care
Bethesda Health, Inc.	2,200	Health Care
Jupiter Medical Center	1,907	Health Care
Wells Fargo & Company	1,367	Financial Services
Sikorsky Aircraft	1,206	Helicopters
Bank of America	1,000	Banking
Pratt & Whitney Rocketdyne	1,000	Jet Engine Manufacturing
Wellington Regional Medical Center	970	Health Care
Cheney Brothers	970	Food Distribution
TBC Corporation	750	Tire Distribution
Walgreens Distribution	600	Pharmaceutical Distribution
The Scripps Research Institute	565	Life Sciences Research
TMS Health	560	Health Care Support Services
US Foods	500	Food Distribution
Tropical Shipping USA, LLC	498	Port Shipping Company
Belcan Engineering Group, LLC	458	Aerospace Engineering
Verio	450	Wired Telecommunications Carriers
SYSCO Food Services	340	Food Distribution
Lockheed Martin Corporation	335	Aerospace Engineering
NuVista Living	330	Health Care
Brown Distributing Company	325	Beverage Distribution
TD Bank	300	Banking
Parametric Solutions, Inc.	300	Engineering
ALDI	210	Food Distribution
Sancilio & Company, Inc.	175	Bio Medical
Aerospace Technology Group	140	Aerospace Engineering
Gulfstream	140	Aircraft Outfitting
3Cinteractive	112	Telecommunications
B/E Aerospace	100	Aerospace Manufacturing

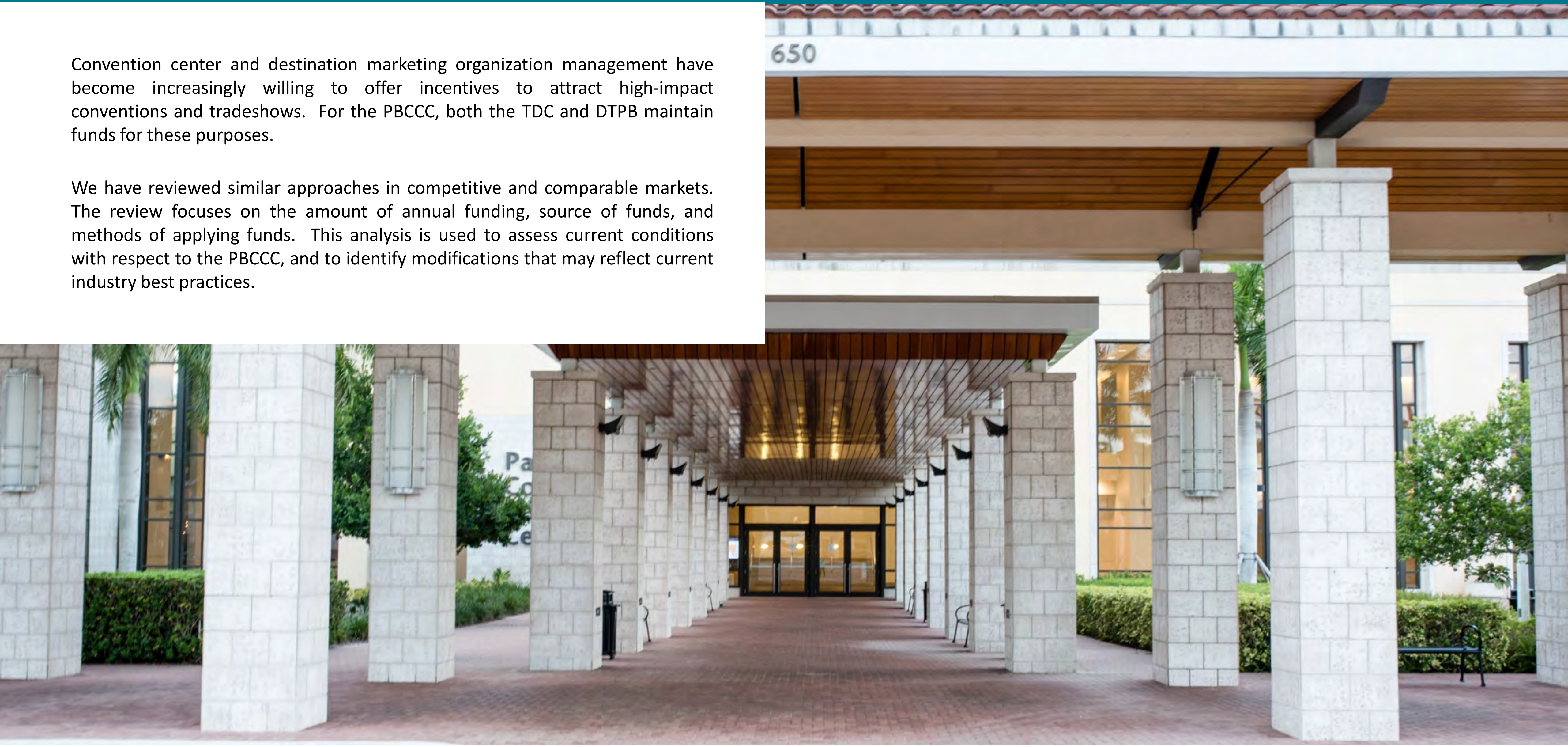
Sources: Palm Beach County, 2019.

14. INCENTIVES

14. INCENTIVES: Introduction

Convention center and destination marketing organization management have become increasingly willing to offer incentives to attract high-impact conventions and tradeshows. For the PBCCC, both the TDC and DTPB maintain funds for these purposes.

We have reviewed similar approaches in competitive and comparable markets. The review focuses on the amount of annual funding, source of funds, and methods of applying funds. This analysis is used to assess current conditions with respect to the PBCCC, and to identify modifications that may reflect current industry best practices.



14. INCENTIVES: PBCCC Pricing, Discounting and Incentive Funds

PBCCC Pricing

Pricing for the PBCCC is determined on a per-room basis. This is increasingly common in the industry, as centers move away from a per-net-square-foot pricing structure for exhibit space. We have reviewed exhibit space pricing at selected comparable and competitive centers, as presented in the following exhibit.

	Primary Exhibit Space		
Facility	**Square Feet**	**Daily Rate**	**Rate per Square Foot**
Virginia Beach Convention Center	150,012	$16,501	$0.11
Savannah Convention Center	97,750	$15,000	$0.15
Raleigh Convention Center	145,843	$12,000	$0.08
Rhode Island Convention Center	100,000	$14,700	$0.15
Tampa Convention Center	200,000	$36,590	$0.18
Fort Worth Convention Center	182,266	$20,000	$0.11
San Jose McEnery Convention Center	143,000	$33,000	$0.23
Richmond Convention Center	178,159	$13,948	$0.08
Palm Beach County Convention Center - Peak Season	**99,300**	**$13,000**	**$0.13**
Palm Beach County Convention Center - Off Season	**99,300**	**$11,000**	**$0.11**
Low	**97,750**	**$12,000**	**$0.08**
Median	**147,928**	**$15,751**	**$0.13**
Average	**149,600**	**$20,200**	**$0.14**
High	**200,000**	**$36,590**	**$0.23**

Source: Facility Management, 2019

To create a common basis for comparison, rental rates are expressed on a per-gross-square foot basis for each venue reviewed. As noted above, the average cost for exhibit space rental is approximately $0.14, ranging between $0.08 and $0.23. The median rate is approximately $0.13. Pricing for the PBCCC is consistent with the average and median rate, well within the range of venues reviewed.

PBCCC Discounting

The PBCCC maintains a discounting process that involves a rack rental rate per room and a minimum food and beverage purchase that would generally trigger a waiving of the rent for the room. This type of food and beverage based process is not uncommon. The actual application of the discount can vary depending on other costs the Center may incur, room night potential, need period and other factors.

The detailed price and minimum food/beverage amounts on a room by room basis may be more common in hotel settings versus the typical convention center. **It is more common at centers for a form to be developed that includes rent paid at last center, room night generation, ancillary revenue generation (including food and beverage, equipment, telecommunications, parking, and other items), unusual cost items, potential for repeat business, potential for media exposure and other such factors.**

The wholistic consideration of these factors leads to a determination by management as to the supportable rental discount. **Consideration should be given to simplifying the application of food and beverage spend to discounting, potentially discounting based on the magnitude of food and beverage spend relative to total rent. In addition consideration could be given to adding more formally recognized flexibility in terms of incorporating other important discounting justification metrics including room nights, need periods, other revenue and exposure.**

Examples of discounting approaches for four comparable venues are presented on the following page. Note that in some cases, venue management has requested that their data not be directly attributed.

14. INCENTIVES: PBCCC Pricing and Discounting

Raleigh Convention Center

The center utilizes a set of 'standard' discounting methods which are based on food and beverage commitments and contracted hotel rooms. Specific criteria and resulting discounts are summarized below:

- Complimentary Rental with committed F&B min of 6 times the total rental fee
- 50% discounted rental with committed F&B min of 4 times the total rental use fee
- Discounted rental calculated by dividing F&B Min by 6 and subtracting this from total standard rental
- 20% discount on conventions with 200+ contracted hotel room nights, on peak night and/or F&B min.

San Jose McEnery Convention Center

There is a minimum food and beverage commitment before a waived rental rate can be applied for each of the following rooms:

- Hall 1: 43,000 sq. ft., $50,000 (food and beverage minimum);
- Hall 2: 50,000 sq. ft., $50,000;
- Hall 3: 50,000 sq. ft., $50,000;
- Grand Ballroom: 35,200 sq. ft., $75,000.

Due to recent success at the Center, however, these discounts have only typically been offered to local non-profit groups. Typically, a max of 20 percent discount is offered to associations, while five percent discounts are offered to corporate/other events during the week, and ten percent during the weekend.

D

Facility D

The center utilizes a calculator to determine a discount, namely looking at the event space and food and beverage commitment. In some extenuating circumstances, such as seasonality and off peak times, the center will increase the discount percentages populated by the calculator to allow for more events to come in. A max of 50 percent event rental discounts are offered.

Rhode Island Convention Center

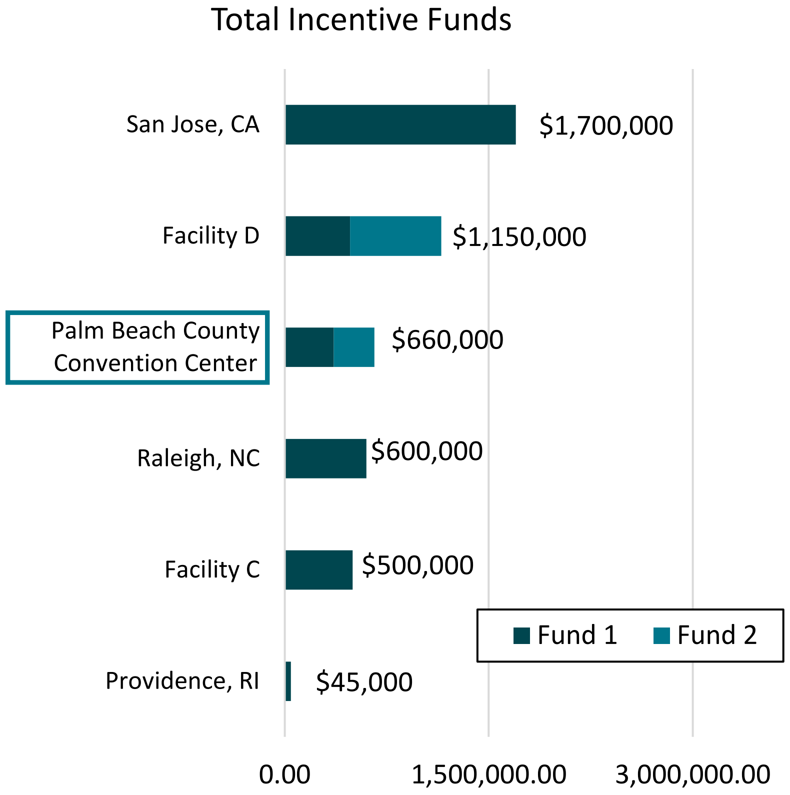
Food and Beverage contribution is a key factor, along with hotel room commitment, in determining discounts at the center. The higher the commitment on food and beverage, the lower the rental rates. The amount of discounts offered depends on whether the event falls during a peak time. The center is less apt to offer discounts over higher demand days. An Opportunity Fund is used to reimburse the Center for discounts.

Source: Facility Management, 2019.

14. INCENTIVES: Incentive Fund Case Studies

The TDC maintains an annual incentive fund target of approximately $300,000. Based on assessments by PBCCC and DTPB staff, a suggested discount level, typically measured on a per-room night basis that ranges between $5.00 to $10.00. These incentive funds are applied to the discounted rental amount. DTPB also maintains an Event Hosting Fund of approximately $360,000, allocated to events that use only hotels, or city-wide events that require assistance with shuttling. The funds are allocated on an amount per room night basis. Incentive fund examples for selected comparable venues are presented below.

Based on our review, the combined amount between the TDC and DTPB used for incenting high-impact events to choose venues in the County is in line with comparable destinations. **The methods for determining discounts also appear to be appropriate, but growth of these funds could be considered a long-term potential as the convention industry and competitive marketplace continue to mature.**



Source: Facility management, 2019.

Raleigh Convention Center

Visit Raleigh administers an annual Business Development Fund of $600,000 per year to incentivize large group events to host in Raleigh. The organization does not have formal guidelines for the expenditures of the fund, but determines the amount that can be granted to different groups by generally assessing their associated room nights and event revenues.

San Jose McEnery Convention Center

Team San Jose receives approximately $3.3 million per year from area hotels that are a part of a self-assessed Hotel Business Improvement District (HBID). Fifty percent of these funds (approximately $1.7 million) are used per year to incentivize high-impact groups to host at the Convention Center or other venues in the area. The incentive funds offered to each group cannot exceed an event's estimated hotel revenue generation.

14. INCENTIVES: Incentive Fund Case Studies (continued)

Rhode Island Convention Center

Visit Providence utilizes an Opportunities Fund as a last resort option to win highly desired business. The organization uses this fund several times per year, paying $5,000 to $10,000 to qualified groups. These funds are paid directly to the Center to be applied to the customer's account. In total, Visit Providence representatives estimate that they spend $40,000 to $50,000 of the fund annually. The fund is a budget line in the meetings and convention sales budget.

C

Facility C

From revenue in a tourism marketing district downtown, the CVB has an annual bid fund of approximately $500,000. The bureau utilizes the fund during their off-seasons (July through September), as well as during the holiday season in order to create more incentive for larger events to use the center. They do not find it justifiable to utilize the fund during peak months, as that is the time when they see the most revenue and interest in the complex.

D

Facility D

Facility sales can leverage two separate funds to incentivize group events, including a $480,000 per year fund derived from hotel tax that is given to Center management and a $670,000 fund derived from a self-assessed Tourism Public Improvement District that is supported by hotels with more than 100 rooms and administered by the CVB. The amount of funds utilized is dependent on the estimated hotel room night generation and economic impact of a prospective group.

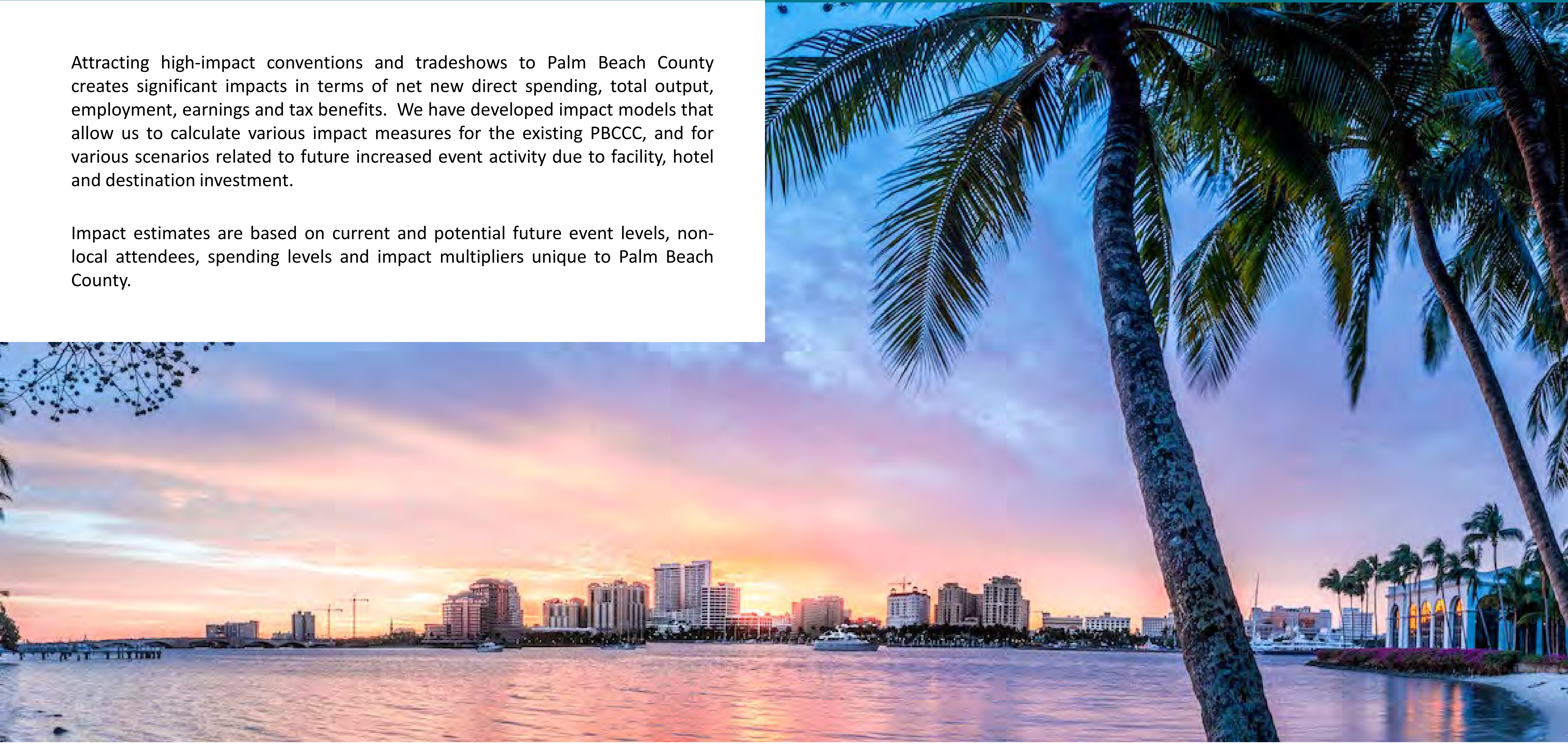
Source: Facility Management, local stakeholders, 2019.

15. ECONOMIC IMPACT

15. ECONOMIC IMPACT: Introduction

Attracting high-impact conventions and tradeshows to Palm Beach County creates significant impacts in terms of net new direct spending, total output, employment, earnings and tax benefits. We have developed impact models that allow us to calculate various impact measures for the existing PBCCC, and for various scenarios related to future increased event activity due to facility, hotel and destination investment.

Impact estimates are based on current and potential future event levels, non-local attendees, spending levels and impact multipliers unique to Palm Beach County.



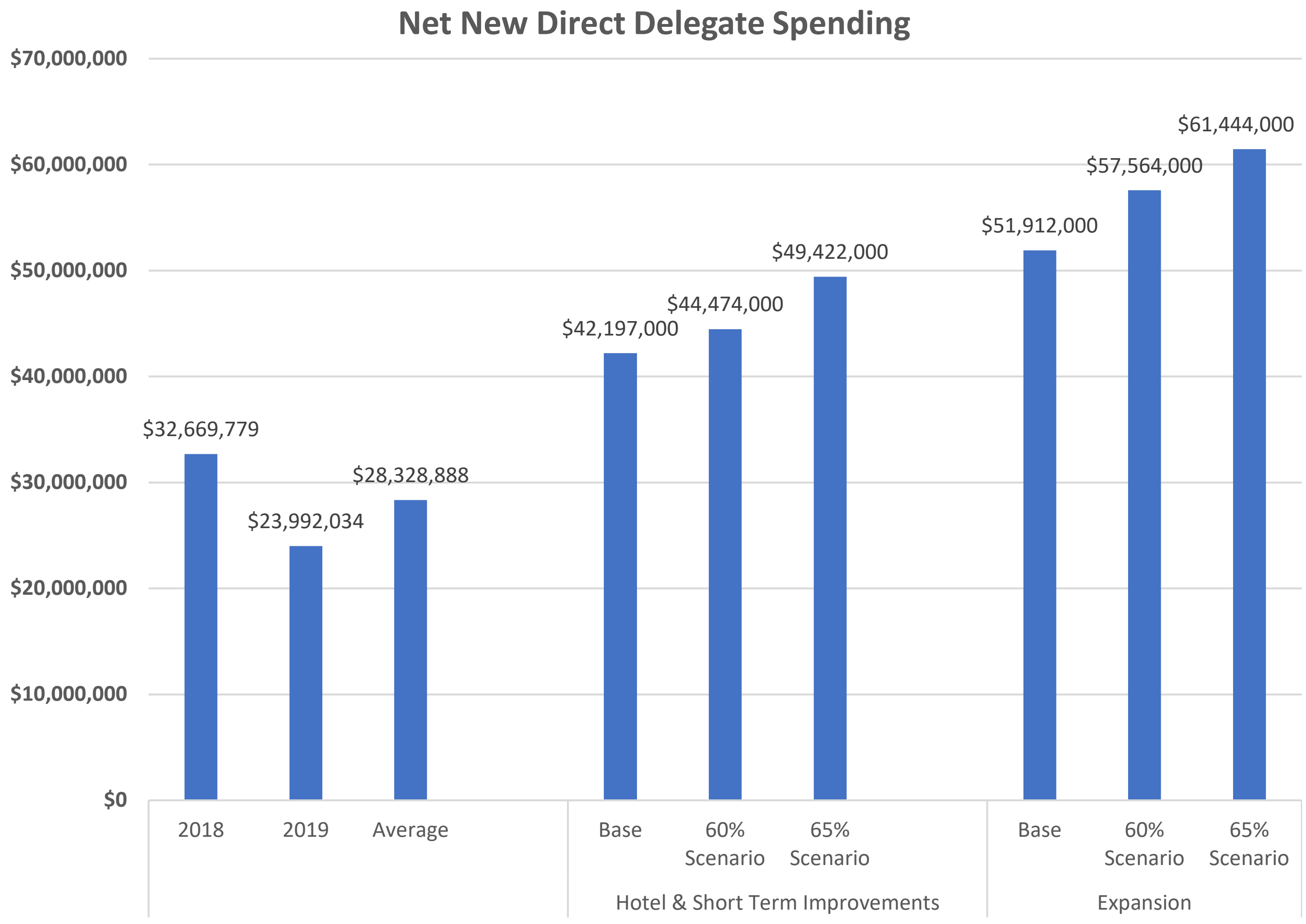
15. ECONOMIC IMPACT: Direct Spending

CSL has developed models that incorporate PBCCC event, attendance, attendee origin and other data in order to measure the amount of direct delegate spending that has been created on a net new basis. This spending would not have materialized without the events hosted at the PBCCC.

As noted in the adjacent exhibit, events at the PBCCC generated approximately $32.7 million in spending in 2018, dropping to $24.0 million in 2019 due in large part to a decrease in room block availability within the downtown core. Direct delegate spending averaged $28.3 million over the two year period. Based on current bookings, spending generated in 2020 is expected to rebound, potentially reaching the two year average.

If new headquarter hotel development takes place as outlined in this Study, and if the various interior and exterior connectivity improvements are made to the PBCCC and surrounding area, we expect an increase in overall PBCCC event activity, as outlined previously in this Study. The resulting net new delegate spending is estimated to increase to approximately $42.2 million in a mature year of operations. This represents a 49 percent increase over the 2018-19 average, or a 29 percent increase over 2018 levels. Under scenarios where existing PBCCC exhibit space reaches occupancy levels at 60 and 65 percent, these impact levels increase.

Over a longer term, large-scale PBCCC expansion could be considered. We have developed models that reflect a 50 percent expansion of exhibit space, operating at base case 55 percent occupancy. Under this scenario, and if the headquarter hotel and PBCCC/site area improvements are made, direct delegate spending would increase to approximately $51.9 million, or an 83 percent increase over the 2018-19 average, and a 59 percent increase over the 2018 data.

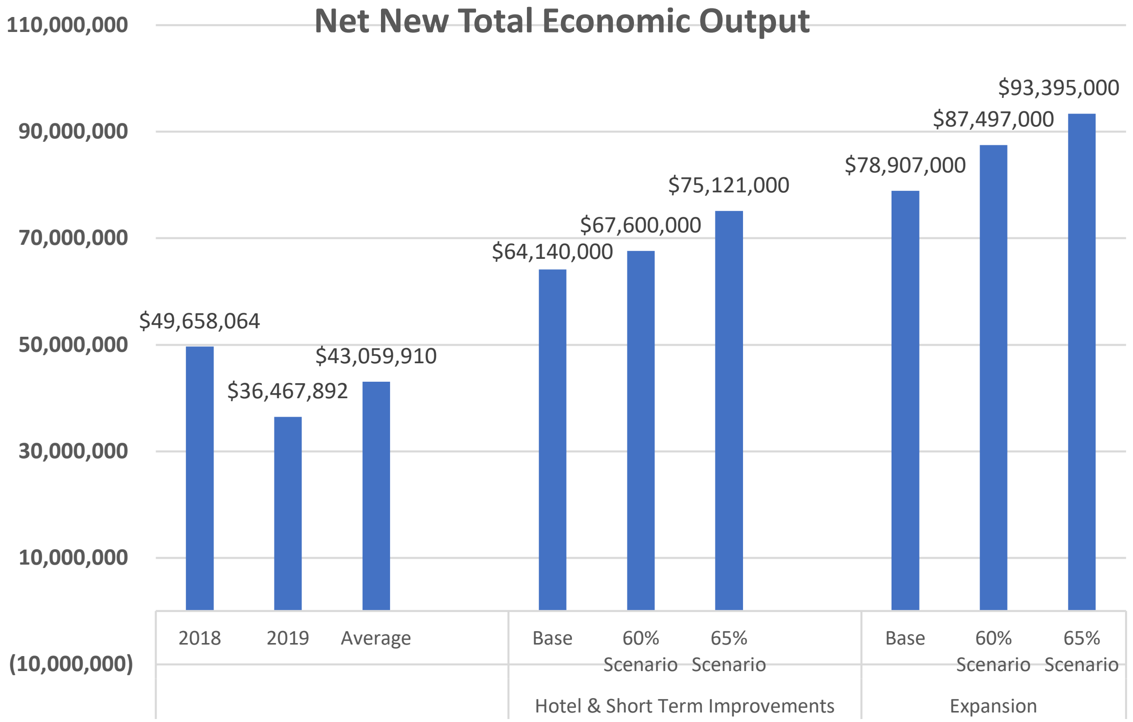


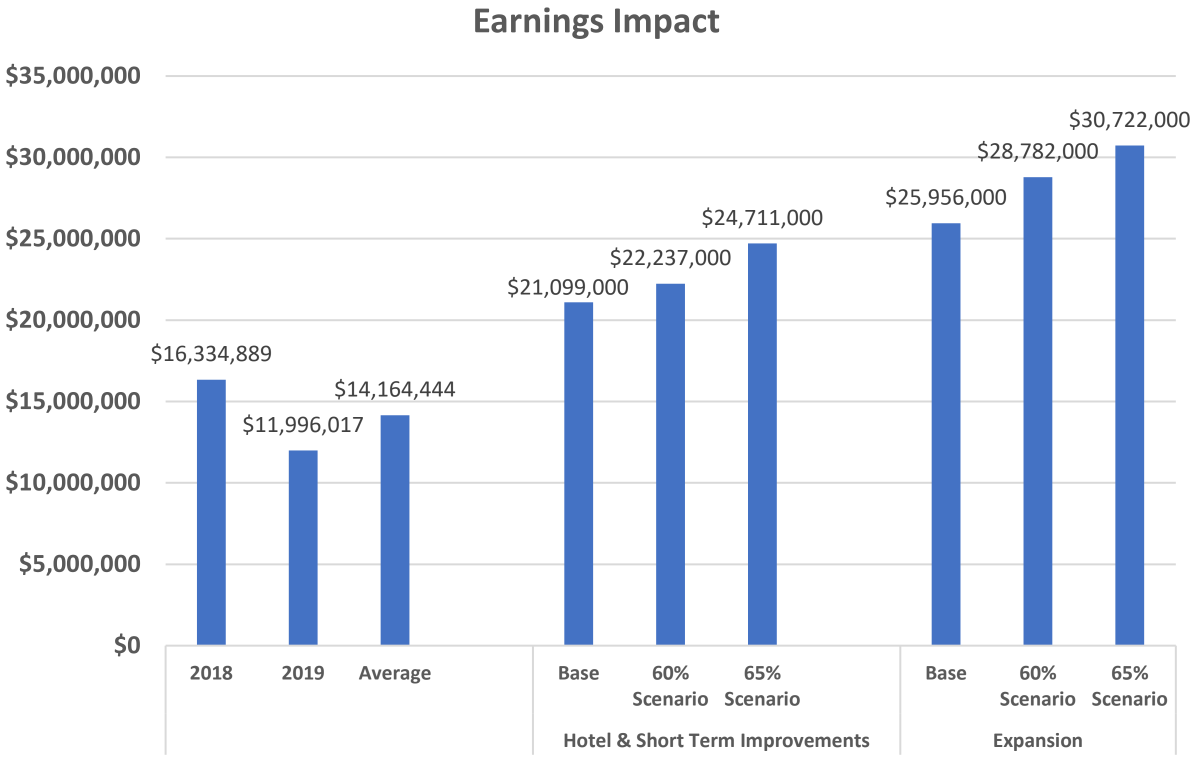
Source: CSL, DTPB

15. ECONOMIC IMPACT: Total Output and Earnings

The net new direct spending generated by events held at the PBCCC will circulate throughout the County economy, creating indirect and induced spending. Combined, the direct, indirect and induced spending is termed total output. The total output generated by PBCCC events averaged $43.0 million during the 2018-19 period. **Modeling suggests that this impact could increase by 49 percent with a new headquarter hotel and PBCCC enhancements. Output would have to increase by approximately 83 percent for an eventual PBCCC expansion paired with hotel and other improvements to reach base case 55 percent occupancy.**

The total output generated by PBCCC events includes a component of employee earnings. These earning impacts take place throughout the economy, certainly in the hospitality sector, but also within other sectors. PBCCC-generated earnings averaged $14.2 million during the 2018-19 period. With a new headquarter hotel and PBCCC enhancements, earnings could increase by 49 percent to $20.1 million. Earnings would increase by 83 percent to $25.7 million assuming an eventual PBCCC expansion operating at 55 percent occupancy is paired with headquarter hotel and other improvements.





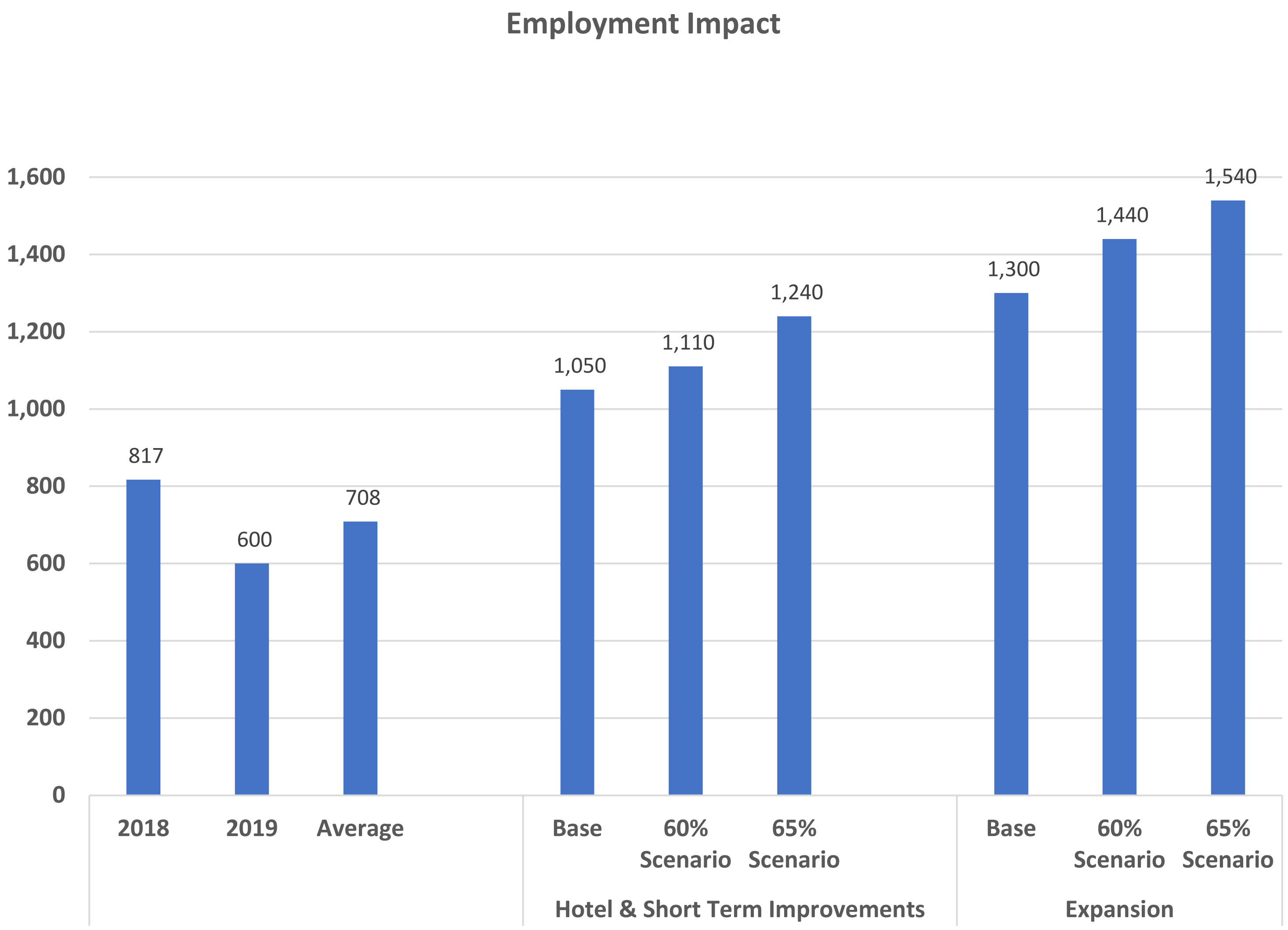
Source: CSL, DTPB

15. ECONOMIC IMPACT: Employment

The economic impact generated by PBCCC events also includes a very important employment effect. Jobs are generated within the hospitality sector, creating important opportunities for entry level staff, invaluable training opportunities, and high-wage jobs in various management positions.

Employment impacts also flow through the economy in many other sectors, as earnings are spent locally. In 2018, PBCCC event activity supported an estimated 817 jobs, decreasing to 600 as non-local event activity dropped. The two-year average job generation level approximated 708

With investment in headquarter hotel and PBCCC enhancements, employment effects are estimated to increase to 1,050, or a 48 percent increase over the two-year average and a 29 percent increase over 2018. **Assuming these investments, combined with a long-term full expansion of the PBCCC operating at 55 percent occupancy, employment impacts could reach approximately 1,300, or an 84 percent increase over the 2018-19 average, and 59 percent over the 2018 employment level.**



Source: CSL, DTPB

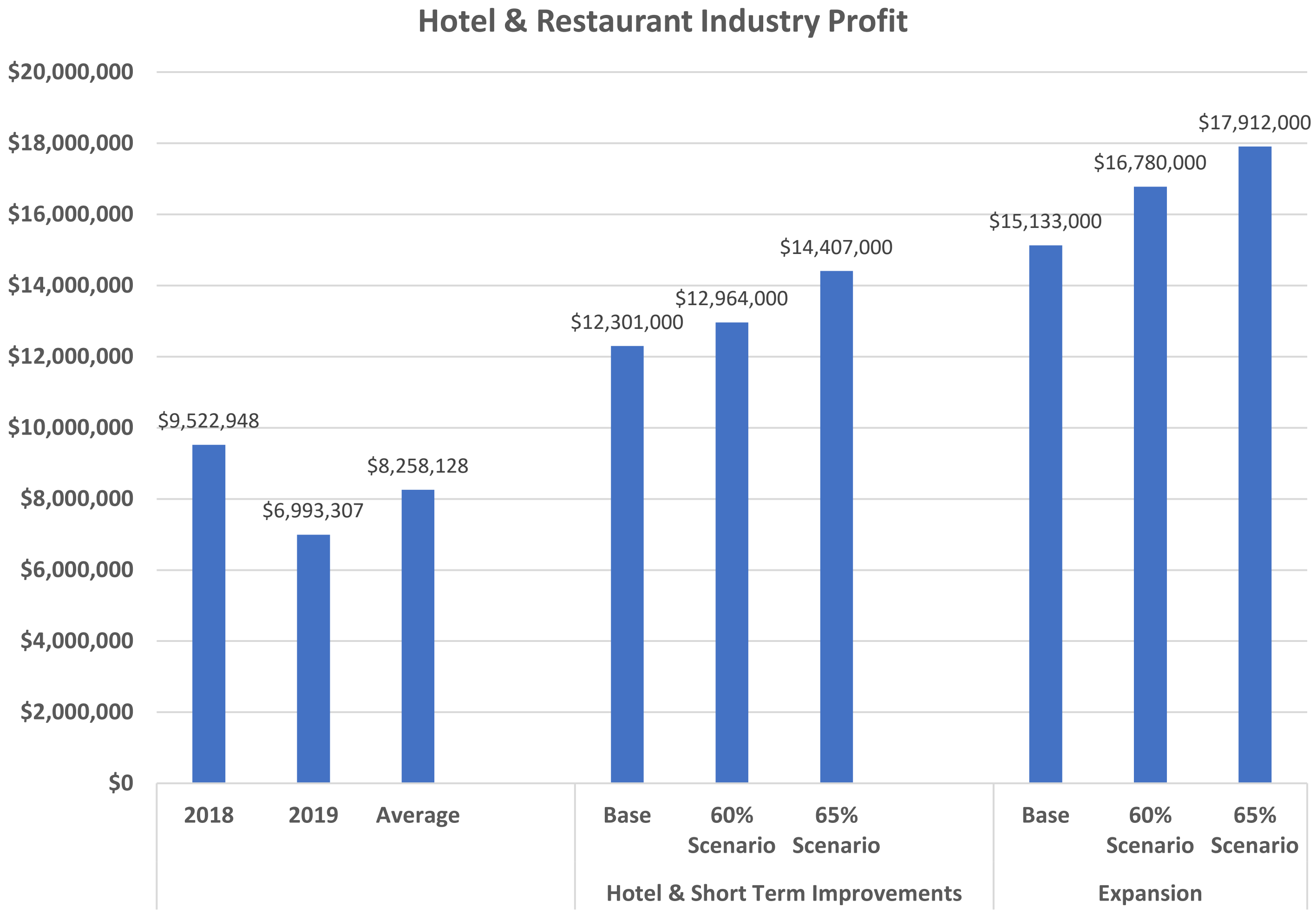
15. ECONOMIC IMPACT: Industry Profit

The spending generated by PBCCC event attendees, exhibitors and planners that is new to the Palm Beach community also generates profit within various hospitality industry sectors. As these sectors often contribute significantly to the funding, operation and marketing of convention centers, we have generated estimates of the current and potential future hotel and restaurant industry profit garneted by the PBCCC.

Profit estimates for the hotel sector focus only on the rooms department, assuming a 65 percent margin on room sales. A ten percent margin is assumed on restaurant sales.

As noted in the adjacent exhibit, the combined hotel and restaurant sector profit approximated an average of $8.3 million over the 2018-2019 period. With investment in headquarter hotel and PBCCC enhancements, profit levels are estimated to increase to $12.3 million, or a 49 percent increase over the two-year average and a 29 percent increase over 2018. **Assuming these investments, combined with a long-term full expansion of the PBCCC operating at 55 percent occupancy, industry profits could reach approximately $15.1 million, or an 83 percent increase over the 2018-19 average, and 59 percent over the 2018 profit levels.**

We also note that the hotel sector generates approximately 90 percent of the profit estimates presented herein. These estimates do not include profits generated in other hotel departments, or in the retaill, transportation or other sectors impacted by convention spending.



Source: CSL, DTPB

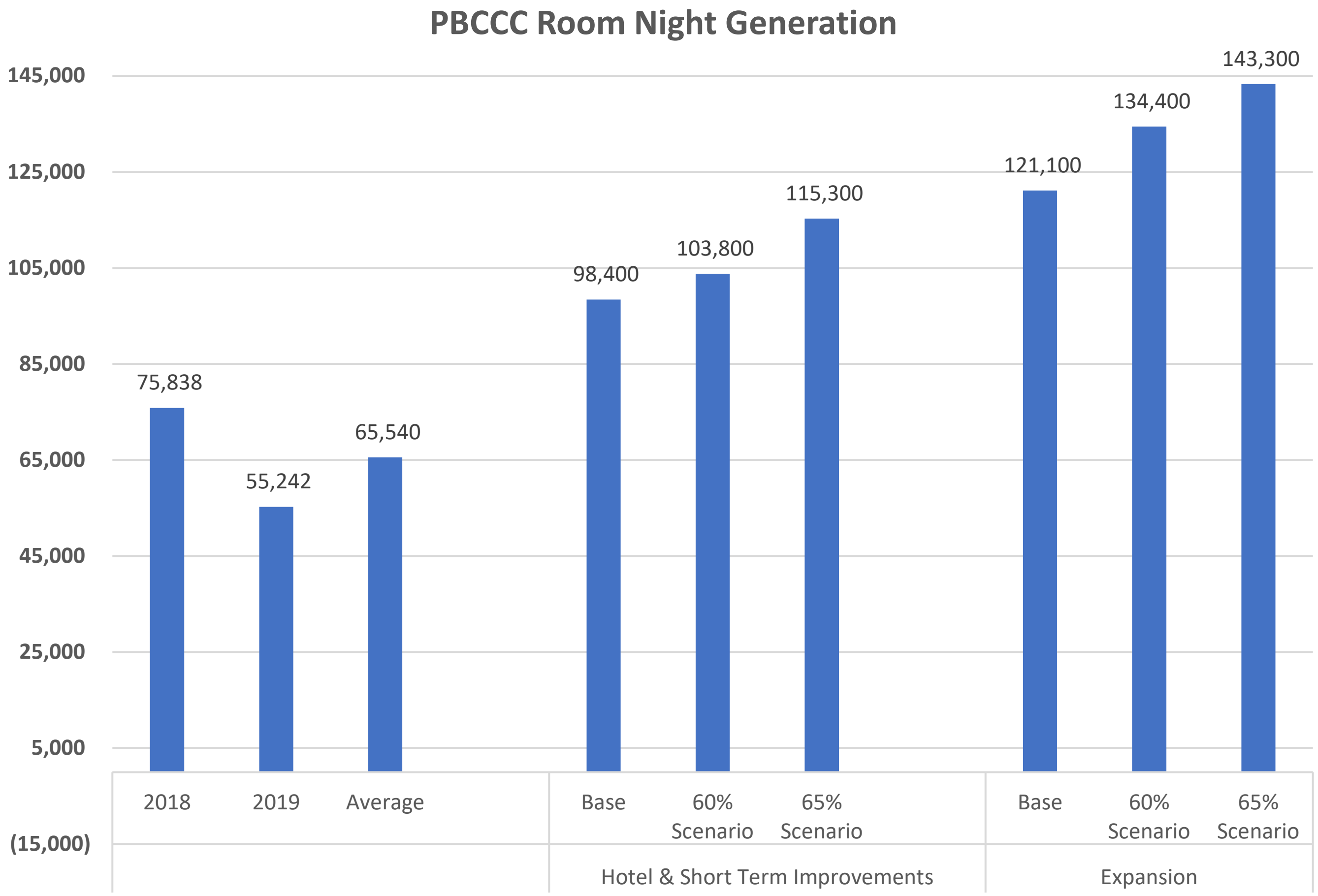
15. ECONOMIC IMPACT: Room Nights

The spending generated by PBCCC event attendees, exhibitors and planners in the hotel sector supports new room night generation. In analyzing room nights, we utilize historic booked room nights and actualized room night data prepared by DTPB.

We assume a 35 percent increase factor to account for attendees that do not book their rooms within the formal room block. We note that recent studies, including studies sponsored by Hilton and PCMA, have found that the share of attendees booking outside the formal block is closer to 50 percent.

As noted in the adjacent exhibit, the room nights generated by the PBCCC approximated an average of 65,540 over the 2018-2019 period. With investment in headquarter hotel and PBCCC enhancements, room night levels under the base case scenario are estimated to increase to approximately 98,400, or a 50 percent increase over the two-year average and a 30 percent increase over 2018. As PBCCC occupancy increases to 60 and 65 percent, room night generation would also increase.

Assuming these investments, combined with a long-term full e expansion of the PBCCC operating at base case 55 percent occupancy, room night generation could reach approximately 121,100, or an 85 percent increase over the 2018-19 average, and 60 percent over the 2018 profit levels.



Source: CSL, DTPB

16. EXAMPLES OF SUCCESSFUL IMPLEMENTATION

16. EXAMPLES OF SUCCESSFUL IMPLEMENTATION: Introduction

CSL and Populous have been involved in hundreds of convention and visitor industry projects throughout North America. In some cases, recommendations targeted limited improvement to existing assets. In other cases, large scale convention center expansion and hotel development are recommended.

In this section we present brief summaries of selected projects on which we have consulted that have been initiated and completed.

16. EXAMPLES OF SUCCESSFUL IMPLEMENTATION

San Antonio

CSL has performed various market demand and programming research for the expansion and "reinvention" of the Henry B. Gonzalez Convention Center in San Antonio. CSL also prepared financial operating and pricing 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 Center project which has been developed largely based on the results of a 2010 CSL analysis that provided recommendations regarding the direction of growth and improvements which were 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, and funding options. We worked closely with project architects to help refine the program to address current and future customer needs.

The expansion project resulted in the demolition of older, outdated and non-contiguous space, and the construction of new space that resulted in 514,000 square feet of contiguous exhibit space, and significant ballroom and meeting space.

The demolition component of the project allowed for the expansion of Hemisfair Park, creating significant green space surrounding the Center, in addition to direct access into the River Walk, with connectivity to the entertainment areas of the downtown.

Miami Beach

CSL has provided convention and visitor industry advisory services in the greater Miami area over the past 15 years. We recently assisted the Greater Miami Convention and Visitors Bureau with the development of an updated market demand, building program and financial operating analysis for an expanded Miami Beach Convention Center. Our research also helped define Miami Beach Convention Center and surrounding area hospitality features that could allow the Center to compete effectively in specific target markets.

Finally, we prepared a model to estimate community-wide economic impacts of the existing Center associated with future facility development scenarios. Our research helped form the basis of support for recent expansion/reinvention of the MBCC into a world class convention venue, and the addition of a new 800 room headquarter hotel, as well as the importance of linking the center site to surrounding amenities such as the Lincoln Road shopping district, beachfront amenities and cultural assets.

The award winning $620 million project included a reinvention of virtually every square foot of the venue, resulting in new (not expanded) exhibit space of 500,000 square feet, a 60,000 square foot flexible ballroom, numerous junior ballrooms and significant meeting space. A 6-acre public park has been developed on space previously used for surface parking. The project also includes extensive prefunction and plaza space for informal gatherings.

16. EXAMPLES OF SUCCESSFUL IMPLEMENTATION

New Orleans

CSL recently conducted an analysis of future facility and hospitality needs for the New Orleans Morial Convention Center (NOMCC). The research focused on convention, trade, conference and hotel market demand for event facilities in New Orleans, and how creative facility development measures could be employed by Center management to accommodate this demand. The project is a critical component to the creation of a vibrant convention, retail, restaurant and entertainment development south of the existing Center.

CSL has provided convention and visitor industry consulting services to the Convention Authority of New Orleans since 1987. In addition to our initial expansion planning studies, CSL conducted research projects in 1995, 1999, 2005, 2006 (analyzing the impact of Hurricane Katrina), 2007, 2009 and 2012. In each case, our studies have included the assessment of the current and future customer needs for the convention and hospitality industry. Studies defined market demand relative to convention facility space (and amenities) available in the market and the potential need to add to or enhance NOMCC space and hospitality assets.

This research has supported the successful expansion in several stages, increasing total exhibit space from approximately 250,000 square feet to just over 1.0 million square feet.

The latest renovation of the Center included a transformation of Exhibit Hall A and B into a 60,000 square foot "Great Hall", suitable for exhibits, banquets, general sessions and other functions in a highly flexible space. Current plans studied by CSL call for a new headquarter hotel and significant entertainment development towards the south end of the Center.

Louisville

CSL has completed numerous studies in Louisville over the years. In 2012, The Kentucky State Fair Board retained CSL to conduct a feasibility study for the potential expansion of the Kentucky International Convention Center. The study focused on market demand, supportable facility square footage, financial operating and economic impact potential.

Prior to the expansion, the Center offered 190,000 square feet of exhibit space, however only 140,000 was contiguous. Limitations to the Center included low ceilings in the exhibit areas, poor loading dock configuration, small, dark lobby areas, limited registration space, significant deferred maintenance, and very dated conditions in sellable spaces.

The $207 million expansion and renovation resulted in a single contiguous exhibit hall of 200,100 prime square feet. The Center now also includes:

- A 40,000 square foot ballroom,
- 58,300 square feet of meeting space
- 175-seat theater
- A new concept food outlet in the lobby area ("Oak & Brew")

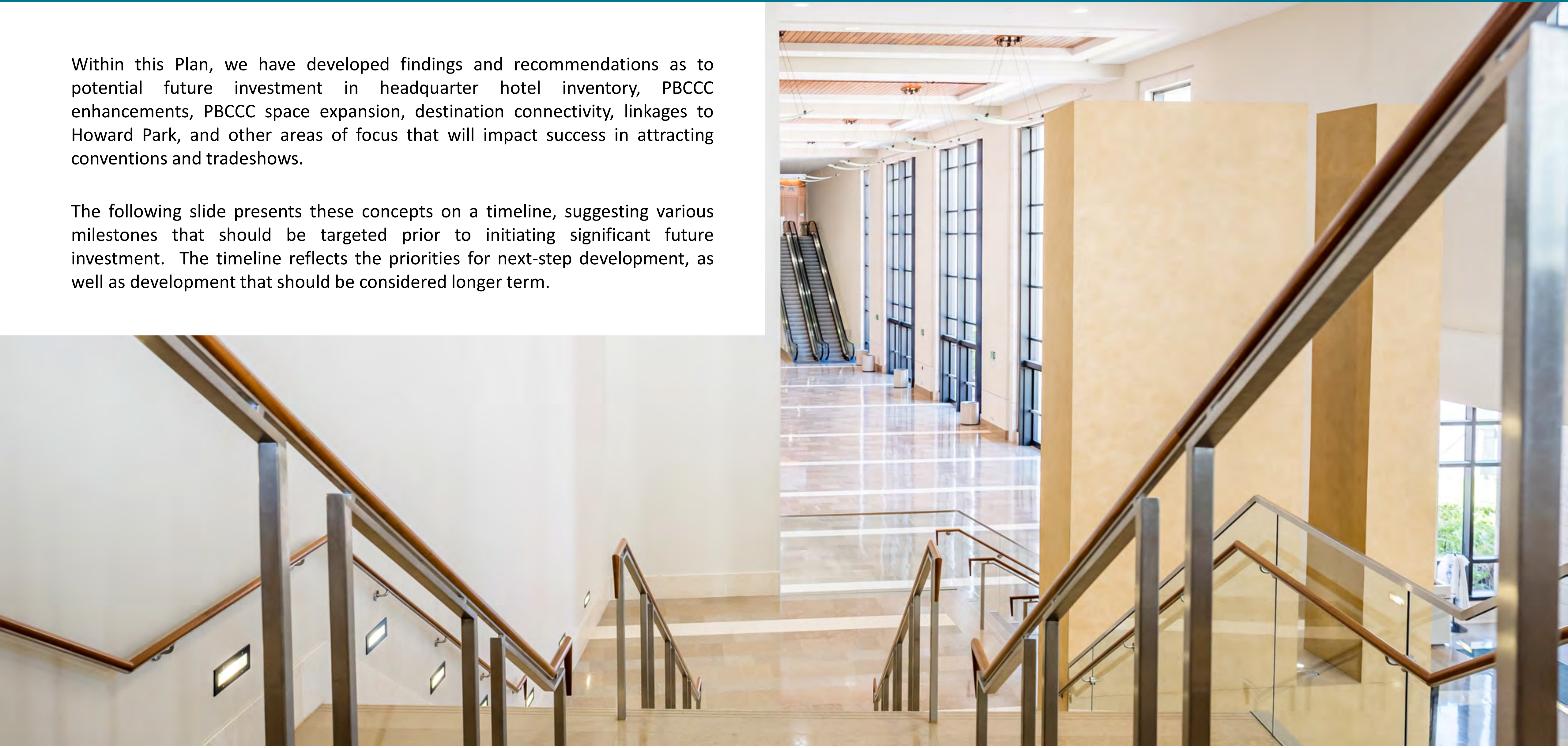
In addition, a new 612 room Omni headquarter hotel was developed as part of an expanded 4th Street Live entertainment district. The Omni combines with the existing 616-room Marriott and the 392-room Hyatt that are both located adjacent to the Center to create 1,620 hotel rooms within one block.

17. EXPANSION TIMELINE

17. EXPANSION TIMELINE: Introduction

Within this Plan, we have developed findings and recommendations as to potential future investment in headquarter hotel inventory, PBCCC enhancements, PBCCC space expansion, destination connectivity, linkages to Howard Park, and other areas of focus that will impact success in attracting conventions and tradeshows.

The following slide presents these concepts on a timeline, suggesting various milestones that should be targeted prior to initiating significant future investment. The timeline reflects the priorities for next-step development, as well as development that should be considered longer term.



17. EXPANSION TIMELINE: Short- and Long-Term Investment

Based on the extensive market research conducted as part of this Palm Beach Convention Center District study, we have developed a timeline for future space, hotel and amenity development. The graphic presented below highlights the broad initiatives and priorities recommended for future development.

Over the next five years, we recommend that the County and PBCCC management focus on the development of a headquarter hotel property with approximately 600 rooms, investment in various trend-forward amenities and spaces, and developing enhanced access over Okeechobee.

In years six through ten, finalization of program targets and expansion of the Convention Center could take place, provided market demand and overall PBCCC occupancies warrant this increase in event space. Development of 2,100 to 2,400 total new hotel rooms could help trigger support for any future large scale PBCCC expansion.

Exhibit Hall	**99,300**
Meeting	20,300
Ballroom	22,000
Total	141,600
½-mile hotel rooms	1,220

Today

HQ Hotel Development
- **Issuance of RFI**
- **Retain hotel developer**
- **Selection of site**
- **Development of attached or adjacent hotel with ~600 rooms**
- **Additional development of 600 to 800 additional rooms in downtown**

Exterior Improvements
- **Distinctive outdoor spaces**
- **Façade improvements and exterior signage**
- **Exterior lighting package**
- **Connection over Okeechobee**
- **Smart car, scooter and bike share parking zone**

Interior Improvements
- **Food and beverage space**
- **Open space learning**
- **Public art**
- **Hall sub-divisibility**
- **Enhanced technology plan**

5-Year Milestones

10-Year Milestones

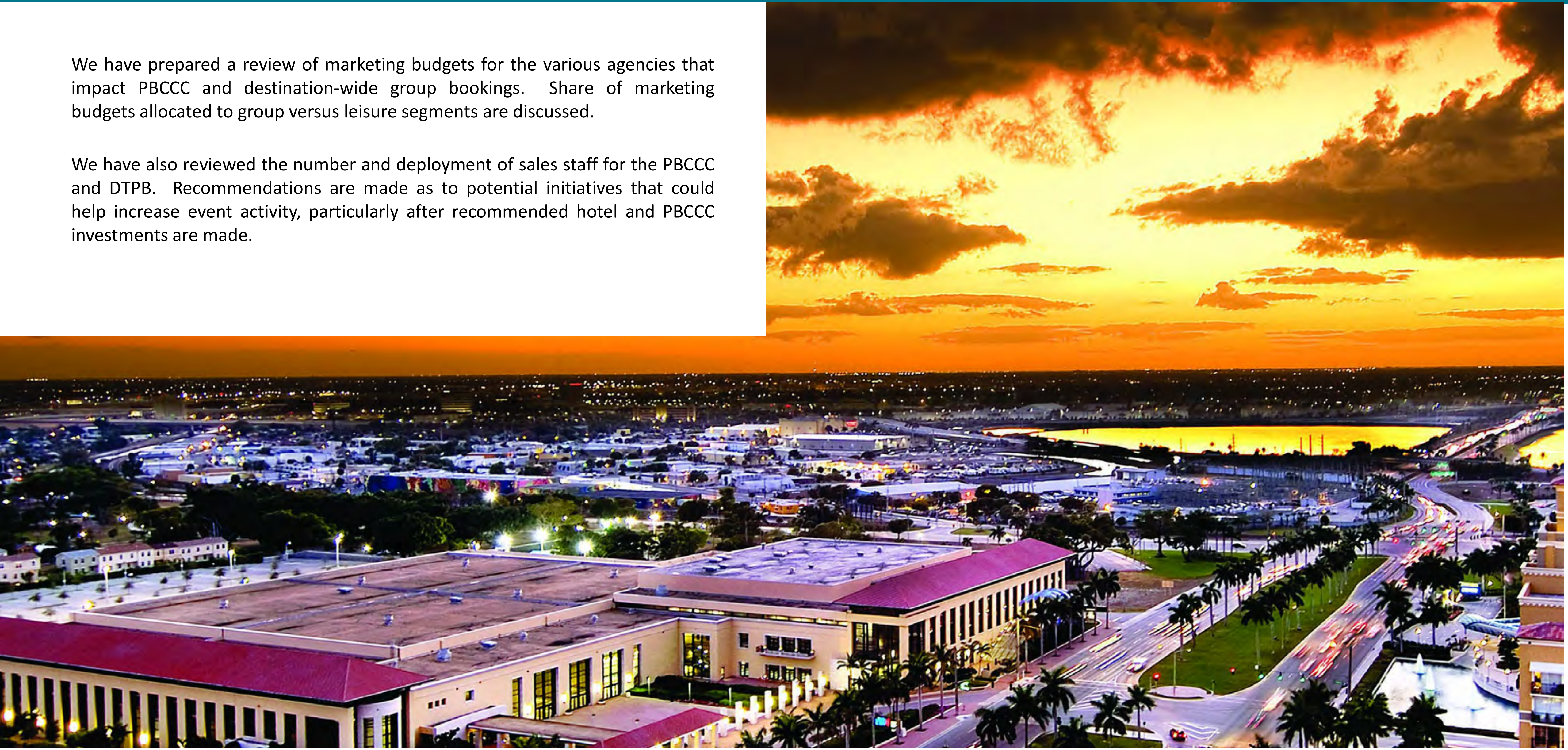
Palm Beach County Convention Center Expansion:
- **Finalize program targets:**
  - **150k to 200k sf total exhibit space**
  - **20k to 40k sf added ballroom/meeting space**
- **Continued hotel development**
  - **Target of 3,300 to 3,600 total hotel rooms within or near ½-mile of the Palm Beach County Convention Center**
- **Retain architects – evaluate expansion options**

18. TDC/DTPB/PBCCC BUDGETS

18. TDC/DTPB/PBCCC BUDGETS: Introduction

We have prepared a review of marketing budgets for the various agencies that impact PBCCC and destination-wide group bookings. Share of marketing budgets allocated to group versus leisure segments are discussed.

We have also reviewed the number and deployment of sales staff for the PBCCC and DTPB. Recommendations are made as to potential initiatives that could help increase event activity, particularly after recommended hotel and PBCCC investments are made.



18. TDC/DTPB/PBCCC BUDGETS: Sales and Marketing

Sales Process Overview

DTPB currently operates with eight Sales Directors, a Senior Vice President of Group Sales and three Account Executives. The Sales Directors are generally segmented into regions nationally. The PBCCC operates with three sales staff (two focused on long term sales and one on short term sales), a Director of Sales and Marketing, a marketing manager and a contract coordinator.

DTPB staff primarily focus on bookings outside of 12 months that include hotel room blocks. They focus both on PBCCC events, as well as events solely housed in area hotels. The two PBCCC long term sales staff work with PBCCC staff to evaluate date and space availability, and to coordinate facility pricing.

Sales staff at both organizations assist in evaluating each piece of business from the perspective of past destinations and centers used, costs incurred by the event in past centers, room night potential and other metrics used to determine potential discounting.

The staff responsibilities for the DTPB and PBCCC appear to be reflective of common industry practices. Consideration could be given to the following modifications.

- Assuming headquarter hotel and PBCCC investment takes place, opportunities should be considered to generate more short term corporate business headquartered in Florida and along the east coast. **Consideration could be given to tasking the short term sales staff at the PBCCC and the Florida corporate sales staff at DTPB to make a formal effort in this market.** This would include added marketing, site visits, sales trips and related efforts.
- Event planners prefer to have access to both a destination sales representative and a convention center representative during the sales process, at tradeshows, site visits and at other points during the sales process. The involvement of center staff allows for immediate answering of questions related to building features including floor load, ceiling heights, freight access and other important production issues. **Consideration should be given to increasing the budget for PBCCC staff to participate more regularly with DTPB staff during the various off-site stages of the sales process.**

Marketing Budgets

The DTPB's total marketing budget of $8.0 million represents a significant investment for the organization, with much of this amount allocated toward marketing the entire Palm Beach County region nationally and internationally as a leisure destination. Marketing personnel estimate that just under ten percent of this budget is used for the group sector. Considering marketing efforts focused on group events at the high number of hotels with significant event space in the area, approximately 60 percent of this amount is utilized to specifically market the PBCCC, resulting in an estimated marketing spend of $456,000 for the facility.

The PBCCC allocated approximately $22,900 in FY 2019 towards advertising and promotions. In total, we estimate that the full marketing spend supporting the PBCCC approximates $478,900. Several case studies on the following page provide context as to how this figure compares with peer convention facilities throughout the country.

18. TDC/DTPB/PBCCC BUDGETS: Sales and Marketing Comparisons

The case studies below demonstrate the Total Effective Marketing Spend (TEMS) of several convention centers throughout the country, which includes the combined total of all DMO and facility management marketing expenditures.

San Jose Convention Center (TEMS - $337,500)
Team San Jose, the market's DMO and managing entity of the Convention Center, employs a total marketing budget of $500,000. As Team San Jose focuses primarily on attracting group and business travel, approximately 75 percent of this amount is used for the group segment. Ninety-percent of this amount is then used to market the Convention Center.

Palm Springs Convention Center (TEMS - $251,800)
The Palm Springs Bureau of Tourism acts as the primary marketing entity for the Palm Springs Convention Center, leveraging an annual budget of $251,800 per year for marketing the facility. The Greater Palm Springs Convention and Visitors Bureau, the destination's broader DMO that represents the 9-city Coachella Valley region, focuses almost entirely on the leisure segment. Marketing personnel indicated that none of their expenditures focus on the Convention Center.

Raleigh Convention Center (TEMS - $408,000)
Fifteen percent of Visit Raleigh's annual marketing budget of $1.2 million is used for the group segment, as the organization mainly focuses on the leisure segment. Around 90 percent of this amount is used to market the Raleigh Convention Center to total $158,000 annually. Management of the Center also has their own marketing budget of $250,000.

Rhode Island Convention Center (TEMS - $292,500)
Go Providence serves as the primary marketing entity for the Rhode Island Convention Center. The organization mainly focuses on the leisure segment, so only 25 percent of its $1.3 million marketing budget is used for group marketing. Ninety percent of this figure is used to market the Convention Center.

As shown by the case studies above, the PBCCC's group marketing funding is relatively high. At the same, the DTPB's focus on the leisure segment and low percentage of marketing dollars spent on the group segment is not unusual among the comparison set. Team San Jose is the only DMO identified that focuses more on the group segment, largely due to a general lack of leisure assets and appeal and the significant group business opportunities in the silicon valley area.

The DTPB group marketing total is likely more reflective of the significant overall DTPB marketing budget compared to many similar sized markets. We also note that DTPB is tasked with destination marketing throughout 10 cities offering hotel and tourism assets. Operating with a somewhat high group marketing budget is therefore beneficial. With enhancements to the PBCCC and headquarter hotel inventory, a relatively high group marketing budget should be maintained.

We also note that like the Greater Palm Springs CVB, DTPB is focused on advertising the broader destination as a world class place for leisure, while still maintaining a strong group presence.

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19. FINANCIAL PROFORMA

19. FINANCIAL PROFORMA: Introduction

We have prepared a review of PBCCC financial operations, focusing on net operating revenue and loss. These data are then compared to similar venues based on square footage of sellable space. The results of this comparison are used to identify areas where PBCCC financial operations are outside the benchmark of comparable projects. Recommendations are then made with respect to adjusting targets for future PBCCC financial operating performance.

19. FINANCIAL PROFORMA: Comparison of Financial Operations

We have collected financial operating data from a wide variety of convention centers similar in size to the existing and potentially expanded PBCCC. Operating revenues typically include rent, food and beverage, equipment rental, telecommunications and other minor sources. Expenses typically include salaries, utilities, maintenance, supplies, insurance and other minor expenses. Management of these facilities will often request that their data not be attributed. In terms of financial performance, convention facilities operate with an average loss of approximately $800,100, with average revenues at $6.1 million and expenses at $6.1 million. The facilities reviewed also average a coverage ratio of 87.1 percent, indicating that operational revenues generally equate to 87.1 percent of operational expenses. The operating loss levels are very common in the industry nationally. Communities are willing to invest in convention center subsidies in order to generate significant net new economic impact. We note that these figures do not include parking revenues and expenses.

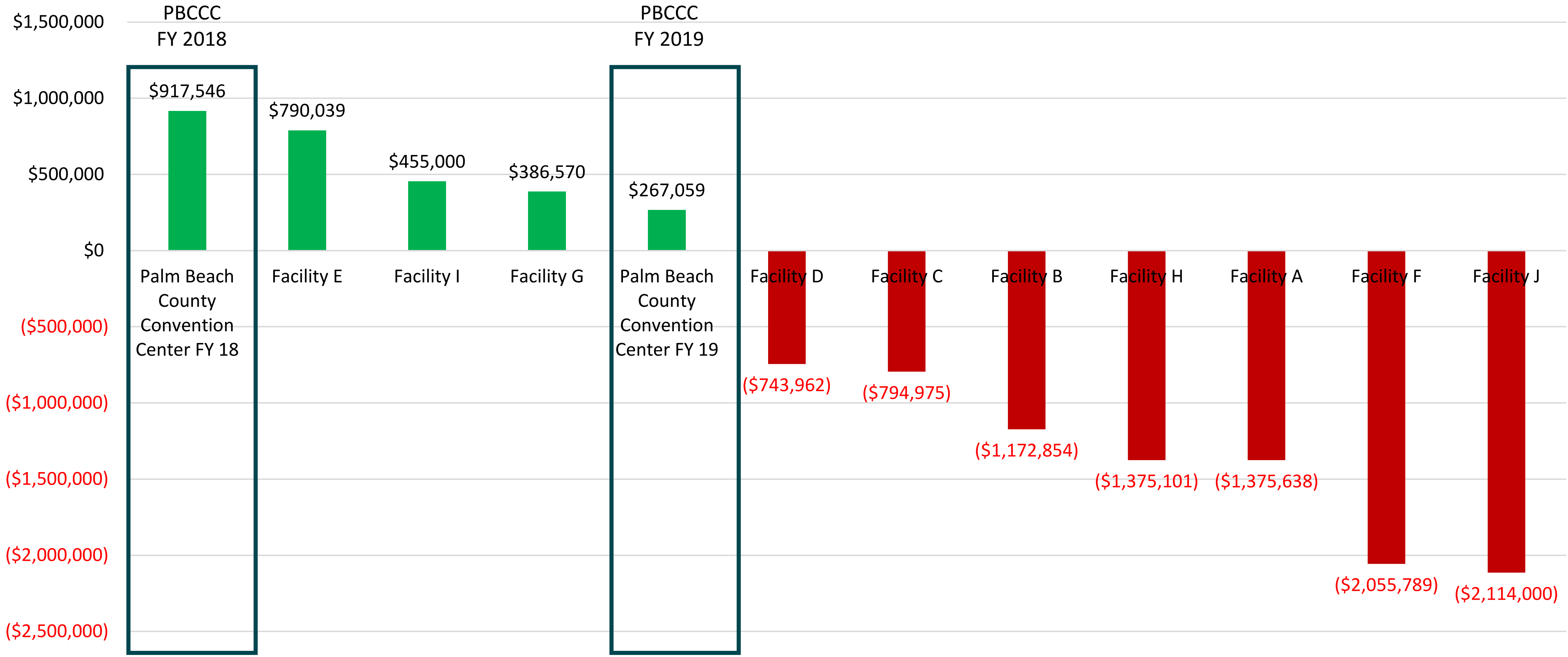
The PBCCC ranks favorably relative to comparable and competitive venues in terms of financial performance. Operating at a surplus of $267,100 in FY 2019, the PBCCC ranks 4th out of the twelve facilities reviewed in terms of net operating income/loss, and is just one of four facilities operating at a surplus (before debt service). The facility's FY 2018 performance ranks first in terms of net income at $917,500. The other venues shown below that generate a surplus typically rely on unusually high levels of corporate events with significant food and beverage spend.

Facility	Sellable Space	Operating Revenue	Operating Expense	Net Operating Income/(Loss)	Net Operating Inc./(Loss) per SF Tot. Sel. Space	Coverage Ratio	Rev. per SF of Tot. Sel. Space	Exp. per SF of Tot. Sel. Space
Facility A	240,000	$3,631,261	$5,006,899	($1,375,638)	($5.73)	72.5%	$15.13	$20.86
Facility B	143,300	$3,809,873	$4,982,727	($1,172,854)	($8.18)	76.5%	$26.59	$34.77
Facility C	115,000	$5,838,811	$6,633,786	($794,975)	($6.91)	88.0%	$50.77	$57.69
Facility D	82,300	$2,259,727	$3,003,689	($743,962)	($9.04)	75.2%	$27.46	$36.50
Facility E	97,600	$6,778,369	$5,988,330	$790,039	$8.09	113.2%	$69.45	$61.36
Facility F	206,500	$4,938,837	$6,994,625	($2,055,789)	($9.96)	70.6%	$23.92	$33.87
Facility G	233,000	$6,502,565	$6,115,995	$386,570	$1.66	106.3%	$27.91	$26.25
Facility H	127,500	$3,148,181	$4,523,282	($1,375,101)	($10.79)	69.6%	$24.69	$35.48
Facility I	114,300	$6,910,000	$6,455,000	$455,000	$3.98	107.0%	$60.45	$56.47
Facility J	179,600	$9,584,000	$11,698,000	($2,114,000)	($17.59)	89.4%	$148.83	$166.42
Average	**153,900**	**$5,340,200**	**$6,140,200**	**($800,100)**	**($5.45)**	**86.8%**	**$47.52**	**$52.97**
Weighted Average					**($5.20)**	**87.0%**	**$34.70**	**$39.89**
Median	**135,400**	**$5,388,800**	**$6,052,200**	**($983,900)**	**($7.55)**	**82.2%**	**$27.68**	**$35.99**
PBCCC FY 2019	**141,600**	**$5,317,557**	**$5,050,498**	**$267,059**	**$1.89**	**105.3%**	**$37.55**	**$35.67**
PBCCC FY 2019 Rank (out of 11)	**6**	**6**	**7**	**4**	**3**	**4**	**5**	**6**
PBCCC FY 2018	**141,600**	**$6,027,702**	**$5,110,155**	**$917,546**	**$6.48**	**118.0%**	**$42.57**	**$36.09**
PBCCC FY 2018 Rank (out of 11)	**5**	**5**	**8**	**1**	**2**	**1**	**6**	**7**

Sources: Facility Management; CSL International, 2020.

19. FINANCIAL PROFORMA: Comparison of Financial Operations

As shown, PBCCC's financial performance for both FY 2018 and FY 2019 rate well ahead of peer facilities. While not specifically identified, PBCCC net financial performance is higher than competitive venues such as the Savannah International and Trade Center, Palm Springs Convention Center, and Raleigh Convention Center. Though less events were hosted and less event revenues generated in FY 2019, the facility still operated with an operating surplus.



Sources: Facility Management; CSL International, 2020.

APPENDIX 1. MARKET DEMAND ANALYSIS

MARKET DEMAND ANALYSIS: Introduction

To help form a basis for the market demand analysis, surveys were completed with meeting planners within various event segments that represent the current, past and potential future markets for the PBCCC. These data provide a basis for evaluating future event, attendee and room night potential under various future PBCCC, hotel and other hospitality development scenarios. The following market research efforts were completed as part of this Study:

- 60 in-person and telephone interviews/meetings with key Palm Beach County stakeholders, including representatives from the County, City of West Palm Beach, Discover the Palm Beaches, PBCCC management, TDC Board and staff members, Palm Beach International Airport, Sports Commission, Cultural Council, Related Companies, other hotel developers and management, and business development organizations.
- 76 completed telephone interviews with planners of nationally rotating events that represent significant potential for the PBCCC.
- Surveys of planners of state and regional convention, trade, conference and other rotating events.
- Telephone interviews with nine event planners on the DTPB Customer Advisory Board and other current/past users of the PBCCC.
- Surveys of 29 event planners that represent “lost business” for the PBCCC.
- An analysis of emerging event types based on a review of industry trends and comparable facility event activity.

Combined, these data have been used to support recommendations as to the Palm Beach County hotel and PBCCC development timelines presented later in this report.

MARKET DEMAND ANALYSIS: Surveys – National Events

Outreach to planners of national conventions, tradeshows, conferences and large meetings is a critical element of our overall analysis. Direct event planner feedback provides invaluable insight into the overall industry perceptions of the Palm Beach County market, specific space and hotel needs for the share of market unique to the County, and other important insight. To generate these data, telephone interviews were conducted with 76 national association event planners. A listing of these interviewed organizations is presented below, followed by summaries of feedback given during these conversations.

Aglow International
Airborne Public Safety Association
American Academy of Periodontology
American Angus Association
American Astronomical Society
American Congress of Rehabilitation Medicine
American Dairy Science Association
American Geophysical Union
American Homebrewers Association
American Orthopaedic Society for Sports Medicine
American Public Human Services Association
American Public Transportation Association
American Public Works Association
American Quilter's Society
American Society for Laser Medicine and Surgery
American Society for Nondestructive Testing
American Society of Gene and Cell Therapy
American Sociological Association
American Trucking Associations
Associated Professional Sleep Societies
Association for Asian Studies
Association of Legal Administrators
Association of State Floodplain Managers
Benevolent and Protective Order of Elks
Best Western International
Biomedical Engineering Society
Canadian Institute of Mining, Metallurgy and Petroleum
Case Management Society of America
Competitive Carriers Association
Conference for the Advancement of Mathematics Teaching
Destinations International
EASA, The Electro-Mechanical Authority
Emergency Nurses Association
ESEA Network
Express Employment Professionals
F5 Networks
Foundations, Inc.
Health Care Compliance Association
Health Physics Society
Hearth, Patio & Barbecue Association
International Association of Fairs and Expositions
International Health, Racquet and Sportsclub Association
International Society for Magnetic Resonance in Medicine
Irrigation Association
Mahindra, Inc.
MP Associates, Inc.
NALP - The Association for Legal Career Professionals
National Association for College Admission Counseling
National Association for Gifted Children
National Association of Colleges and Employers
National Association of Elevator Contractors
National Association of Tower Erectors
National Biodiesel Board
National Fire Protection Association
National High School Rodeo Association
National Indian Child Welfare Association
National Society for Histotechnology
National Society of Black Engineers
National Tank Truck Carriers
National Trailer Dealers Association
National Urban League
National Wheelchair Basketball Association
New York State Public Employees Federation
Professional Association for SQL Server
Public Responsibility in Medicine and Research
Risk and Insurance Management Society, Inc.
Self Advocates Becoming Empowered
Self-Insurance Institute of America, Inc.
Shell Oil Company
Snack Food Association
Society of American Military Engineers
Southeastern Theatre Conference
Student National Medical Association
TESOL International Association
The Optical Society
World System Builder

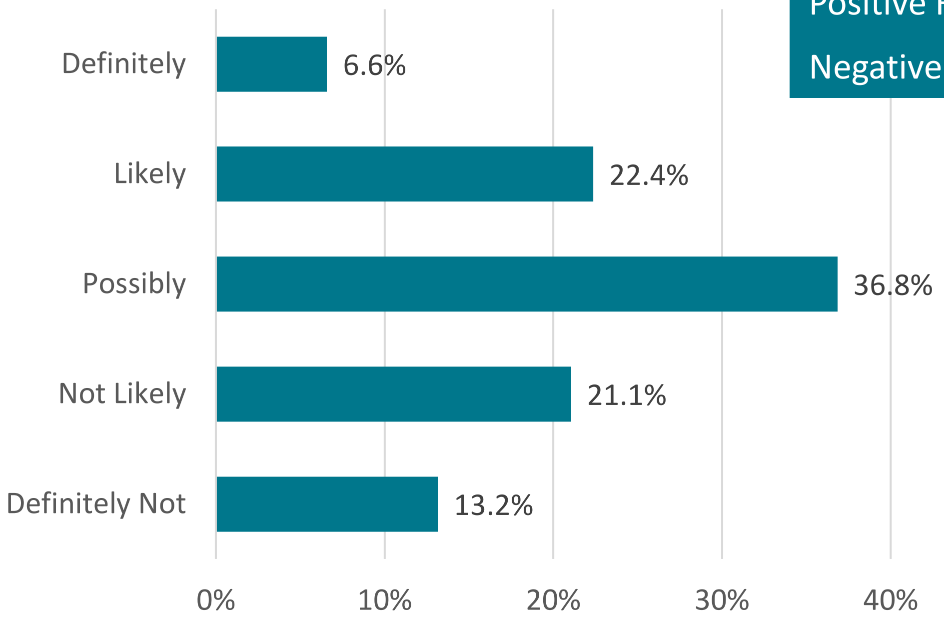
MARKET DEMAND ANALYSIS: Surveys – National Events

Planners of national events were asked to indicate the likelihood that they would consider the PBCCC to host one or more of their events in the future. Nearly 66 percent of interviewed planners expressed positive interest, with 6.6 percent reporting that they would “definitely” use the venue and 22.4 percent reporting they would “likely” do so. Relative to CSL studies for other large convention centers, these positive response levels are considered moderate to high, and highlight the expected viability of Palm Beach County as a successful national event destination.

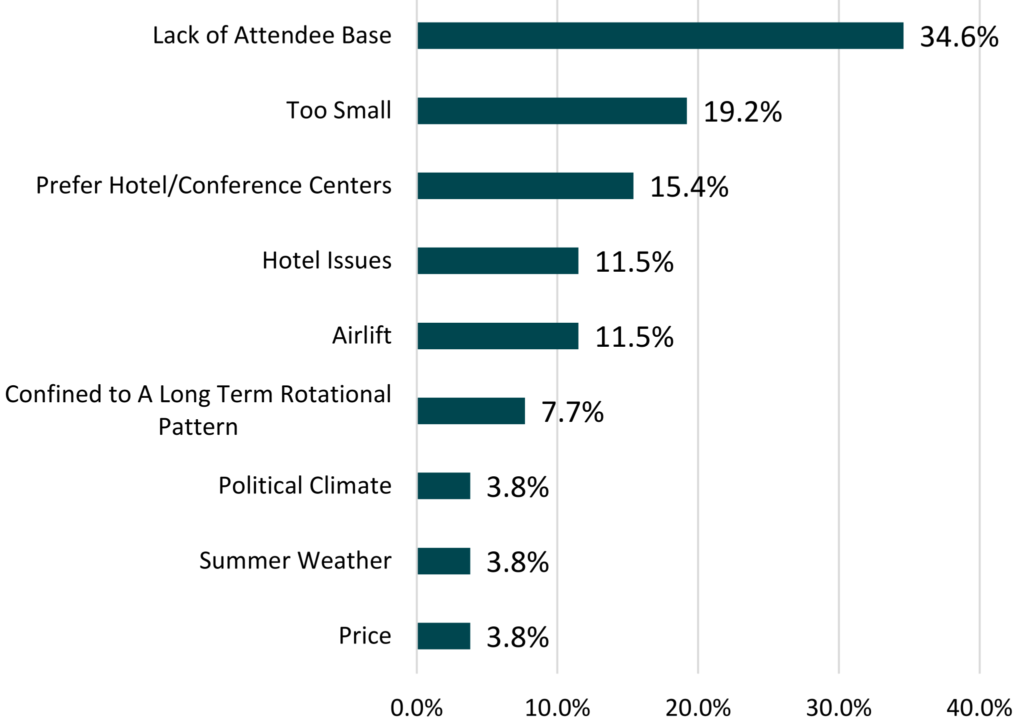
Just over one-third of planners (34.6 percent) with negative interest (“not likely” and “definitely not”) cited their lack of organization membership in the area as the primary reason, while 19.2 percent noted that West Palm Beach is too small a city for their event(s), and 15.4 percent prefer self-contained hotel/conference facilities. Another 11.5 percent require substantially more hotel rooms than will likely be available surrounding the PBCCC, and an equal amount cite airlift concerns.

Likelihood of Selecting Expanded Palm Beach County Convention Center

Positive Response	66%
Negative Response	34%



Reasons for Disinterest

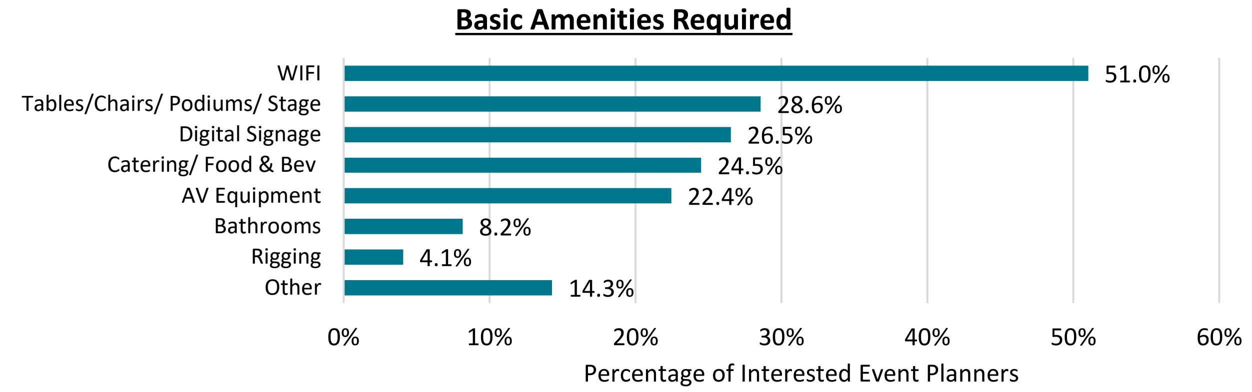


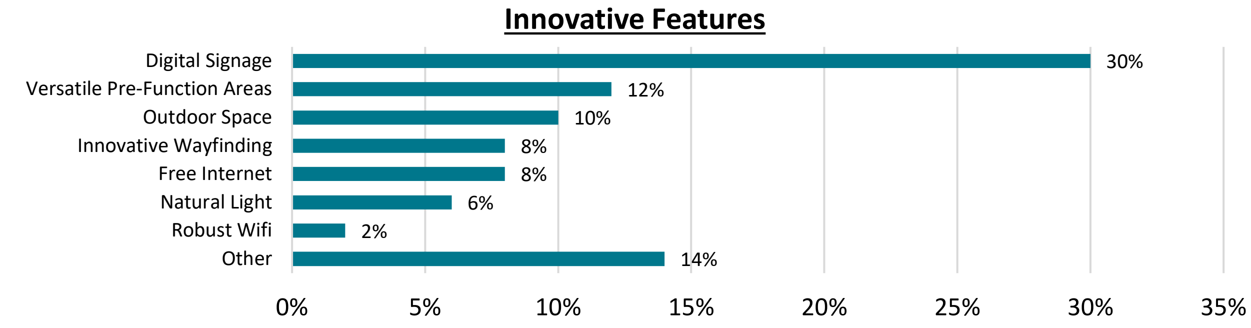
Source: CSL National Survey, 2019.

MARKET DEMAND ANALYSIS: Surveys – National Events

National event planners were also asked to comment on the basic event services, equipment and other amenities they expect at host facilities, with their feedback summarized in the top chart below. As shown, 51 percent of planners expect quality and low priced WiFi. Over 20 percent of planners expect basic equipment such as tables/chairs/podiums/stage, digital signage, quality food and beverage, and A/V equipment. On-going improvements to the provision of technology services at the PBCCC should address an important planner need. A continued focus on competitive service and technology is key to remaining competitive within the national convention industry.

Planners were also asked to provide examples of innovative spaces, services or facility features they have recently been exposed to in other centers nationally and internationally. **Thirty percent of planners noted digital signage as an important element at trend-forward event facilities, while many others mentioned versatile pre-function areas that can host a variety of programming; outdoor spaces that can be activated for events; and, innovative wayfinding programs consisting of signage and electronic kiosks throughout facilities.**





Source: CSL National Survey, 2019.

Comments on the Basic Amenities Required

- “Wi-Fi is a key element to have throughout the building, especially inside of all meeting rooms. Free Wi-Fi is always nice to have.”
- “We look to have all the basics: meeting room furniture, tables and chairs, A/V equipment, digital signage, food & beverage capabilities, etc.”
- “Utilities, tables, chairs, lecterns and digital signage.”
- “We like to see digital signage such as electronic leader boards.”
- “Space for registration and general sessions next to exhibit hall space is important. We are starting to look at more recycling options/green options, water bottle providers, food and beverage options and catering to dietary needs.”

Comments on Innovative Features Noticed at Other Centers

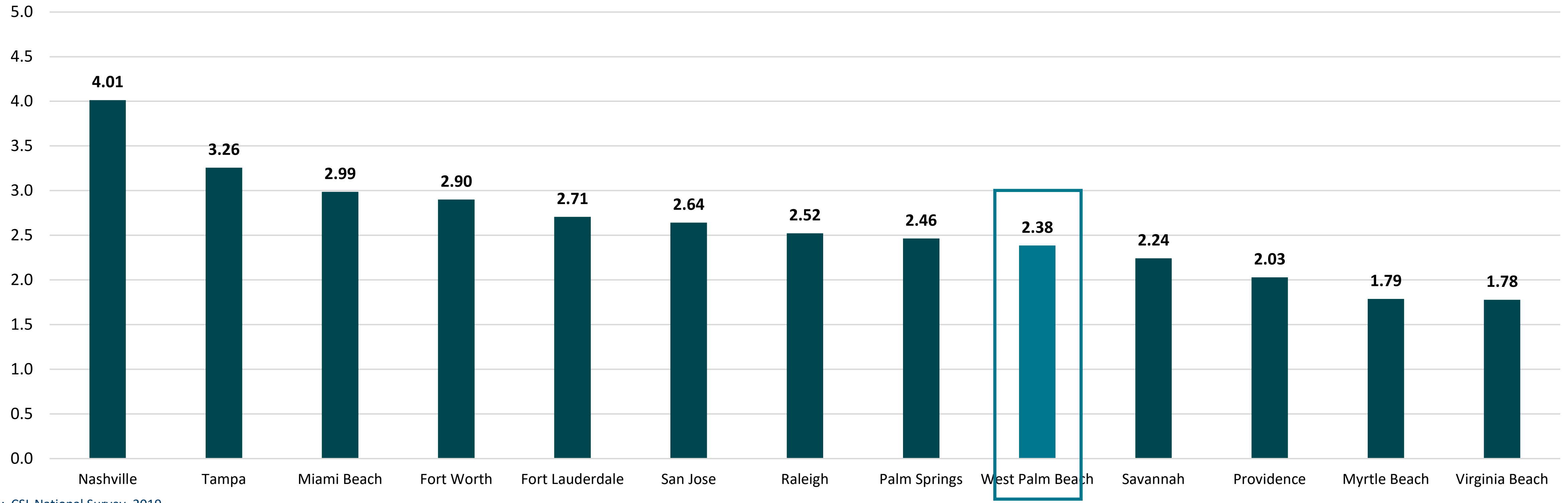
- “Any kind of digital signage- digital marquee, wide screen wall advertising, interactive direction boards and directional plasma screens.”
- “Love to see complimentary Wi-Fi in all the meeting spaces, and digital signage outside meeting rooms.”
- “Outdoor and indoor space that can be utilized for receptions or meetings.”
- “Plenty of natural light in meeting spaces.”
- We like to see flex space, flex furniture, and lots of natural light.”
- “Interactive direction boards, directional plasma screens.”

MARKET DEMAND ANALYSIS: Surveys – National Events

As part of our research of national event planner opinions, we have generated data as to the rating of various destinations that are comparable and/or competitive with PBCCC and West Palm Beach. With its recent development of convention and hotel space within walking distance from the 2nd and Broadway entertainment corridor, Nashville understandably rates the highest with a score of 4.01, followed by popular destinations such as Tampa, (FL), Miami Beach, (FL) and Fort Worth, (TX). With a score of 2.38, West Palm Beach ranks near the median of the market set.

We note that of the four Florida markets included in the 13 total markets reviewed, three ranked in the top five. **These data suggest that the West Palm Beach brand as a convention destination has room to improve, and may be held back somewhat by the difficulties in accommodating larger national events. As various elements of the PBCCC and surrounding hospitality product are enhanced, greater exposure to the destination will help to increase destination ratings.**

Comparable Destination Desirability Ratings (scale of 1 to 5)

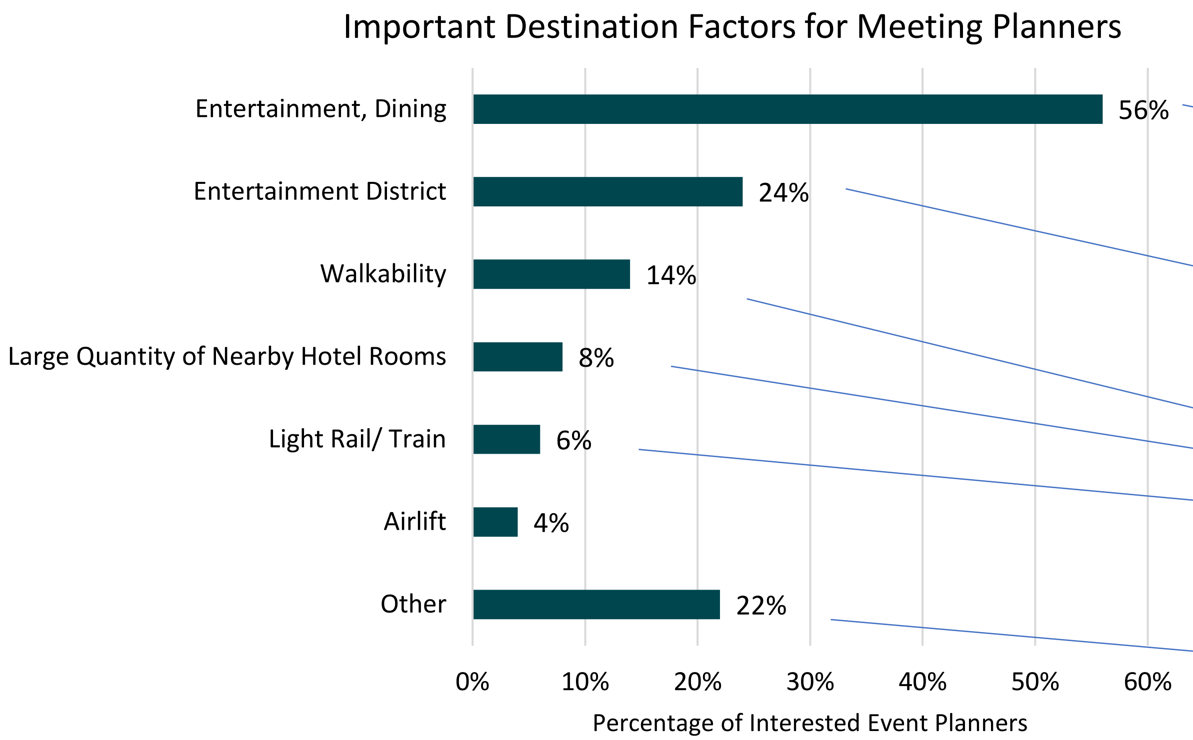


Source: CSL National Survey, 2019.

MARKET DEMAND ANALYSIS: Surveys – National Events

When asked to elaborate on the elements that factor into the overall desirability of surrounding neighborhoods when choosing a host facility or destination, 56 percent of event planners commented on the need for nearby entertainment and dining options, while 24 percent went further and cited defined entertainment districts as significant draws. Many planners used popular attractions such as the San Antonio Riverwalk, (TX) and Louisville, (KY)'s Fourth Street Live! as examples of signature entertainment districts. Other planners commented on the importance of general destination walkability, large quantities of nearby hotel rooms, access to light rail/trains, and robust airlift, among other elements.

For the PBCCC, the walkable access to Rosemary Square and the dining, entertainment and other hospitality amenities extending along Clematis towards the water represent a very attractive advantage when competing for national events. Issues associated with crossing Okeechobee Boulevard will need to be addressed, as discussed later in this report.



Comments on Important Destination Factors

- "People prefer a lot of restaurants within a walkable distance."
- "Restaurants and shopping right in the area and any kind of local history or art museums."
- "An entertainment district similar to Fourth Street Live in Louisville, KY."
- "We love to see entertainment districts full of retail, shopping, restaurants, bars, and entertainment/attractions within a walkable distance to the center, similar to the San Antonio Riverwalk."
- "We need walkable rooms, restaurants and entertainment."
- "Need to have enough hotel rooms and flights in and out of the airport."
- "Access to public transport is huge."
- "Need a large off site venue for parties or things like that. Like a museum or gallery for three to five thousand people. They would need more flights in and out of the airport."
- "The Boston Convention Center has a lawn with adult games and they are able to utilize this outdoor space in many different ways."

Source: CSL National Survey, 2019.

MARKET DEMAND ANALYSIS: Surveys – Lost Business

As part of our market demand analysis, CSL distributed a survey to contacts registered as “lost leads” by Discover The Palm Beaches’ sales team. It is important to note that many of these events were “lost” to other destinations and facilities due to a number of factors including event cancellations, board selection and changed event requirements. Of event planners citing more specific reasons, responses included center space limitations, hotel inventory issues, preference for a convention hotel for the event and other such reasons. A listing of the 29 organizations that participated in CSL’s in-depth email survey is presented below, along with the peak hotel requirements for planners that expressed interest in hosting an event at the PBCCC in the future.

The peak hotel room requirements ranged from 150 to 1,500, with a median of 673. **These data suggest that with a peak hotel room block of 600, over half the events that have considered but not booked the PBCCC could not be accommodated due to hotel limitations. At 400 committable hotel rooms, the large majority of these events will not be accommodated, even if other issues are addressed.**

List of Organizations Surveyed

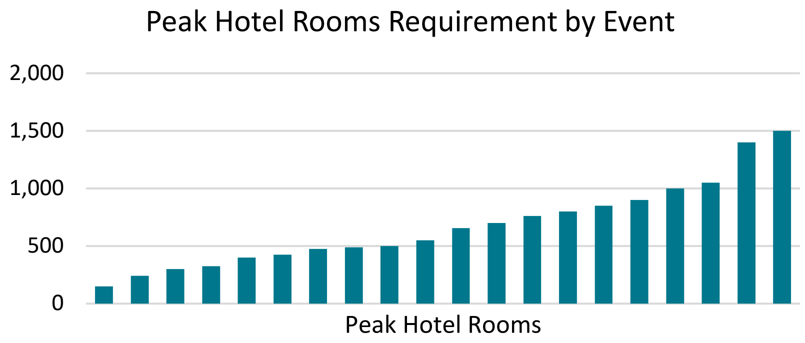
A.T. Expo Corp.
Alpha Phi Alpha Fraternity Inc.
American Nurses Credentialing Center
American Writers & Artists Inc.
Americans for the Arts
Automobile License Plate Collectors Association
BCD Pfizer
ConferenceDirect
Consult NC inc
Creative Group, Inc.
International Window Coverings Expo
LRP Publications, Inc.
Shoe Market of the America’s
Site Search, Inc.
SNAC International
Sunshine Education Summit
The Modern Quilt Guild
The TEAM Group, LLC
United Pentecostal Church International
Vertical Flight Society
EventSphere
Experient
Florida Department of Transportation
Florida Federation of Fairs
Florida Office of Attorney General
Global United Fellowship
Handweavers Guild of America, Inc.
HelmsBriscoe (x3)
Informa

Source: CSL Lost Business Email Survey, 2019.

Peak Hotel Room Night Summary

150 to 1,500
Range of Hotel Rooms Required

673
Median Hotel Rooms Required



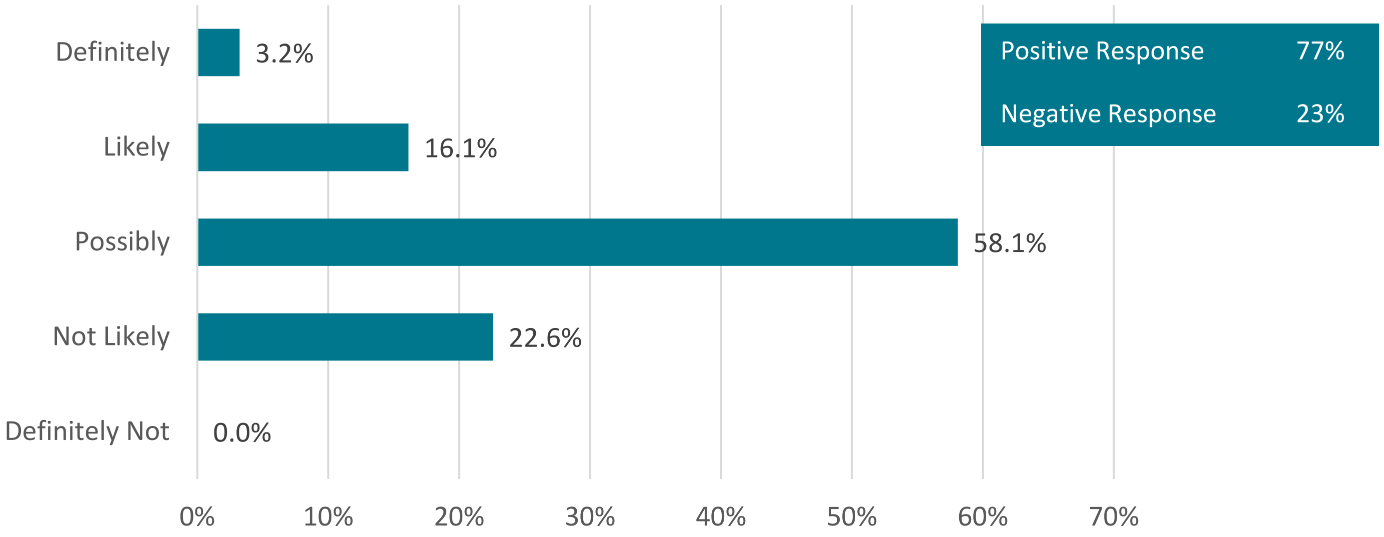
MARKET DEMAND ANALYSIS: Surveys – Lost Business

Of the planners of lost events surveyed, 77 percent expressed a positive response when asked the likelihood of selecting the PBCCC for a future event. This response rate is higher than that registered for the broader set of national events surveyed (66 percent), as presented previously in this section. **These results indicate a significant potential to increase PBCCC event activity assuming hotel and other limitations are addressed.**

Comments made by the twenty-three percent of planners not interested in using the PBCCC include the following:

- “Client is trying to book a more central U.S. location.”
- “Hotel rates and heat in the summer when our conference is held.”
- “Our groups don’t require convention space.”
- “We are way too large, and I don’t see them having anywhere near enough hotels any time soon.”

Likelihood of Selecting Expanded Palm Beach County Convention Center

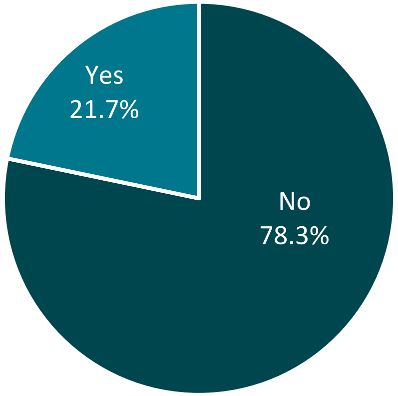


Source: CSL Lost Business Email Survey, 2019.

MARKET DEMAND ANALYSIS: Surveys – Lost Business

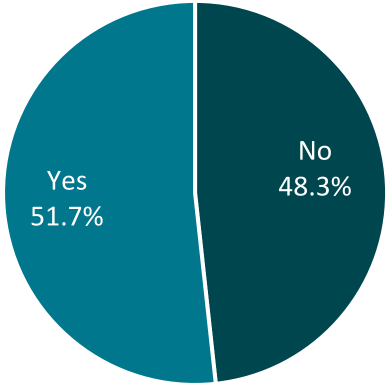
Planners of lost events were also asked to comment on limitations of both the existing PBCCC space and the supporting hotel inventory. As noted below, approximately 22 percent of planners surveyed cited limitations to the PBCCC space, including lack of meeting space, ballroom space and carpeted space. **Approximately 52 percent of planners surveyed cited a lack of hotel inventory as a limiting factor. Specific comments referenced the need for another large headquarter hotel, need for more upscale rooms near the Center, and a concern with high hotel prices.**

Limitations to existing PBCCC exhibit, ballroom, meeting or pre-function Space?



- “Yes, our Arts Marketing Conference ended up going to Miami due to the limited amount of breakout meeting space at the Center.”
- “Yes, the venue is too small. They do not have enough ballroom space.”
- “We need at the very minimum a hall that is just over 100,000 square feet, and we grow every year.”
- “Need a ballroom that can easily handle 1,500 people.”
- “We need a carpeted space with at least 40,000 square feet of contiguous space.”

Limitations to existing hotel inventory that supports the PBCCC?



- “Yes, another large property with 500+ rooms would be great there.”
- “Yes, for the square footage of the current PBCCC, the campus needs an additional 600-1,000 rooms that can be readily committed to citywide room blocks.”
- “We needed more upscale hotel rooms close to the center. The Hilton was perfect but could not accommodate our entire block, and The Marriott was in need of renovation and is inconvenient since our attendees would have to cross a busy highway.”
- “Yes. Hilton needs to double its room count and you need to get that bridge built over to the dining/retail across the street. More hotels within walking distance would be ideal so shuttles are not needed to get to the other properties not within walking distance.”
- “Hotel prices are way too high, largely because it’s tough to get a room.”

Source: CSL Lost Business Email Survey, 2019.

MARKET DEMAND ANALYSIS: Surveys – Lost Business (Center Comments)

As part of the lost business survey, planners were asked “Based on your experience at other Convention Centers, are there any examples of best practices or innovative features that should be considered for the Palm Beach County Convention Center?” The responses indicate that maintaining industry-standard information technology in terms of product and service is very important. Other areas of focus reflect typical planner needs including equipment and food/beverage service. The emergence of public art, natural lighting and interior design, as well as sustainable practices is important to note. Detailed responses are summarized below.

Facility Feature	% of Planners Who Commented	Comments
Technology (digital signage, WiFi access, interactive kiosks, etc.)	33.33%	• “Free WiFi, flat screen monitors for marketing and information.” • “Touch screens for interactive use. Similar to the Nashville Music City Center.”
In-house rent-able, equipment	29.17%	• “Flat screen monitors, accessibility tools such as captioning and other ADA technology and tools.” • “Furniture for panel stages, lounges and meals.”
Food & Beverage	29.17%	• “Centerplate facilities generally do a pretty good job with F&B.”
Aesthetic (public art, interior design, natural lighting, etc.)	25.00%	• “Aesthetic elements such as natural lighting, public art and interior design helps to make the space more like a hotel than a convention center.”
Sustainable Practices (solar, green certificates, etc.)	25.00%	• “Solar, green roofs, no straws, a leftovers program. Recyclable/reusable plates and cutlery.”
Event Services	16.67%	• “A step by step calendar or check list that provides a guide to planning a meeting in a convention center. Being a part of social tables and other meeting planning tools that make it easy to plan meetings.” • “An app that connects planners with event services on demand.”
Other elements	8.33%	• “Large open spaces that can be activated.” • “Interactive stations providing experiences and education on the local area.” • “Low potential carbon footprint initiatives.” • “Ease of movement around the complex.”

Source: CSL Lost Business Email Survey, 2019.

MARKET DEMAND ANALYSIS: Surveys – Lost Business (Destination Comments)

Event planners were also asked "Considering the quality of both the PBCCC and the broader West Palm Beach destination, what improvements could be made that you believe would enhance the experience for your events' attendees?. **The data clearly point out that the ability to create a walkable hospitality environment, including restaurants, hotel, entertainment and other features, is critical.** These assets are viewed as "desired" amenities, but are not a required part of a destination package. Specific planner responses are presented below.

Facility Feature	% of Planners Who Commented	Comments
Walkability from Convention Center to surrounding dining and entertainment	54.17%	• "This is critical! Palm Beach needs safer/easier access across Okeechobee to Rosemary Square to bridge the gap between meetings and lifestyle, in terms of attendees. For example a bridge over high traffic areas."
Hotel product, particularly near the Convention Center	50.00%	• "Desperate need for more full service flag hotels that have all amenities. 500 to 1,000 rooms on top of the existing inventory could accommodate more committable and transient rooms reservations."
Airlift and transportation to/from Palm Beach International Airport	41.67%	• "Airlift and transportation to/from the airport is very important for the larger association. Airport shuttles could be good, but overall, the lift is okay and access to downtown is very easy and fast."
Amount and quality of nearby attractions and entertainment	29.17%	• "High on the list. We always have an opening reception, so nearby cultural facilities are essential."
Branding/overall image of the PBCCC and West Palm Beach as event destinations.	29.17%	• "I think it's not well-known that the CVB can put together hotel packages. I recommend the CC to my clients and they are surprised it is even possible in Palm Beach. The assumption is that Palm Beach is not affordable when in fact I know from experience you can put together a competitive package. • "The brand is growing. It needs to have more focus on being 'open for business' than the focus of 'play'."

Source: CSL Lost Business Email Survey, 2019.

MARKET DEMAND ANALYSIS: Interviews with CAB Members & Major Event Planners

There are several event planners that combine significant national experience in markets throughout North America, with a detailed understanding of the strengths and weaknesses of the Palm Beach County Convention Center product. These planners are currently members of the DTPB’s Customer Advisory Board (CAB). As part of our research we have interviewed a selection of these planners, drawing important insights into current conditions and recommended enhancements designed to increase convention industry market share for the County. Organizations interviewed for this effort are listed below, followed by the specific feedback they provided.

- LRP Publications, Inc.
- American Society for Microbiology
- The Hybrid Group - Urgent Care Association of America
- Association Management Center - Association for Rehabilitation Nurses
- Cystic Fibrosis
- Americans for the Arts
- Acendas
- Overflow Companies
- BCD Meetings & Incentives

Hotel Inventory

- Need more hotels rooms. Event used 90 percent of Hilton inventory, 300 rooms at the Marriott, 100 at Hyatt Place, and 150 combined at three airport properties. Rather than the six hotels, planner would prefer the block in two hotels. Added room inventory is needed for event to return.
- Need another hotel with 600 to 800 rooms for city-wide events. Lack of rooms is costing the Center business.
- Need another hotel with a minimum of 600 rooms and the ability to create 700 committable rooms when combined with the Hilton.
- Need another hotel with 500 to 600 rooms.
- They absolutely need more hotel inventory to reduce properties in the block, otherwise we are not returning.

Source: CSL CAB Member and Current/Past User Interviews, 2019.

MARKET DEMAND ANALYSIS: Interviews with CAB Members & Major Event Planners

Hotel Inventory (continued)

- The Hilton West Palm Beach is small in comparison with other headquarter hotel properties.
- Location of the Marriott West Palm Beach can be difficult in terms of pedestrian connection.
- The West Palm Beach Hilton is fantastic, management really understands accommodating meetings.

Desired PBCCC Space and Amenities

- Current prefunction space should be adapted to create informal learning centers, space for “chat with the expert” sessions.
- Need more open space learning/networking opportunities.
- Make the pre-function space more functional. Attendees want to meet in smaller groups outside of traditional meeting space.
- The ability to use prefunction space furniture, and move it as needed into meeting areas was very helpful.
- The PBCCC space program should include more breakout meeting space.
- There is a need for an on-site business center.
- The Center is somewhat generic, but in good condition. A greater “flavor” of West Palm Beach within the Center would be beneficial. Savannah does this well.
- Center needs upgrades in terms of public art and a unique sense of place reflecting West Palm Beach.
- The aesthetic of the Center is very good; ceilings are high and there’s a lot of natural light.
- County management of the Wi-Fi system creates challenges. Non-building staff are not always attuned to the specific needs of the event. Staff are not always in the building to address event needs.
- The Center needs a dedicated coffee shop.

Source: CSL CAB Member and Current/Past User Interviews, 2019.

MARKET DEMAND ANALYSIS: Interviews with CAB Members & Major Event Planners

Desired PBCCC Space and Amenities (continued)

- The visitors information desk in the Center is very minimal, could be upgraded.
- It will be critical to provide very high-end service to accommodate higher end corporate events.
- The PBCCC size is perfect for events transitioning from large hotels to dedicated convention centers. Accommodating these types of events can require a higher level of hands-on service to guide the planner through the new center/hotel package.
- Center staff are very friendly. Consider added training for coordinators to expose them to state of the industry approaches.

Destination Conditions

- It takes a significant amount of time to cross Okeechobee Boulevard. The crossing timing should be adjusted, and a tunnel or bridge should be considered.
- Palm Beach County in general is a great location, year round destination that people want to go to.
- Proximity to the airport is a competitive advantage.
- You can access a Ft. Lauderdale and Miami daytrip during your stay. It's a daytrip – you can get there well within an hour.
- The destination has great entertainment and restaurants, indoor and outdoor. There are concerts going on creating a vibrant atmosphere. The ability to host receptions in the art museum is a major benefit.
- From an image/branding perspective, there is a lot to offer and a good balance of amenities. The "buzz" surrounding the destination has improved the last 10 to 15 years.

Source: CSL CAB Member Interviews, 2019.

MARKET DEMAND ANALYSIS: Surveys – State/Regional Events

Florida state association business makes up a moderate portion of PBCCC's economically impactful event activity. The Center hosted a total of ten Conference and Convention/Trade events organized by state associations in both 2018 and 2019, making up approximately 27 percent of such events during this time period. Notable pieces of business that have occurred in the last two years include recurring events such as the Governor's Hurricane Conference, which generated 2,000 attendees and 2,915 actual room nights in 2019, and rotating events such as the Florida Petroleum Marketing Association's Sunshine EXPO 2019 which generated 275 attendees and 872 actual hotel room nights.

In an effort to research the future opportunities associated with this segment, CSL conducted surveys with ten Florida association event planners to discuss their opinions of Palm Beach County and the PBCCC as a destination for their events. These groups were identified using Knowland Group's database, with those that require at least 10,000 square feet of contiguous space included in our list of contacts.

Summary of Findings from State/Regional Meeting Planner Outreach

- Approximately 50 percent of survey respondents expressed positive interested in hosting an event at the PBCCC. Many events are not of a size suitable for a dedicated convention center. **Of the positive response group, 20 percent indicated they would definitely utilize the PBCCC and 80 percent stated they would possibly utilize the facility if they met certain requirements such as rental rates/facility configuration, hotel room inventory within ½ mile , and interest among membership base.**
- When asked to identify hospitality assets that should be developed proximate to the PBCCC, most planners cited hotel rooms and restaurants within a convenient walkable distance from the Center. Built-in AV, digital signage, and campus wide Wi-Fi were listed by state/regional planners as amenities they view as important within a convention setting.
- **The PBCCC faces intense competition in the marketplace for state events from the numerous self-contained resort properties throughout the state of Florida. Many interviewed state planners who were not interested in the PBCCC cited a strong preference for hosting at resorts in the Orlando area due to the convenience of having event space and significant room inventory under one roof.** At the same time, the supply of state conventions with high room night potential is very finite relative to the much larger national and international convention markets.
- Event planners who expressed positive interest had an average requirement of 14,700 square feet of exhibit space, 250 peak hotel rooms, and 440 total attendees. These are approximately equal to the averages of state association Conference events that have hosted at the PBCCC over the last two years. **These data suggest that the state event market does not drive a need for significant PBCCC space increases, and should be considered secondary to attracting larger national conventions and tradeshows. However, moderate opportunity does exist to host more concurrent event activity in the future with an expansion of the PBCCC and nearby hotel inventory.**

Source: CSL State/Regional Survey, 2019.

APPENDIX 2. COMPARABLE MARKET SITE MAPS

SITE MAPS: Walkable Environment Comparison

Key	Hotel Name	Room Count
1	The Westin Savannah Harbor Golf Resort & Spa	403
2	Hyatt Regency Savannah	351
3	Savannah Marriott Riverfront	345
4	Homewood Suites	160
5	DoubleTree by Hilton Hotel Savannah Historic District	151
6	Andaz Savannah	151
7	Hampton Inn Savannah-Historic District	147
8	Holiday Inn Express Savannah-Historic District	143
9	Staybridge Suites Savannah Historic District	104
10	Best Western Savannah Historic District	89
11	River Street Inn	86
12	The Bohemian Hotel Savannah Riverfront	75
13	The Marshall House	68
14	Planters Inn	60
15	The Cotton Sail Hotel	56
16	East Bay Inn	28
17	Olde Harbour Inn	24

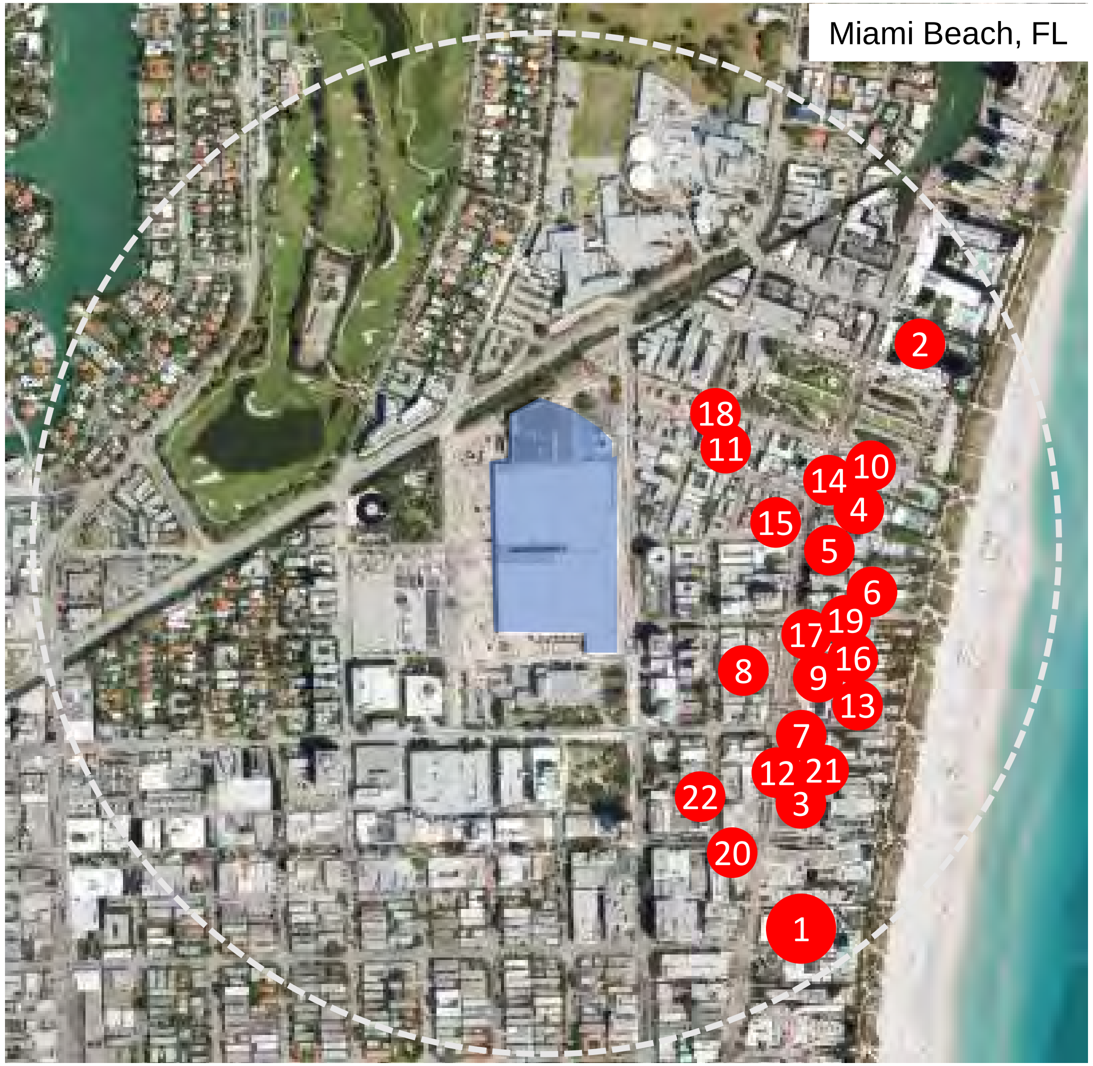
● – 0 hotels with more than 1,000 rooms.

● – 0 hotels with 500 to 999 rooms.

● – 17 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison



Key	Hotel	Rooms
1	Loews Miami Beach Hotel	790
2	W South Beach	395
3	The Ritz-Carlton South Beach	375
4	Shore Club South Beach	309
5	Nautilus by Arlo	250
6	Shelborne South Beach	200
7	Delano South Beach	194
8	The Catalina Hotel & Beach Club	190
9	Kimpton Surfcomber Hotel	186
10	Seagull Hotel Miami Beach	172
11	Riviera Hotel South Beach	153
12	National Hotel	152
13	SLS South Beach	140
14	The Setai Miami Beach	133
15	Lennox Hotels Miami Beach	119
16	Marseilles Hotel	112
17	South Seas Hotel	112
18	Plymouth Hotel Miami	109
19	The Raleigh Hotel	105
20	Hyatt Centric South Beach	105
21	The Sagamore Hotel South Beach	101
22	Albion Hotel	100

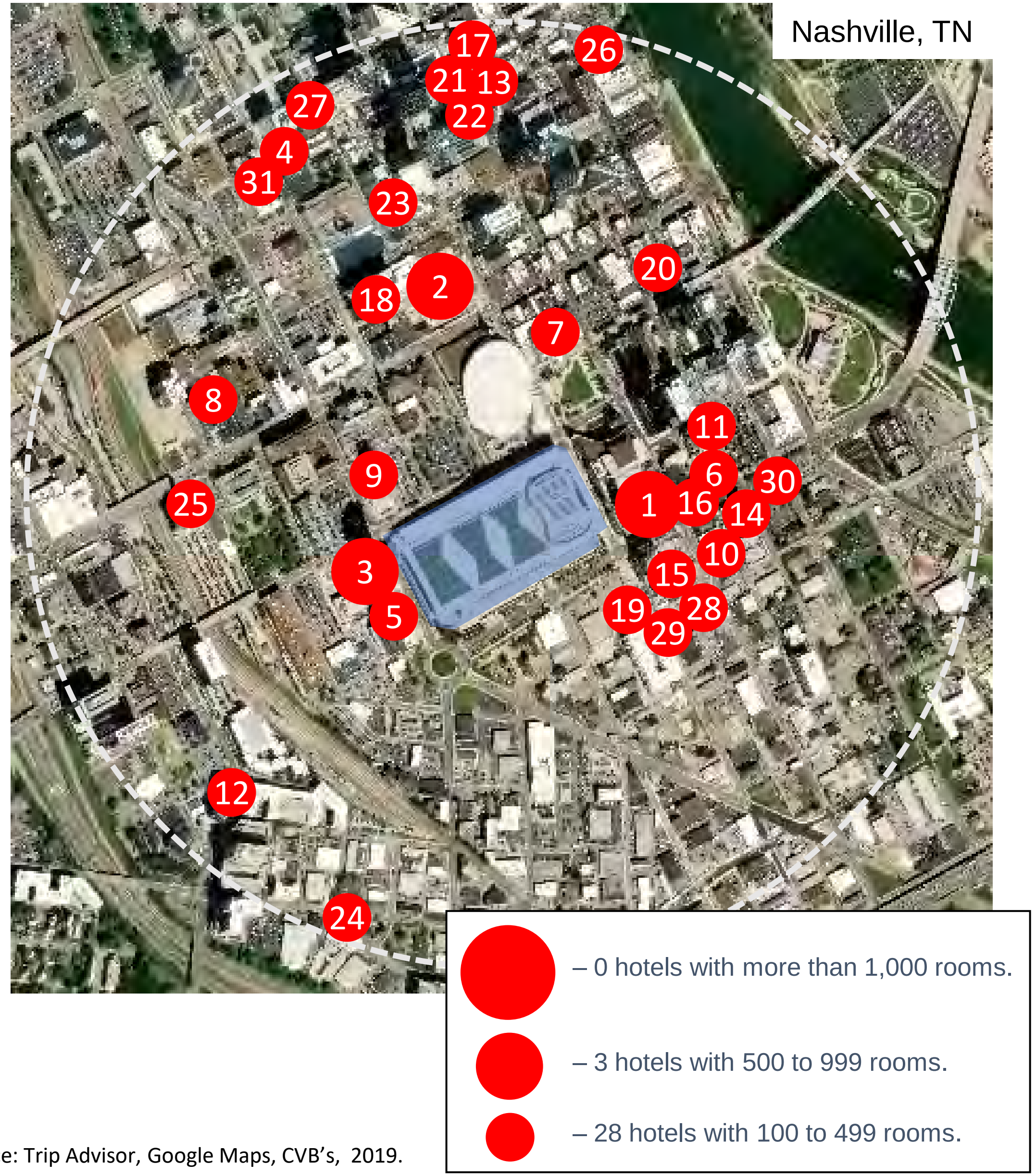
● – 0 hotels with more than 1,000 rooms.

● – 1 hotels with 500 to 999 rooms.

● – 21 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison



Source: Trip Advisor, Google Maps, CVB's, 2019.

Key	Hotel	Rooms
1	Omni Nashville Hotel	800
2	Renaissance Nashville Hotel	673
3	JW Marriott Nashville	533
4	Sheraton Grand Hotel Downtown	474
5	The Westin Nashville	456
6	Drury Plaza Hotel Nashville Downtown	389
7	Hilton Nasvhille Downtown	330
8	Holiday Inn Express Nashville-Downtown	287
9	Cambria Hotel Nashville Downtown	255
10	Holiday Inn & Suites Nashville Downtown - Convention Center	230
11	Hyatt Place Nashville Downtown	225
12	Thompson Nashville	224
13	Noelle, Nashville, a Tribute Portfolio Hotel	224
14	Hilton Garden Inn Nashville Downtown/Convention Center	214
15	AC Hotel by Marriott Nashville Downtown	209
16	Hampton Inn & Suites Nashville-Downtown	207
17	Courtyard by Marriott Nasvhille Downtown	192
18	Holston House Nashville in the Unbound Collection by Hyatt	191
19	Margaritaville Hotel Nashville	168
20	Moxy Nasvhille Downtown	168
21	Dream Nasvhille Hotel	168
22	Bobby Hotel	144
23	Stay Alfred at 505	140
24	Fairfield Inn & Suites by Marriott Nashville Downtown/The Gulch	126
25	Union Station Hotel Nashville, Autograph Collection	125
26	21c Museum Hotel Nashville	124
27	The Hermitage Hotel	122
28	Tru by Hilton Nashville Downtown Convention Center	116
29	Home2 Suites by Hilton Nashville Downtown Convention Center	116
30	Bode Nashville	100
31	The Capitol Hotel Downtown	100

SITE MAPS: Walkable Environment Comparison

Key	Hotel	Rooms
1	Tampa Marriott Water Street	717
2	Hilton Tampa Downtown	520
3	Embassy Suites by Hilton Tampa	360
4	The Westin Tampa Waterside	309
5	Sheraton Tampa Riverwalk Hotel	277
6	Aloft Tampa Downtown	130

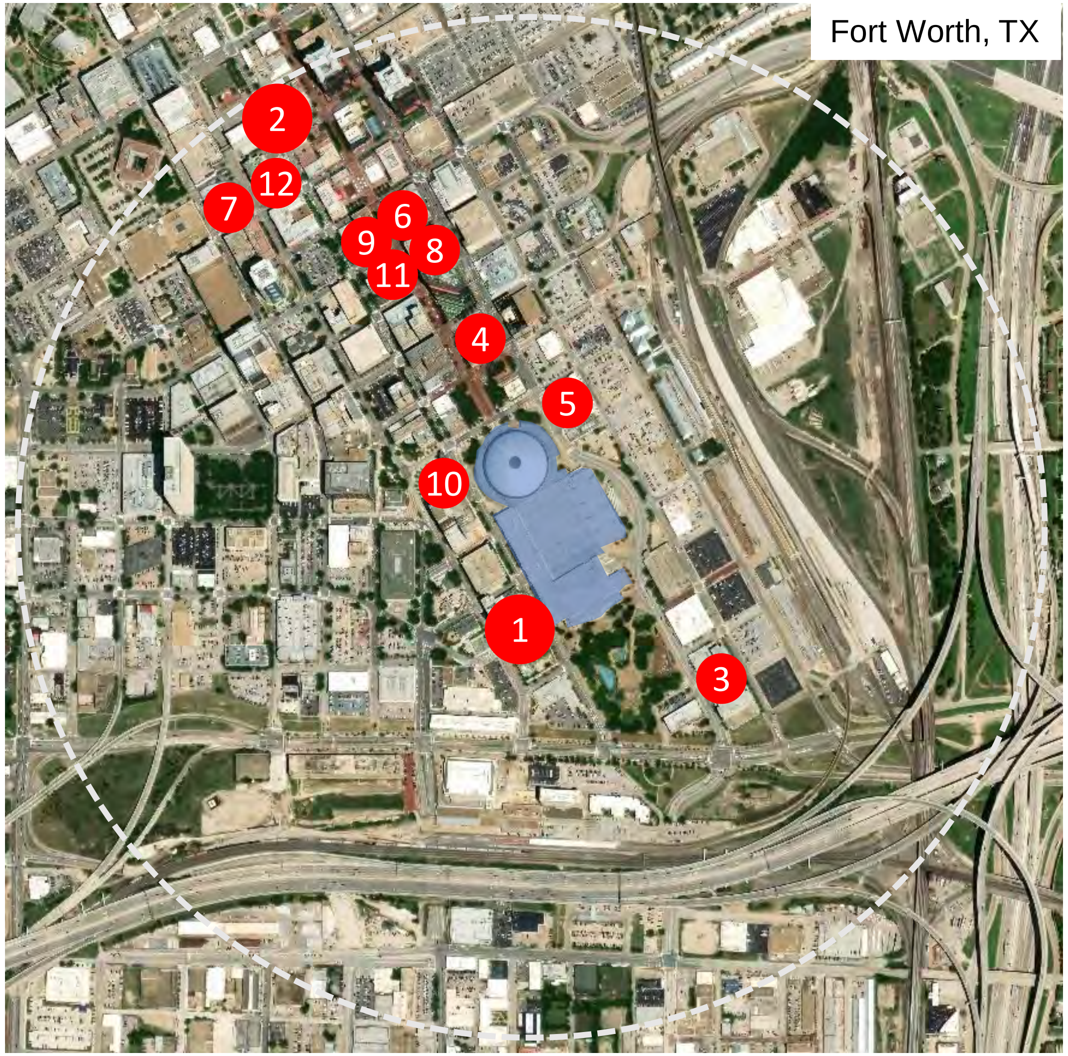
● – 0 hotels with more than 1,000 rooms.

● – 2 hotels with 500 to 999 rooms.

● – 4 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB’s, 2019.

SITE MAPS: Walkable Environment Comparison



Key	Hotel	Rooms
1	Omni Fort Worth Hotel	614
2	The Worthington Renaissance Fort Worth Hotel	504
3	Sheraton Fort Worth Downtown Hotel	429
4	Hilton Fort Worth	294
5	Hampton Inn & Suites Fort Worth Downtown	245
6	Courtyard by Marriott Fort Worth Downtown/Blackstone	203
7	Aloft Fort Worth Downtown	180
8	Embassy Suites by Hilton Fort Worth Downtown	156
9	The Sinclair, Autograph Collection	148
10	Fairfield Inn & Suites by Marriott Fort Worth Dwtn/Conv. Ctr.	120
11	The Ashton Hotel	39
12	Etta's Place Bed and Breakfast	10

● – 0 hotels with more than 1,000 rooms.

● – 2 hotels with 500 to 999 rooms.

● – 10 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison

Key	Hotel	Rooms
1	Raleigh Marriott City Center	401
2	Sheraton Raleigh Hotel	353
3	Residence Inn by Marriott Raleigh Downtown	175
4	Guest House Raleigh	8

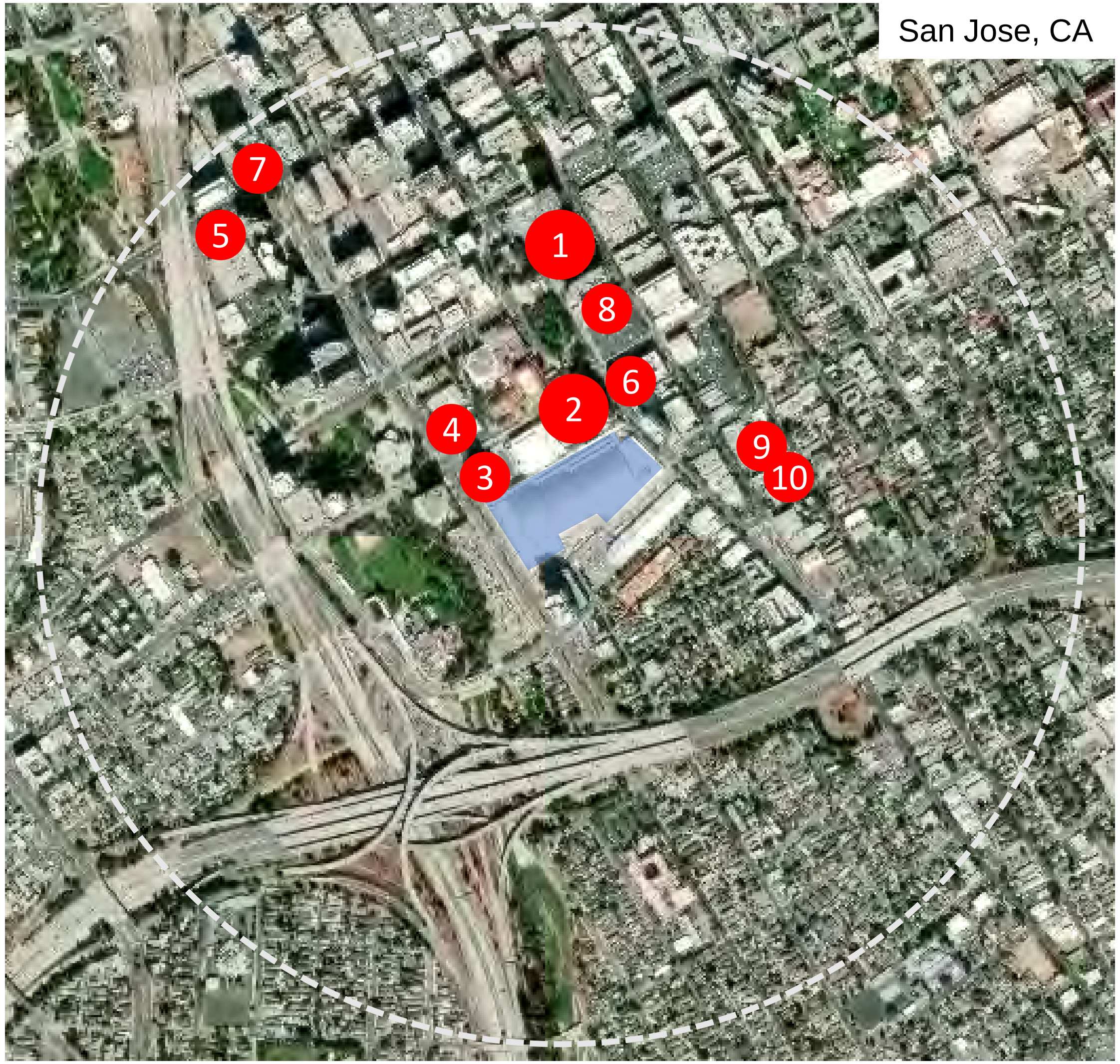
● – 0 hotels with more than 1,000 rooms.

● – 0 hotels with 500 to 999 rooms.

● – 4 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison



Key	Hotel	Rooms
1	Fairmont San Jose	805
2	San Jose Marriott	506
3	Hilton San Jose	353
4	Hyatt Place San Jose/Downtown	236
5	AC Hotel by Marriott San Jose Downtown	210
6	The Westin San Jose	171
7	Hotel De Anza	100
8	Four Points by Sheraton San Jose Downtown	86
9	Pacific Motor Inn	72
10	Convention Center Inn & Suites	36

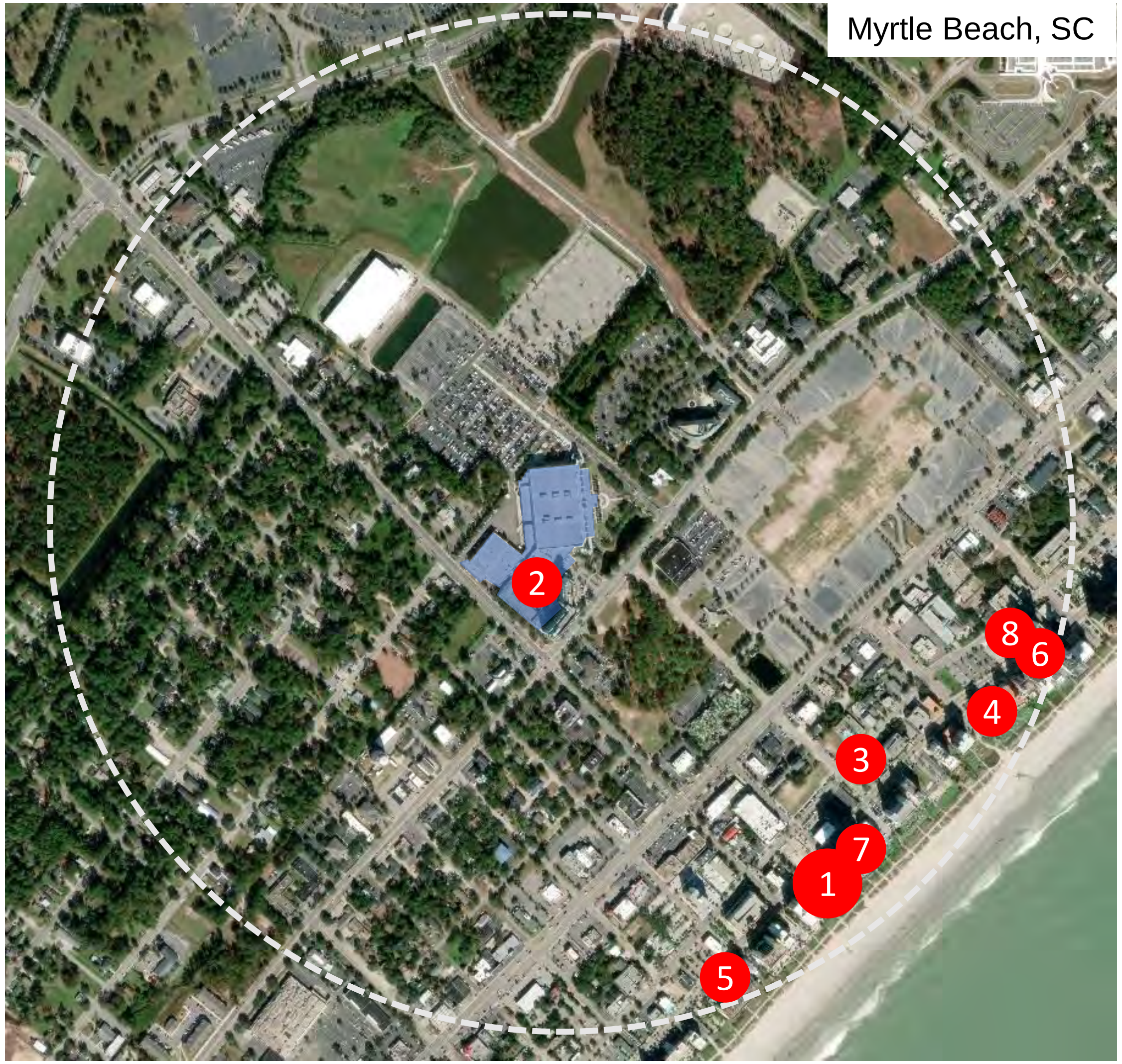
● – 0 hotels with more than 1,000 rooms.

● – 2 hotels with 500 to 999 rooms.

● – 8 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison



Key	Hotel	Rooms
1	The Breakers Resort	622
2	Sheraton Myrtle Beach Convention Center Hotel	400
3	Boardwalk Beach Resort	353
4	Dayton House Resort	328
5	Camelot By the Sea	231
6	Carolinian Beach Resort	230
7	Ocean 22	220
8	Carolina Grande	118

● – 0 hotels with more than 1,000 rooms.

● – 1 hotels with 500 to 999 rooms.

● – 7 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison

Key	Hotel	Rooms
1	Renaissance Palm Springs Hotel	410
2	Hilton Palm Springs	257
3	Hotel Zoso Palm Springs	163
4	Courtyard by Marriott Palm Springs	149
5	Extended Stay America Palm Springs - Airport	104
6	Best Western Plus Las Brisas Hotel	90
7	Andreas Hotel & Spa	25
8	Palm Springs Deauville	7

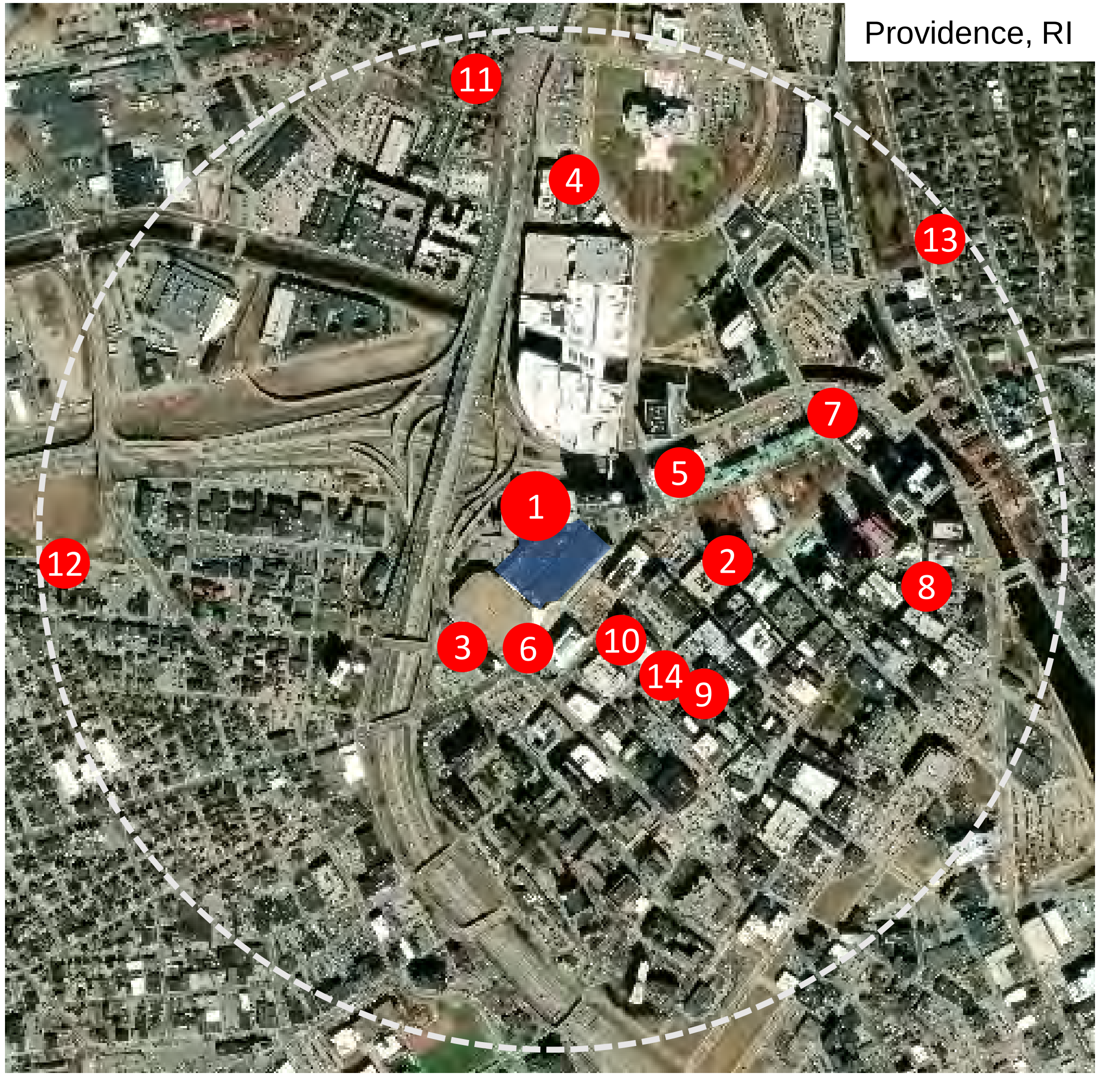
● – 0 hotels with more than 1,000 rooms.

● – 0 hotels with 500 to 999 rooms.

● – 8 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison



Key	Hotel	Rooms
1	Omni Providence Hotel	564
2	Graduate Providence	294
3	Hilton Providence	274
4	Renaissance Providence Downtown Hotel	264
5	Courtyard by Marriott Providence Downtown	212
6	Residence Inn by Marriott Providence Downtown	176
7	Homewood Suites by Hilton Providence Downtown	120
8	Hampton Inn & Suites Providence Downtown	110
9	Hotel Providence	80
10	The Dean Hotel	52
11	Christopher Dodge House	14
12	Hotel Dolce Villa	14
13	Old Court Bed & Breakfast	11
14	Downcity Inn	8

● – 0 hotels with more than 1,000 rooms.

● – 1 hotels with 500 to 999 rooms.

● – 13 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison

Key	Hotel	Rooms
1	Hilton Fort Lauderdale Marina	589
2	Embassy Suites by Hilton Fort Lauderdale 17th Street	361
3	Renaissance Fort Lauderdale Cruise Port Hotel	236
4	Extended Stay America- Fort Lauderdale	117
5	Holiday Inn Express Fort Lauderdale Cruise-Airport	78

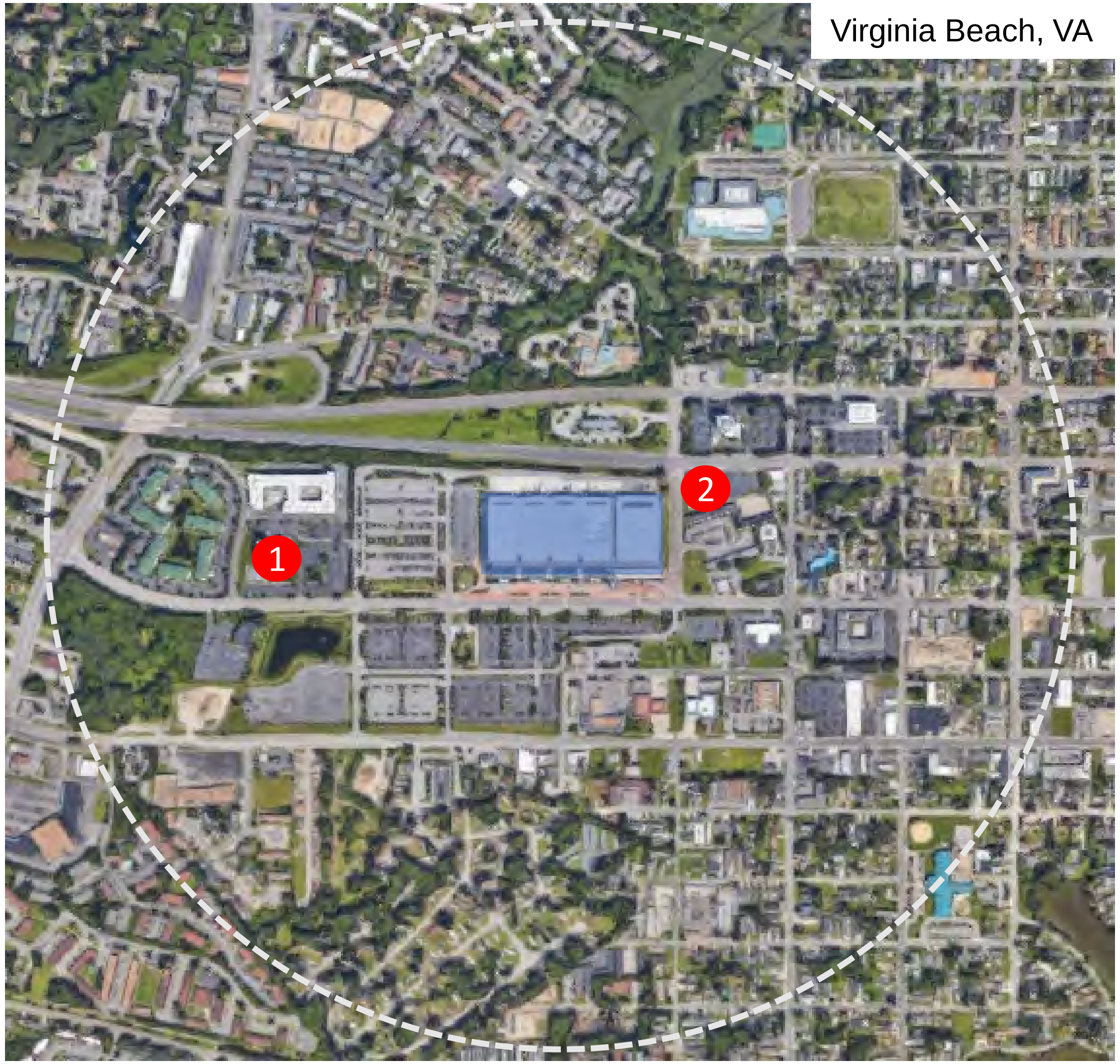
● – 0 hotels with more than 1,000 rooms.

● – 1 hotels with 500 to 999 rooms.

● – 4 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison



Key	Hotel	Room Count
1	DoubleTree by Hilton Hotel Virginia Beach	292
2	Magnuson Hotel Convention Center	97

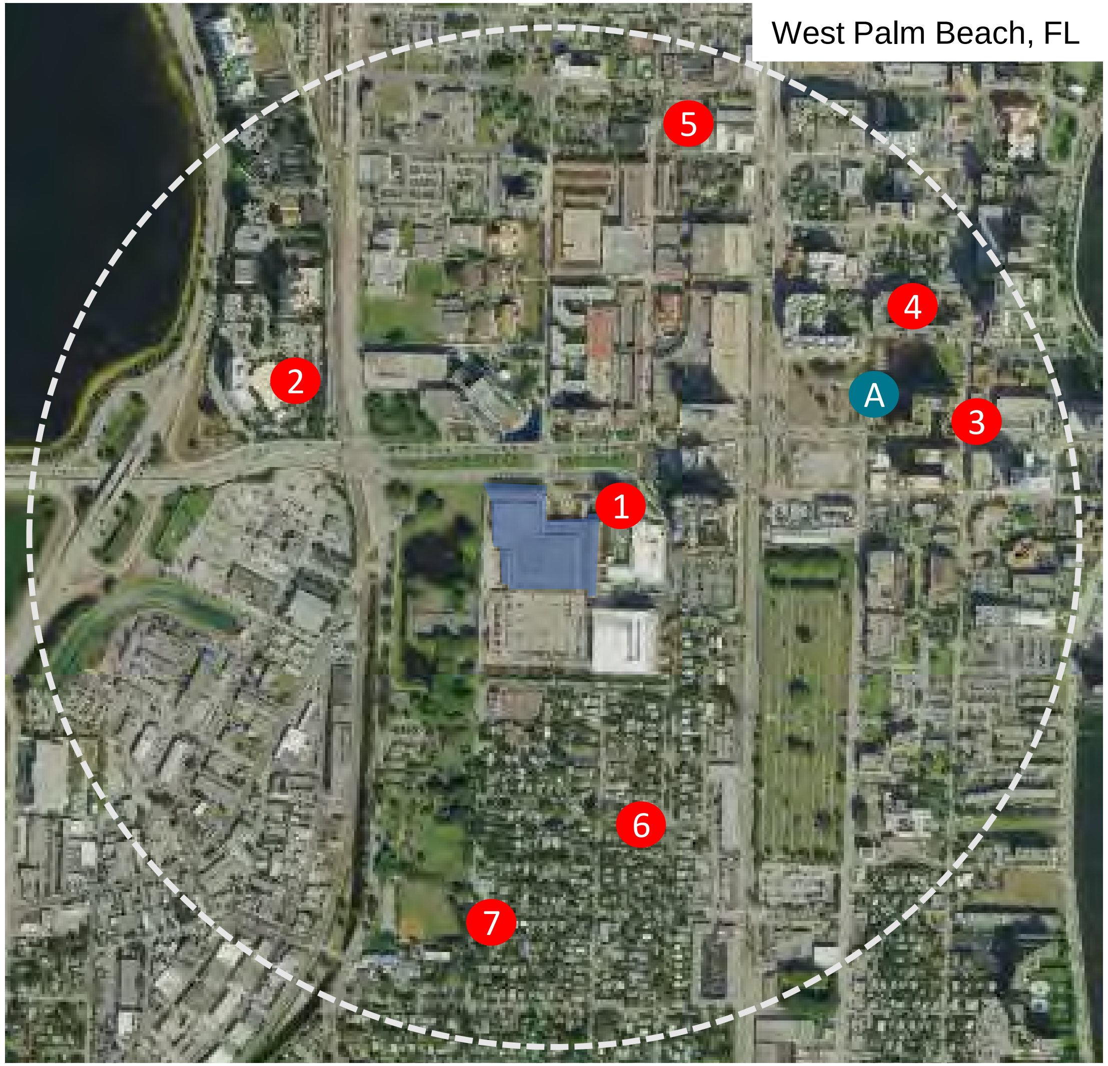
● – 0 hotels with more than 1,000 rooms.

● – 0 hotels with 500 to 999 rooms.

● – 2 hotels with 100 to 499 rooms.

Source: Trip Advisor, Google Maps, CVB's, 2019.

SITE MAPS: Walkable Environment Comparison



West Palm Beach, FL

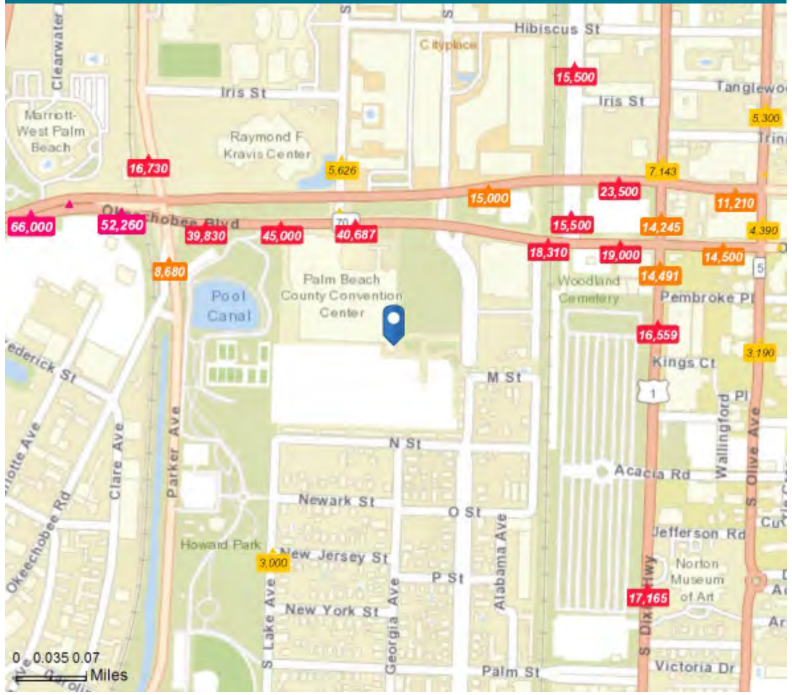
Map Key	Hotel	Rooms
1	Hilton West Palm Beach	400
2	West Palm Beach Marriott	352
3	Hyatt Place West Palm Beach/Downtown	165
4	Residence Inn by Marriott West Palm Beach Downtown	152
5	Hotel Evernia	39
6	Casa Grandview	18
7	Grandview Gardens Bed & Breakfast	5
	Hotels Under Construction	**Rooms**
A	Canopy by Hilton West Palm Beach Downtown	151

● – 0 hotels with more than 1,000 rooms.
● – 0 hotels with 500 to 999 rooms.
● – 7 hotels with 100 to 499 rooms.

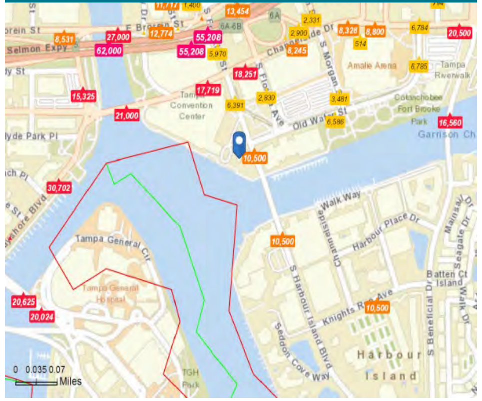
Source: Trip Advisor, Google Maps, CVB's, 2019.

PARKING & PEDESTRIAN ACCESSIBILITY: Surrounding Traffic at Other Centers

Palm Beach County Convention Center
(West Palm Beach, FL)

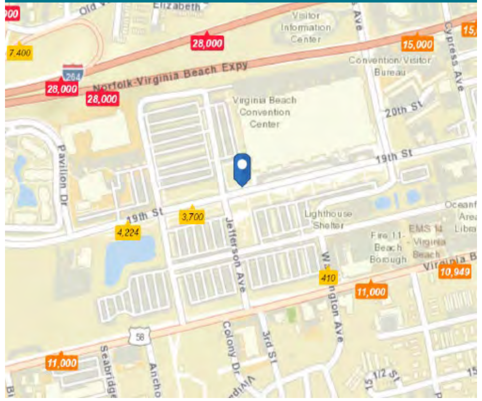


Tampa Convention Center
(Tampa, FL)



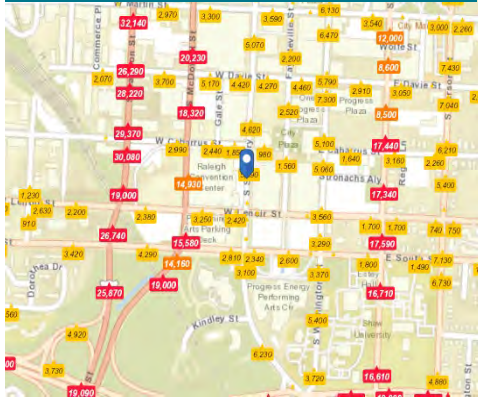
Broward County Convention Center
(Fort Lauderdale, FL)

Virginia Beach Convention Center
(Virginia Beach, VA)

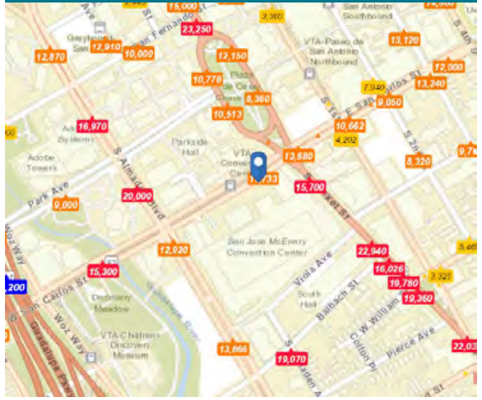


Fort Worth Convention Center
(Fort Worth, TX)

Raleigh Convention Center
(Raleigh, NC)



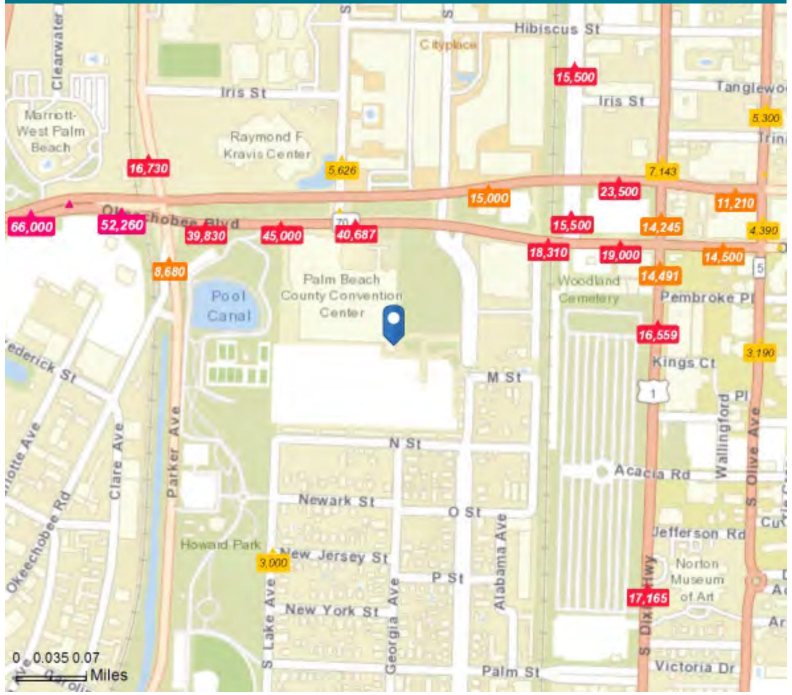
San Jose McEnery Convention Center
(San Jose, CA)



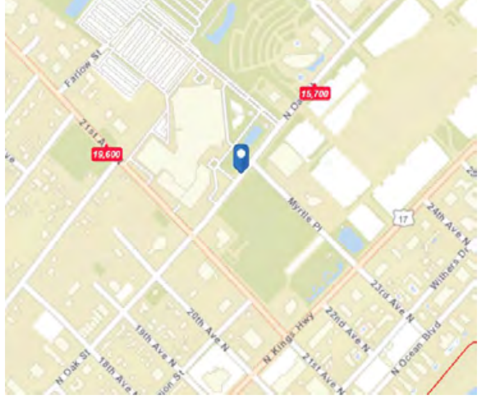
Source: Esri Traffic County Maps, 2019.

PARKING & PEDESTRIAN ACCESSIBILITY : Surrounding Traffic at Other Centers

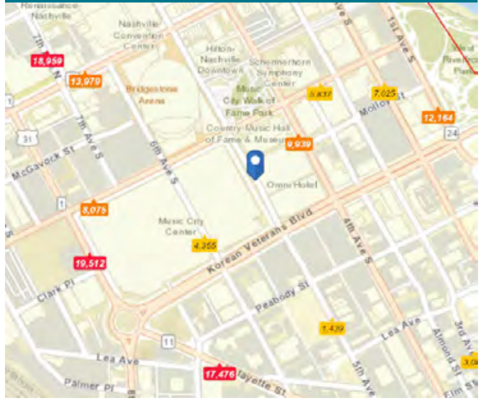
Palm Beach County Convention Center
(West Palm Beach, FL)



Myrtle Beach Convention Center
(Myrtle Beach, SC)

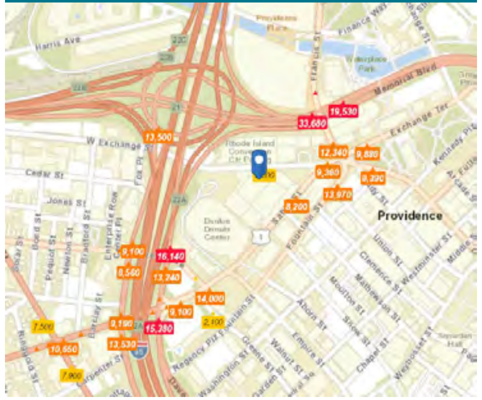


Music City Center
(Nashville, TN)



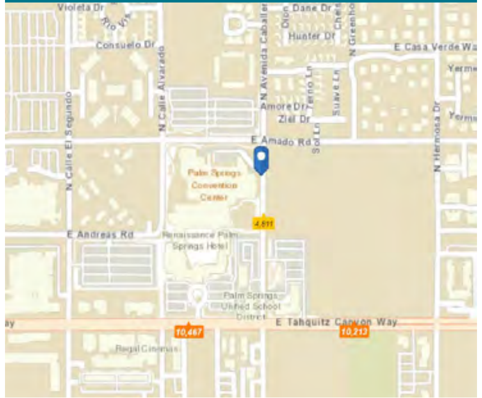
Miami Beach Convention Center
(Miami Beach, FL)

Rhode Island Convention Center
(Providence, RI)



Savannah Convention Center
(Savannah, GA)

Palm Springs Convention Center
(Palm Springs, CA)



Source: Esri Traffic County Maps, 2019.