

WORLD'S LONGEST BEACH

LOW CLEARANCE 12ft

# Long Beach Conference Center

Final Presentation

April 7, 2025



# The Team



Kealan Estrada



Izaiha Ellis



Ben Pitock



Abhinav Bhargava



Will Barror

# Current Challenge

UW MBA and LCY have been tasked with assessing the feasibility of a Conference Center in Long Beach, WA - a project that has been long discussed but not formally pursued/researched by the City. The MBA team intends to address the following questions:

- What is the current demand for facilities in Long Beach and what is the existing gap?
- What does the current local and regional events market look like?
- What is happening in the overall events and conference landscape?
- What are the key connection points for synergies between existing entities/features of the city and the potential development?\*

\*a large component that truly depends on the recommendation, size, and scope of the proposal.

# Executive Summary

## Project Overview

Feasibility study for a state-of-the-art conference center in Long Beach, WA aimed at filling a market gap in modern and flexible event spaces.



## Market & Industry Context:

- Growing trend toward hybrid events and tech-centric conferences
- Local facilities currently lack the size, flexibility, and modern amenities required to capture evolving demand
- Off-season tourism and regional competition highlight the need for a versatile venue

## Key Stakeholder Insights:

- Public-private partnership preferred to minimize taxpayer burden and share operational risks
- Strong local collaboration with the Pacific County EDC, Tourism Bureau, and private operators is critical
- Strategic focus on boosting off-season lodging tax revenue and supporting local businesses

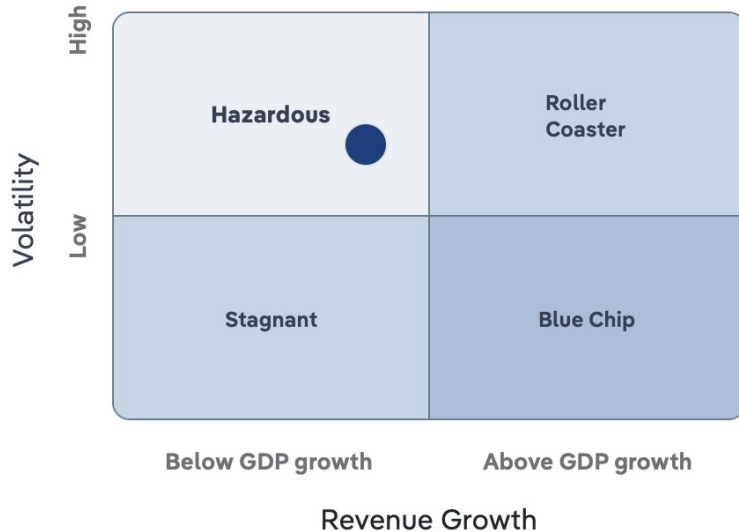
## Recommendation & Next Steps:

- Develop a 350-person capacity conference center as an ideal solution to balance cost, demand, and economic impact
- Refine financial assessment, feasibility study, and design conceptualization
- Gauge interest in the niche interest market and local professionals through surveys/outreach

# Industry Outlook & Trends

## Hazardous

Industry volatility vs. revenue growth (2018-2025 CAGR)



IBISWorld

Source: IBISWorld

**Risky Business** - A steady flow of new entrants and reliance on economic health make this a high stakes industry.

**Tech is Centered** - Hybrid events are becoming the norm, putting technology on display and elevating the demand for engaging surrounding activities.

**Shifting Priorities** - Budget conscious larger firms are cutting conference travel or favoring destination cities reshaping where events happen.

**The Cost of Staying Current** - Keeping a meeting space relevant means continually funding smart upgrades.

# Stakeholder Interviews

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**The City of  
Long Beach**

**Sue Svendsen**, Mayor  
**David Glassen**, City Administrator  
**Ariel Smith**, Community Development Director

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**Chautauqua  
Lodge**

**Chester Trabucco**, Operator

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**Pacific County  
Tourism Bureau**

**Josh Phillips**, Executive Director

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**Trusty  
Enterprises**

**Glenn Trusty**, Owner

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**Lighthouse  
Oceanfront  
Resort**

**Mark Newsom**, Owner  
**Kevin Wojcik**, VP of Operations

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**Pacific County  
EDC**

**Sue Yirku**, Executive Director  
**Kelly Rupp**, Consultant

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**Adrift  
Hospitality**

**Tiffany Turner**, Owner  
**Kacia Lessnau**, Chief Commercial Officer

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**World Kite  
Museum &  
Hall of Fame**

**Breanna Muncrief**, Executive Director

# Key Themes - Stakeholders

## Public-Private Partnership

**City does not want to operate** conference center

**Contract with 3rd party** operator and/or food service provider

## Stimulate Off-Season Tourism

**Goal:** Increase # of heads in beds during shoulder season (October - May)

- Support local businesses & workforce
- Balance impacts from seasonality of tourism economy
- Increase Lodging Tax revenue

## Corporate Events & Local Gatherings

### Primary Role

- Corporate Events
- External Events

**Secondary Role:** Indoor space for existing local events

- WISKF (Aug.)
- Razor Clam Festival (May)
- Rod Run (Sept.)
- Charity Benefit Dinners
- Concerts

# Key Themes - Stakeholders

## Large Capacity & Modern Amenities

**Desired Capacity:** Larger than current event spaces

- Elks Lodge
- Adrift Hotel
- Kite Museum
- The Grange
- Chinook School

**Desired Amenities:**

- Flexible Breakout Rooms
- Catering or Full Kitchen
- Modern A/V Equipment
- ADA Accessible

## Increase Regional Draw

**Beyond Seattle & Portland**

- Southern Oregon
- Northern California
- Idaho
- Beyond?

## Lodging Tax Contribution

City willing to **spend up to ~\$600,000** of lodging tax revenue annually (next 20 years)

Conference Center will **generate additional lodging tax revenue** in off-season



# Comparables

## Ocean Shores

Grays Harbor Public Facilities District helped finance the project & funded a reserve for the convention center.

## Wenatchee

City owned; Operated by 3rd party (Coast Hotels & Resorts); going through a \$17.5M renovation.

## Seaside

Long-standing fixture in this space. Has contracted bookings every year from 2025 until 2033.

## Port Orchard

Convention Center serves as later piece of a large renovation of downtown.

## Port Angeles

The Fields Art Center primarily focuses on cultural events and the arts.

# Key Themes - Comparables

## Sustainable Funding

- Most comparable centers run at a deficit without dedicated lodging or tourism taxes
- Public-private cost sharing and bond issuances are common approaches
- Consistent external support is crucial for long-term financial viability

## Partnerships & Collaboration

- Success often hinges on partnerships with hotels, caterers, and local businesses; cities often have many things to do in town besides the conference
- Joint marketing promotes the region as a whole rather than a single facility

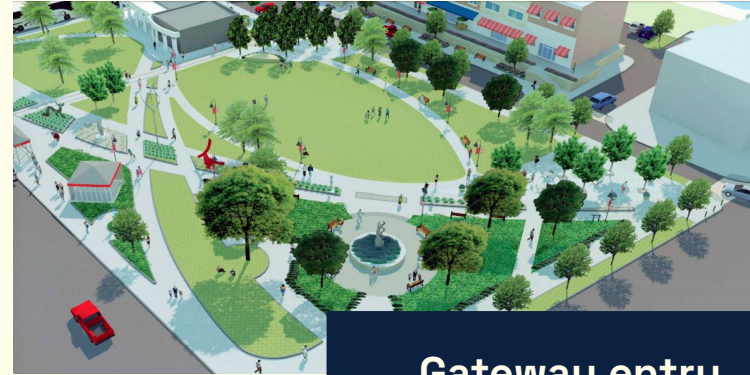
## Facilities & Modernization

- Flexible, tech-ready spaces attract mid-size conferences and multi-day events of all kinds
- Ongoing renovations keep venues competitive and appealing
- Centers will typically build to hold 1,000 while having the flexibility and options for smaller events

# Concept Design



**Outdoor Aesthetics**



**Gateway entry**

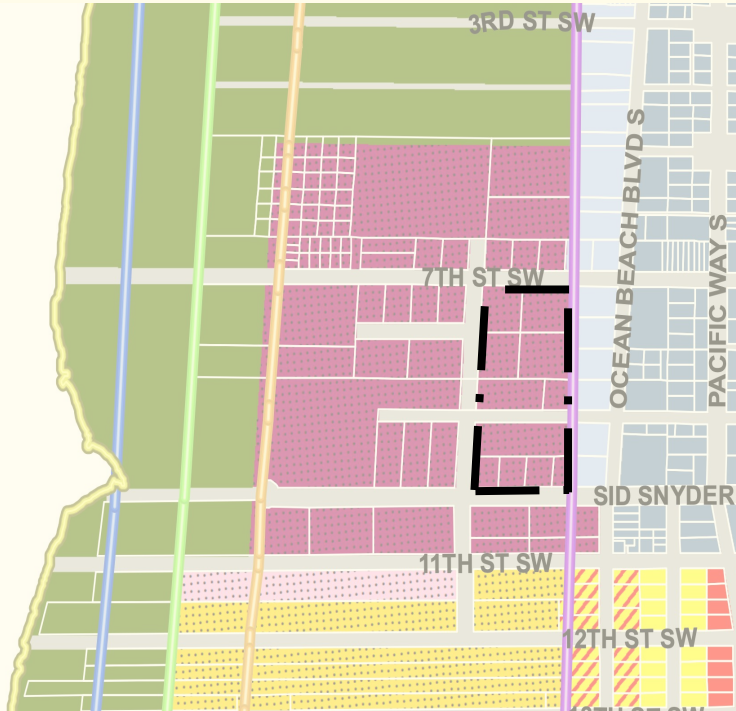


**Modern conference halls with AV**



**Wetlands enhancement**

# Site Zoning



## Key Development

- **Hospitality & Tourism:** Hotels, resorts, boutique inns, vacation rentals
- **Retail & Dining:** Restaurants, cafés, seafood markets, souvenir shops
- **Recreation & Leisure:** Beachfront parks, boardwalk, outdoor activity spaces, Kite Museum

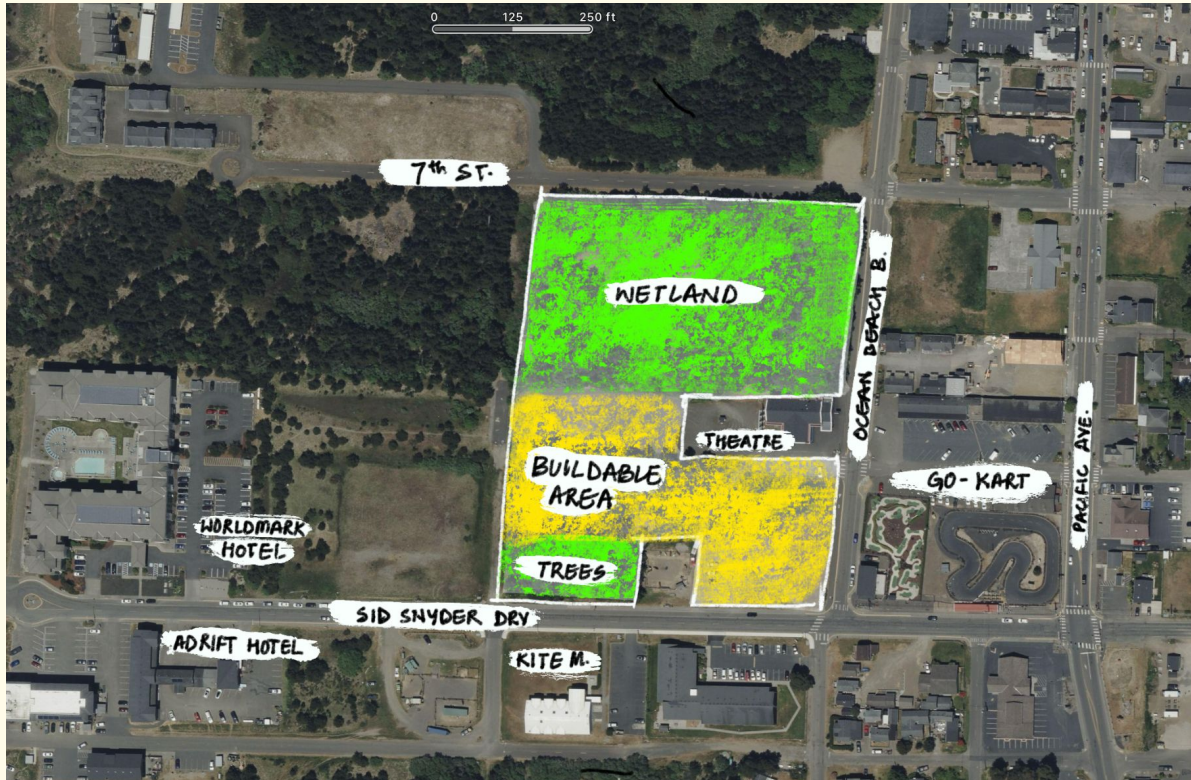
## Zoning Guidelines & Regulations

- **Height Restrictions:** Preserving coastal views while allowing for density, 35' allowed
- **Setbacks & Open Space:** Ensuring public beach access and walkability
- **Sustainability Mandates:** LEED standards

## Infrastructure & Connectivity

- **Boardwalk Integration:** Extending pedestrian connectivity with entertainment nodes
- **Public Transit & Accessibility:** Shuttle services, e-bike stations, ADA compliance
- **Storm Resilience:** Elevated structures, flood mitigation, permeable surfaces

# Site Analysis



**Site Area** - 6.6 acres

**Wetlands** - 3.48 acres

**Buildable Area** - 2.7 acres

**Buffer** - 110' from wetlands

Proximity to Movie House, Go-Kart and Kite Museum, Adrift Hotel and Worldmark Hotel, Boardwalk

# Space Planning

Space	200-Person Center	350-Person Center	500-Person Center
<b>Main Conference Hall</b> - Theatre style: 12 sf / pp - Classroom style: 15-18 sf / pp - Banquet style: 12-15 sf / pp	3,500 - 4,000	5,500-6,000	8,000-9,000
<b>Breakout / Meeting Rooms (sf)</b>	1,000 X 1	1,500-2,000 X 2	2,500-3,000 X 3
<b>Pre Function Lobby (sf)</b>	1,500-2,000	2,500-3,000	3,500-4,000
<b>Restrooms (sf)</b>	600-800	900-1,200	1,500-1,800
<b>Storage &amp; BOH (sf)</b>	800-1,000	1,200-1,500	1,800-2,200
<b>Kitchen &amp; Catering (sf)</b>	900-1,200	1,500-2,000	2,500-3,000
<b>Admin Offices (sf)</b>	800-1,000	1,200-1,500	1,800-2,200
<b>Mechanical + Circulation (sf)</b>	1,000-1,500	1,800-2,500	2,500-3,500
<b>Total Estimated Size (sf)</b>	<b>9,000-10,000</b>	<b>15,000-17,000</b>	<b>24,000-27,000</b>
<b>Parking Requirement</b> 1 stall/300sf	9,000/300= 30 stalls Area: 30X250sf= 7,500 sf	15,000/300= 50 stalls Area: 50X250sf= 12,500 sf	24,000/300= 80 stalls Area: 80X250sf= 20,000 sf

# Concept Layout

**Buildable Area** - 2.7 acres ~ 118,000 sq

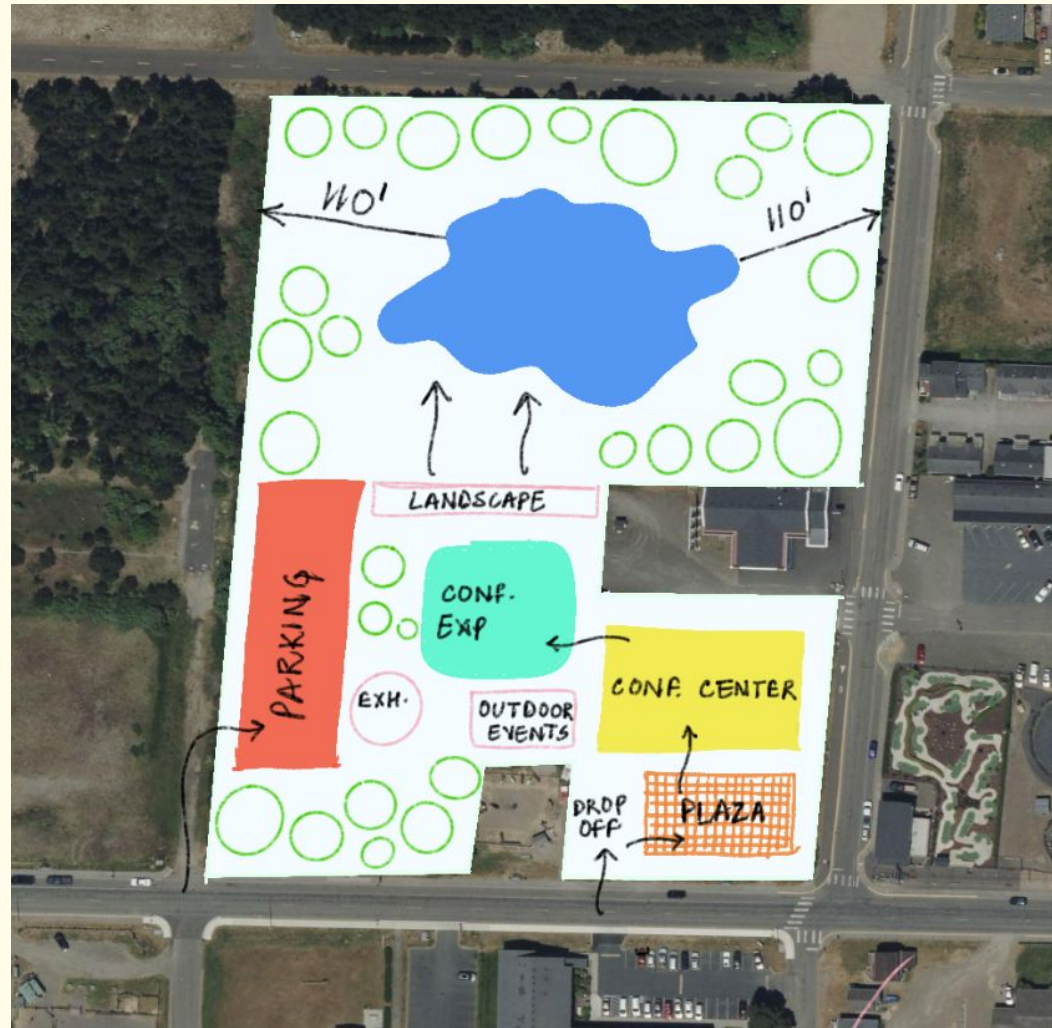
**Conference Center** ~ 17k sq (350 pax)  
with 10k potential expansion in future

**Parking** ~ 15k sq  
with potential expansion to 20-25k sq  
in future

**Entry Plaza and Gateway Entry** at Sid  
Snyder and Ocean Beach Blvd

**Outdoor Event Space** ~ 7k sq (can be  
covered)

**Exhibition Plaza** ~ 3k sq next to  
Outdoor space



# Precedent Study 1

## South San Francisco Conference Center

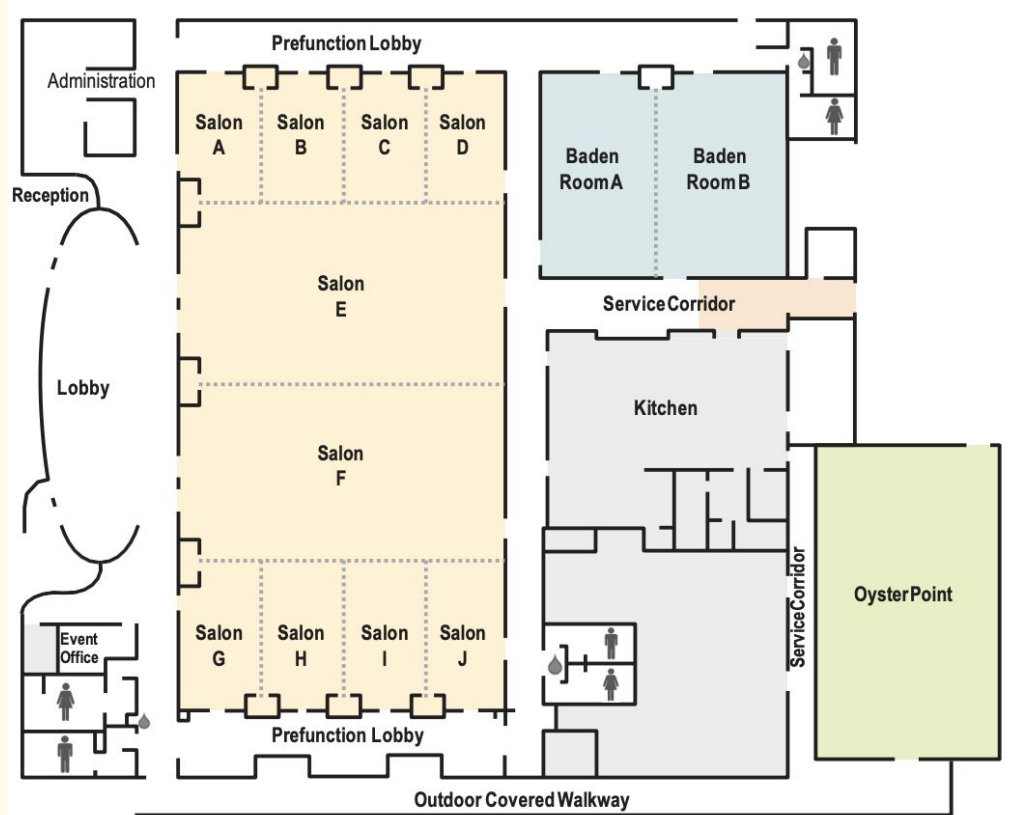
Size ~ 21000 sf, 1 level

Total meeting rooms - 14 (modular)

Catering- Full Service, commercial kitchen  
State of the art kitchen facilities

Key features:

Administrative, 2 Pre function lobbies,  
Main lobby, Modern AV and Oyster Point





# Precedent Study 2

## Rehoboth Beach Convention Center

Cost - \$18M

Size- 12000 sq, 1 level

Total meeting rooms - 4

Catering- Commercial Kitchen

Key features:

Administrative, 2 Pre function lobbies, Modern AV, Main lobby and Oyster Point



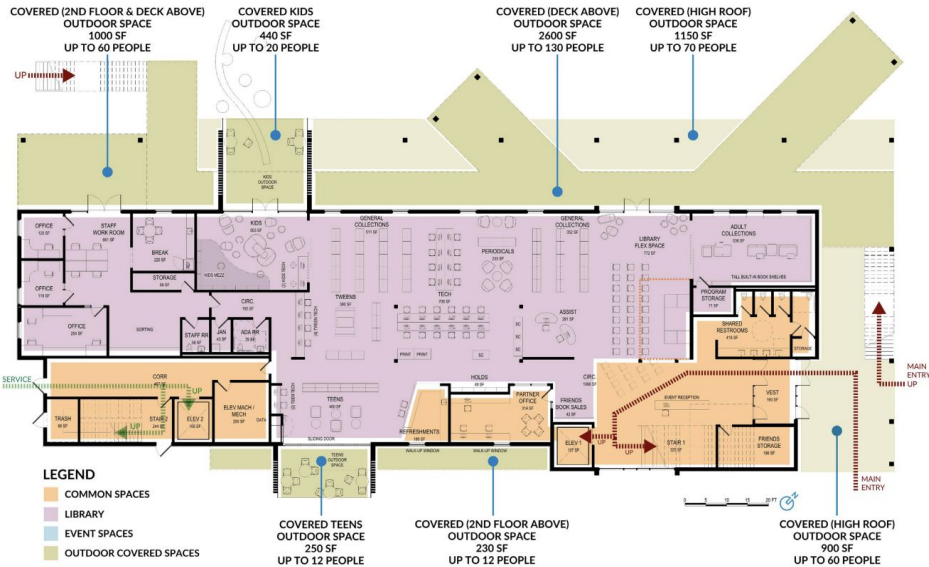
# Precedent Study 3

## Port Orchard Community Center

Cost- \$20M estimated

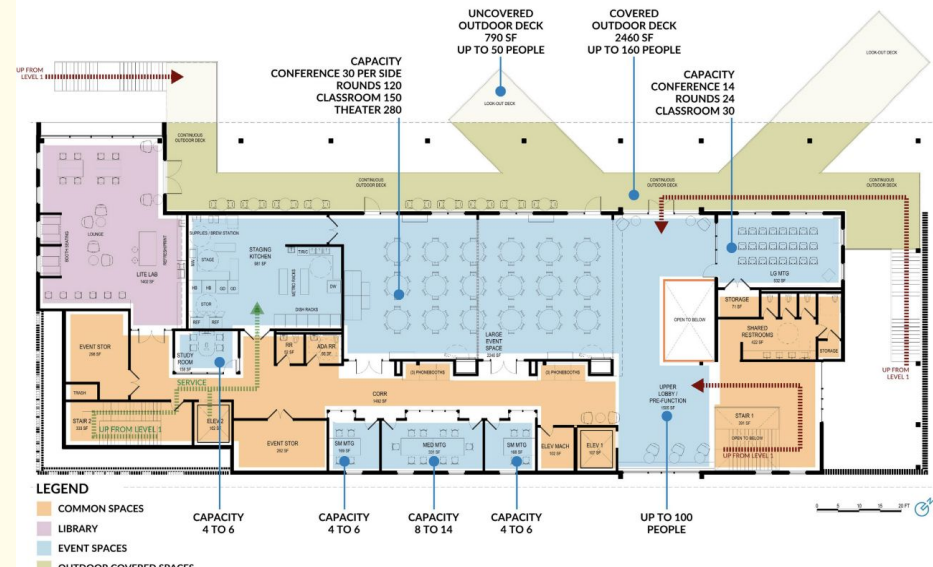
Size: 24,000sf; Building - 2 levels

Key Features: Library- 9,000sf, Theatre- 4,000 sf, Meeting spaces- 11,000 sf



SCHEMATIC DESIGN | SHEC | JANUARY 3, 2022

RICHEY & MILLER



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RICHEY & MILLER

# Operational Assumptions



## Event Demand

# Events - 14

Small Local Events - 20

Event Duration (Days) - 2.2

Occupancy - 150, 210, 250

## Operations

Annual Staffing Costs -  
\$150,000, \$210,000, \$250,000

Annual Utility Costs -  
\$60,000, \$90,000, \$120,000

Annual Insurance Costs -  
\$20,000, \$30,000, \$40,000

## Revenue

Rental Fee -  
\$5,000, \$7,500, \$10,000

Per Person - \$40 (registration  
& catering fee)

A/V Fee - \$500

# Market Assumptions



## Economic

**Discount Rate - 8%**

**Non-Local Spending/day - \$175**

**Inflation Rate - 2.5%**

**Non-Local Attendees - 50%**

## Financing

**Loan Interest Rate - 6%**

**Down Payment - 10%**

**Loan Term - 30 Years**

## Growth

**Annual Revenue Growth - 2.5%**

**Annual Ops Cost Growth - 2.5%**

# Revenue

Revenues	200-Person Center	350-Person Center	500-Person Center
Facility Rental Revenue	\$70,000.00	\$105,000.00	\$140,000.00
Registration Fees Revenue	\$52,500.00	\$73,500.00	\$87,500.00
Catering Revenue	\$69,300.00	\$97,020.00	\$115,500.00
A/V Revenue	\$7,000.00	\$10,500.00	\$14,000.00
Discounted Local Events	\$10,000	\$10,000	\$10,000
<b>Total Annual Revenue (Year 1)</b>	<b>\$208,800.00</b>	<b>\$296,020.00</b>	<b>\$367,000.00</b>

# Key Financials

	200-Person Center	350-Person Center	500-Person Center
<b>Total Revenue</b>	\$208,800.00	\$296,020.00	\$367,000.00
Total Operating Costs	\$430,000.00	\$630,000.00	\$810,000.00
EBITDA	-\$221,200.00	-\$333,980.00	-\$443,000.00
City Lodging Tax	\$600,000	\$600,000	\$600,000
Debt Service	\$366,150.51	\$622,455.87	\$988,606.39
Net Income/ FCF	\$12,649.49	-\$356,435.87	-\$831,606.39
<b>30 Year NPV</b>	<b>-\$2,005,007.74</b>	<b>-\$7,085,065.41</b>	<b>-\$12,516,964.24</b>
<b>Local Spending NPV</b>	<b>\$2,679,959.92</b>	<b>\$8,254,276.54</b>	<b>\$9,362,749.31</b>
<b>Cumulative Cash Flow</b>	<b>-\$9,925,925.82</b>	<b>-\$23,963,302.51</b>	<b>-\$36,801,485.03</b>
<b>Cumulative Local Spending</b>	<b>\$8,452,549.75</b>	<b>\$26,033,853.23</b>	<b>\$28,689,811.95</b>

# Conclusion

## 200-Person Center

### Pros

- Lower Initial Investment & Operational Costs
- Less Competition for Bookings- cater niche markets and community

### Cons

- Limited Revenue Potential
- Reduced Attractiveness for Large Events

## 350-Person Center

### Pros

- Balanced Demand & Cost
- Better Community & Tourism Fit, regional conferences

### Cons

- Higher Maintenance & Staffing Costs
- Moderate Competition, may struggle

## 500-Person Center

### Pros

- Maximizes Revenue & Economic Impact
- Long-Term Growth Potential

### Cons

- High Initial Investment & Risk, require high occupancy
- Market Uncertainty, not enough demand to sustain long term

# Recommendations

## Capacity

A **350-person** capacity conference center is ideal.

## Partnerships

A **public-private partnership** for initial investment, operations, maintenance is recommended.

## Marketing

An **integrated marketing agreement** with Pacific County EDC and Tourism Bureau would allow constant bookings.

## Targeting

Look to book the conference center with **small to medium-sized organizations/events**.



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# Thank You! Questions?

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# APPENDIX

# Research Steps



## Market

Overall in the industry, what is happening in the events and conference space?

Putting the pieces together for a clearer understanding of Long Beach's opportunity.

## Stakeholders

What are we hearing from key stakeholder meetings?

Connecting primary research with secondary research findings.

## Comparables

What are other similar locations doing and seeing in their existing conference spaces?

Assessing what the implications are for Long Beach.

# Key Costs

	200 Person Capacity	350 Person Capacity	500 Person Capacity
<b>Fees (CAPEX)</b>			
Design and permit fees	10%	10%	10%
Construction costs, \$400-\$500/ sf	\$3.6 - \$5M	\$6 - \$8.5M	\$9.6 - \$13.5M
Legal Fees	2%	2%	2%
Down Payment	10%	10%	10%
<b>Operational Costs (Variable)</b>			
Management Staff	\$200,000.00	\$300,000.00	\$400,000.00
Utilities	\$60,000.00	\$90,000.00	\$120,000.00
Insurance	\$20,000.00	\$30,000.00	\$40,000.00
Event Staffing	\$180,000.00	\$250,000.00	\$250,000.00

# Key Event Considerations

	200 Person Capacity	350 Person Capacity	500 Person Capacity
<b>Event Requirements</b>			
# Attendees (annual)	2100	2940	3500
Effective Event Size	150	210	250
Event duration	14	14	14
Event size (expected)	2.1	2.1	2.1
Total attendee days (annual)	4410	6174	7350

# SWOT Analysis

## Strengths

- Long Beach attracts steady tourist growth yearly
- Local demand for mid-sized spaces
- Research shows that repeat visitation is strong suggesting potential use of conference space

## Weaknesses

- Limited walkable venues and attractions
- Limited staffing availability
- Some building constraints for future expansions

## Opportunities

- Public-private partnerships can share costs through lodging taxes, marketing, etc.
- Continued revitalization of downtown area
- New meeting space locally

## Threats

- Unclear long-term funding
- Unproven demand
- Different seasonal demand (Summer vs. Shoulder)

# Recommendations

## Partnerships

Using the public-partnership model to use Long Beach's coastal appeal for strategic positioning with hotels, restaurants, museums, and farmers market is the key.

## Marketing

An integrated vision with Pacific County EDC and Tourism bureau would allow constant bookings. Using the coastal appeal to position the venue as a destination conference center

## Capacity

A 350 capacity venue center seems ideal. CAPEX and operational costs support Long Beach's vision and ability. This sized venue brings in the best cumulative local spending for Long Beach.

## Targeting

Looking to bring in smaller organizations and professional groups to use the conference space rather than bigger corporations. It creates opportunities for for more consistent bookings, more variety, and more use of the conference space.