



## **CITY OF ORLAND STAFF REPORT**

### **MEETING DATE: January 21, 2025**

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**TO:** Honorable Mayor and City Councilmembers

**FROM:** Pete Carr, City Manager

**SUBJECT:** **Hotel Demand Feasibility Study** (Discussion/Action)

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#### **BACKGROUND:**

The City has long identified the need for additional lodging facilities as an important and strategic objective for local economic development. City staff regularly works with brokers and developers to attract a new hotel, promoting assurances of local and regional demand, but lacking data for same.

Staff sought and obtained three proposals from reputable firms offering proposals to produce an industry-acceptable lodging demand analysis. These studies include a site visit and research, interviews with key stakeholders, current and projected economic and tourism analysis, regional competition survey, and more. The reports typically result in recommendations including the volume of rooms that could likely be sustained, and at what room rate price range.

The Orland EDC recommends Council proceed with a lodging demand study.

#### **ANALYSIS:**

The three proposals are, summarized:

Kallenberger Jones & Co of Costa Mesa CA

\$7,500 for a basic report for one selected site.  
3 weeks from commencement date for draft report.

RevPar International with offices in Denver, Miami and Wash D.C.

\$17,900 + ancillary expenses based on three sites, with pro-forma for proposed hotel[s].  
4-5 weeks

Economic & Planning Systems (EPS) of Sacramento

\$33,500 for expansive and comprehensive analysis including up to a dozen sites.  
8-10 weeks

#### **RECOMMENDATION:**

Staff recommends award of bid to RevPar, for a publicly available document, due to depth of analysis and industry position; or defer to private hotel developer to make the investment for a confidential document.

**FISCAL IMPACT OF RECOMMENDATION:** \$19,000 from General Fund