



## Council Agenda Report

**From:** Meg Williamson, Assistant City Manager  
Shonna Howenstine, Civic Engagement Coordinator

**Subject:** Service Contract with Paso Robles Wine Country Alliance for 2018

**Date:** December 5, 2017

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### Facts

1. The City has historically maintained professional service contracts with local non-profit organizations whose efforts support tourism and/or generate income for the City's General Fund. These organizations and key services are as follows:
  - Paso Robles Main Street Association - to provide downtown promotion services that enhance the economic vitality of the City's historic downtown business area.
  - Paso Robles Chamber of Commerce - to operate a Visitor Center to provide a portion of Visitors Services necessary to a healthy tourism effort.
  - Paso Robles Wine Country Alliance - to host journalists and other media through a public relations campaign in order to generate third-party acclaim for our destination.
2. City Council approved the contracts for Main Street and the Chamber of Commerce on June 6, 2017, but was not asked to approve a contract with the PRWCA at that time.
3. With the advent of a new Destination Marketing Organization (DMO) taking over tourism marketing on July 1, 2017, the City's Tourism program was discontinued and its staff redirected to other efforts. In light of that change, City Council elected to support local partners engaged in tourism for the benefit of the community and local economy. The majority of the DMO's \$1.2 million budget is spent on marketing, including public relations. The DMO and PRWCA currently coordinate on public relations via bi-annual media familiarization tours, therefore continuing to contract with the PRWCA for public relations services would be somewhat redundant.
3. The wine industry and the Paso Robles Wine Country Alliance are both integral to the continued economic success of Paso Robles. As noted in PRWCA's proposal letter, the wine industry in Paso Robles accounts for nearly 12,000 jobs in the Paso Robles region and over \$337 million in wages paid annually. The sum of the direct, indirect, and induced value of wine industry output for the Paso Robles AVA is \$1.09 billion annually.
5. City Council is being asked to consider continuing their support of the Paso Robles Wine Country Alliance and the Paso Robles wine industry in general by converting the annual contract for services from "Public Relations" to "Economic and Community Development" by applying the funds to their current efforts for the following:
  - Trade Outreach - The PRWCA hosts wine buyers and sommeliers from around the country to increase the purchase of distributed Paso Robles wine and influence consumer purchasing behavior.
  - Industry Education - Monthly meetings and quarterly seminars provide local wine industry employees with new and improved skills which translates to improved quality in the vineyards, wineries and hospitality settings such as tasting rooms, restaurants, and hotels.

Wine-Specific Marketing – The PRWCA’s marketing program is dedicated to the promotion of Paso Robles as a producer of world-class wine and is distinct from the general destination marketing being done by the DMO. The PRWCA’s marketing plan includes out-of-county advertising, wine events, content marketing, social media, wine-oriented media tours, a PR sampling program, and wine-related materials including the Paso Robles Wine Country Visitor’s Guide and pasowine.com. This marketing strategy promotes the sale of Paso Robles bottled wine and grapes, as well as wine tourism, a key contributor to the strength of the Paso Robles economy.

### **Options**

1. Take no action.
2. Authorize the City Manager to enter into a professional service contract for community development and economic development services with the Paso Robles Wine Country Alliance from January 1, 2018 through December 31, 2018 granting the requested funding amount of \$60,000.
3. Provide suggested alternative funding levels or modified scope of work.

### **Analysis and Conclusions**

The City has historically supported downtown promotions, public relations, and visitor support as part of its tourism and economic development goals. While the City is no longer actively involved in the day-to-day operations of tourism promotion, the Paso Robles Wine Country Alliance has crucial and significant economic development and community relations efforts that contribute to the stability of the local economy.

To ensure that the efforts of the Paso Robles Wine Country Alliance benefit the local economy by continuing to promote the Paso Robles destination to those interested in wine tasting; and by providing educational and research programs which help members to produce the best quality product and give the best service possible, it is recommended that the current support level of \$60,000 with the Paso Robles Wine Country Alliance be renewed as described above for calendar year 2018.

### **Fiscal Impact**

The FY 2016-17/FY2017-18 Adopted Budget allocated \$60,000 towards a service contract with the Paso Robles Wine Country Alliance in FY 2017-18. The PRWCA’s proposal is within the parameters of the originally adopted budget.

### **Recommendation**

Authorize the City Manager to enter into a professional service contract for community development and economic development services with the Paso Robles Wine Country Alliance from January 1, 2018 through December 31, 2018 granting the requested funding amount of \$60,000.

### **Attachments**

1. Request letter and Scope of Services from PRWCA

# PASO ROBLES

## WINE COUNTRY ALLIANCE

November 28, 2017

City of Paso Robles  
Meg Williamson  
Assistant City Manager  
1000 Spring Street  
Paso Robles, CA 93446

Dear Ms. Williamson,

On behalf of the Paso Robles Wine Country Alliance (PRWCA) Board of Directors, staff and 465+ members, thank you again for your support of the wine community. Since 2008, the PRWCA team has partnered with the City of Paso Robles to provide public relations support related to tourism.

We are proud of the PR we have garnered on behalf of Paso Robles, but understand with the formation of the Destination Paso Robles organization the City is shifting its focus from tourism to economic and community development. We very much look forward to continuing our tourism-related work with the Destination Paso Robles team and exploring a new partnership with the City.

As demonstrated in a 2016 economic impact report prepared by the University of California Agricultural Issues Center, the wine industry in Paso Robles accounts for nearly 12,000 jobs in the Paso Robles region and over \$337M in wages paid. Further, this study noted that the multiplier effect of the wine industry's economic impact includes demand for materials and services from outside the industry such as packaging and trucking. Income generated by this economic expansion is spent on other services from groceries to new cars to school teachers. The sum of direct + indirect + induced value of wine industry output for the Paso AVA is \$1.09B. To put it another way, every \$1 of direct output from the wine community creates an additional \$0.68 of output in the rest of the economy.

Clearly, the health of the Paso Robles economy is largely dependent on the health of the wine industry. To that end, the Paso Robles Wine Country Alliance works towards maintaining and improving that health via its focus on growth and member support.

To ensure the continued economic health of the area's largest employer, the PRWCA kindly requests a grant of \$60,000 for the FY 2017/18 to fund the following programs:

### **A. Trade Outreach**

- a. The PRWCA invites and hosts wine buyers and sommeliers for an immersive experience in Paso Robles. Over the past decade, the PRWCA has hosted more than 400 buyers in Paso Robles. Upon completion of their visit, 90%+ report a more favorable impression of the region and plans to increase

# PASO ROBLES

## WINE COUNTRY ALLIANCE

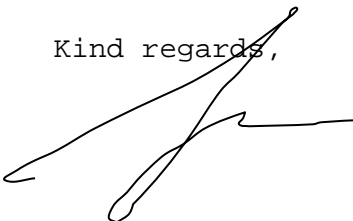
their purchase of Paso Robles wine for resale. This program creates Paso Robles ambassadors who increase purchase of distributed wine and influence consumer purchasing behavior. A sample itinerary is attached.

- b. Texsom, a 1,200+ conference in Dallas each August, provides a forum to engage with a highly qualified audience of sommeliers, including numerous Master Sommeliers, of which there are only 149 in the Americas chapter. Reaching this audience can improve perception of the region.
- B. Industry Education-** providing local employees with new and improved skills translates into improved quality in the vineyards, winery, and hospitality setting. A draft of the 2018 schedule is attached.
- a. Vit Tech- seminars on the latest vineyard best practices, trials, etc.
  - b. BEST (Business Excellence and Service Training)- a hospitality focused series aimed at improving customer service and sales
  - c. Tasting Room Managers Luncheons- speaker provide concise information on pressing topics and to-dos to improve business performance
  - d. Boot Camps- training and certification program for vineyard/winery owners and workers
  - e. Various ad hoc industry seminars
- C. Wine-Specific Marketing** - The PRWCA's marketing program is dedicated to the promotion of Paso Robles as a producer of world-class wine and is distinct from the general destination marketing being done by the DMO. The PRWCA's marketing plan includes out-of-county advertising, wine events, content marketing, social media, wine-oriented media tours, a PR sampling program, and wine-related materials including the Paso Robles Wine Country Visitor's Guide and pasowine.com. This marketing strategy promotes the sale of Paso Robles bottled wine and grapes, as well as wine tourism, a key contributor to the strength of the Paso Robles economy.

We believe the above programs, in addition to those funded directly by our members, contribute to the economic stability and vitality of the City.

We look forward to discussing these programs further and a continued partnership with the City of Paso Robles.

Kind regards,



# PASO ROBLES

WINE COUNTRY ALLIANCE

Jennifer Porter  
Executive Director  
Paso Robles Wine Country Alliance

Cc: Tom Frutchey, City Manager  
Chris Taranto, PRWCA Communications Director  
Patricia Wilmore, Government Relations

# PASO ROBLES

## WINE COUNTRY ALLIANCE

### Paso Robles Wine Country Retreat

October 16 - 18, 2017

@pasorobleswine #pasowine

#### Monday, October 16, 2017

Afternoon: Arrive in Paso Robles Wine Country.

##### **La Quinta Inn & Suites**

2615 Buena Vista Drive, Paso Robles

T: 805.239.3004 [Map It Here](#)

3 p.m. Meet in lobby for brief group meet and greet.  
Chris Taranto will meet the group in the lobby and board the bus.

3:30 p.m. Depart for DAOU Vineyards & Winery via Breakaway Tours mini-bus.

4 p.m. Arrive at **DAOU Vineyards & Winery**  
In depth presentation on the Paso Robles AVA which covers geology, climate, topography, and other qualities that make Paso Robles unique.

##### ***Paso Robles AVA Overview Seminar***

Moderator – Christopher Taranto, Paso Robles Wine Country Alliance

Panelists present one wine each, highlighting the specific growing conditions and how they are reflected in each wine.

Panelists include – DAOU Vineyards & Winery, Barton Family Wines, JUSTIN Vineyards & Winery, Tablas Creek Vineyard, and Victor Hugo Winery

6:00 p.m. Depart for dinner experience at Cordant/Nelle.

6:30 p.m. Dinner with Tin City Wineries at **Cordant/Nelle**  
This casual dinner at Cordant/Nelle will feature seven Tin City wineries. Tin City is an industrial park that has recently become a haven for small brands.

Wineries include – Aaron, Brian Benson Cellars, Caliza Winery, Cordant/Nelle, Giornata, Field Recordings., and Powell Mountain Cellars

8:30 p.m. Depart for hotel

# PASO ROBLES

## WINE COUNTRY ALLIANCE

**Tuesday, October 17, 2017**

This very full day of activities is all about the diversity of the region and the high quality of wines produced from a variety of producer tiers. A combination of vineyard visits, seminars and meeting the personalities behind the brands awaits you. You will not be returning to the hotel, so please leave prepared for the day.

Coffee and breakfast available in the hotel breakfast space – Meet Chris Taranto for on-time departure via Breakaway Tours.

9:45 a.m. Depart hotel for J. Lohr Vineyards & Wines.

10 a.m. Arrive at **J. Lohr Vineyards & Wines**

This “Past, Present, and Future” tasting will feature library wines, current releases and barrel samples from two iconic Paso Robles producers. This experience takes place at the top of J.Lohr’s famed Hill Top vineyard.

Featured wineries include: Eberle Winery and J. Lohr Vineyards & Wines

12 p.m. Depart for Vina Robles Vineyards & Winery.

12:15 p.m. Arrive at **Vina Robles Vineyards & Winery for lunch**

This lunch will feature six producers of Paso Robles at Vina Robles Vineyards & Winery. This mix and mingle lunch allows some of our mid-tier brands a chance to share their wines and personality.

Wineries at lunch: Glunz Family Winery & Cellars, McPrice Myers, Lone Madrone, Opolo Vineyards, and Villa San-Juliette Winery

2:15 p.m. Depart for Epoch Estate Wines.

3:00 p.m. Arrive at **Epoch Estate Wines**

Tour the site of one of Paso Robles first wineries, York Mountain Winery, recently restored and re-opened by Epoch Estate Wines.

The tour will be followed by a seminar featuring Paso Robles’ most underrated wines, white wines.

Seminar panelists include: Alta Colina Vineyard & Winery, J Dusi Wines, Castoro Cellars, Epoch Estate Wines, and Hearst Ranch Winery

5:30 p.m. Depart for Niner Wine Estates

6:00 p.m. **Paso Robles Walk Around Tasting and Strolling Dinner**

This strolling dinner at Niner Wine Estates will feature 10 wineries in a walk-around pouring environment. Host winery, Niner Wine Estates, welcomes you to their elegant setting.

8:00 p.m. Depart for hotel

# PASO ROBLES

## WINE COUNTRY ALLIANCE

Wednesday, October 18, 2017

Guests with flights, bring along your bags to leave for the airport directly after the end of this experience. Guests driving, since most of you are from southern California, we encourage you to drive so that you can leave directly after this experience. The location for this experience is 25 miles to the south of the hotel location.

8:30 a.m. Depart for Ancient Peaks Winery.

9 a.m. Arrive at **Ancient Peaks Winery**

This seminar focuses on Paso Robles' blends. Panelists present one wine each, discussing the process of blending and how the diversity of the Paso Robles growing region lends itself to making blended wines.

Following the brief seminar, the group will be broken up into groups each tutored by one of the panelists. Each panelist is providing a barrel sample to be blended at the table. Best group blend, as judged by the panelists, wins a prize!

Featured panelists include: Ancient Peaks Winery, Austin Hope Collection, Cass Winery, and Peachy Canyon Winery.

11:30 a.m. Lunch provided can be wrapped up to go for any of our driving guests who need to get on the road.

12:30 p.m. Lunch concludes.

Additional touring schedule for individual site visits for guests with time before flights, or choosing to drive later can be created. Those with flights close in time to the conclusion of lunch will be taken directly to the airport at the conclusion of this experience.

### Contact Names and Cell Numbers

Jennifer Porter  
Executive Director  
C: 805.975.5275

Christopher Taranto  
Communications Director  
C: 805.712.5445



Paso Robles Wine Country Alliance  
2018 Member Education Schedule - DRAFT

Date	PROGRAM	TOPIC	Venue	speaker (TBC)
Tuesday, January 9	Vit Tech			
Wed - Fri, January 9-11	Master somm program	misc.	Atascadero	Chuck Furuya
Wednesday, January 17 or 31	BEST	Telling Your Brand Story		
January 17-18	DTC Symposium			
January 23-25	Unified			
Tuesday, February 6	Vit Tech			
Thursday, February 22	Tasting Room Luncheon (Wine Fest colterol)	Customer Retention/Building Rapport		Elixir (Engaging your Customer 201)?
Wednesday, February 28	WWW	Grower Topics: Irrigation, Nutrition, Phenolics, Premium		
Tuesday, March 6	Vit Tech			
Wednesday, March 14	BEST	Improving Conversion Rates/Sales Training		
Tuesday-Wednesday, March 20-21	WVW/CC wine Symposium			
Wednesday, March 27	Vineyard Boot Camp	Heat Stress, Equipment, ATV/Tractor, Emergency Plan		DiBudou and DeFendis
Tuesday, April 3	Vit Tech			
Thursday, April 12	Tasting Room Luncheon	On-site injuries- what to do		M&G?
Wednesday, April 18	WWW	Compliance: Wine, Labor Laws,		COMPLI, Dept. of Labor?
April 26-28	Hospice du Rhone			
Tuesday, May 1	Vit Tech			
Wednesday, May 2	Hospitality Boot Camp	Paso Overview, Winemaking 101, Customer Service, TIPS		Holly Steil
Wednesday, May 23	BEST	Interviewing, Hiring, Firing & Performance Reviews & Employee Handbook		BeldenBlaine?
May 23-24	IQ			
Tuesday, June 5	Vit Tech			
Wednesday, June 13	WWW	Financial: Succession Planning, Inventory Control, Financial Projections, Tax Incentives		Live Oak, Hayashi Wayland?
Thursday, June 28	Tasting Room Luncheon	Multi-Generational Workforce		
Tuesday, July 10	Bi-Annual Meeting			
Tuesday, July 10	Vit Tech			
Wednesday, July 18	BEST	Email Marketing		
Tuesday, August 7	Vit Tech			
Tuesday, August 14	Harvest Boot Camp	Lockout/Tagout, CPR/First Aid, Forklift, Confined Space		DiBudou and DeFendis
Thursday, August 23	Tasting Room Luncheon (HWW Distribution)	Staff Retention		BeldenBlaine?
Wednesday, September 12	BEST	PR		Teuwen
Wednesday, October 17	WWW	DTC		
Thursday, October 25	Tasting Room Luncheon	e-Commerce		
November 5-7 (TBC)	Wine Tourism Conference			
Tuesday, November 6	Vit Tech			
November 14-16 (TBC)	SommCon			
Wednesday, November 15	BEST	Professionalism		Morris & Garritano?
Tuesday, December 4	Vit Tech			
Wednesday, December 5	Bi-Annual Meeting			
Thursday, December 13	Tasting Room Luncheon	Case Studies from Top 20%		Vin65?