


REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: May 28, 2013

TO: Honorable Members of the Ad Hoc Committee on
Downtown Stadium and Convention Center Renovation

FROM: Gerry F. Miller 
Chief Legislative Analyst

EVALUATION OF LOS ANGELES CONVENTION CENTER FACILITIES AND AMENITIES

SUMMARY

The Ad Hoc Committee on Downtown Stadium and Convention Center Renovation at its meeting of March 27, 2013, initiated a discussion of development options for the Los Angeles Convention Center (LACC) in the event that the New Hall and Event Center project approved by Council on September 28, 2012, does not proceed. The Chief Legislative Analyst (CLA) commissioned a study to compare the LACC facilities to similar facilities around the nation and identify future planning needs to ensure that the LACC would be competitive in the future.

The study has been completed by Convention, Sports and Leisure (CSL) and is attached for your review and consideration. Titled "Future Planning Concepts for the Los Angeles Convention Center," the report provides analysis of facility square footage and amenities in convention centers across the nation, as well as identification of key amenities and services that would improve the LACC's competitiveness for convention business.

RECOMMENDATIONS

That the Council note and file the attached report, "Future Planning Concepts for the Los Angeles Convention Center," related to improvements necessary to ensure that the Los Angeles Convention Center provides competitive facilities and amenities.

BACKGROUND

At its meeting of March 27, 2013, the CLA reported that its consultant, CSL, had been commissioned to survey competitive convention centers around the nation and report on the services and amenities that the LACC needs to become a competitive facility. Such information is necessary to determine options for the City in the event that the New Hall and Event Center project does not move forward.

As previously noted, it may be prudent to consider other options to ensure that, in the event Anschutz Entertainment Group (AEG) is unable to secure an NFL franchise, plans are in place to improve the LACC and continue development of uses, services, and programs for the

community. The attached report is an initial effort to identify the criteria on which to build those options.

Some highlights of the report include:

- Contiguous exhibit space at LACC ranks below the most comparable and competitive centers,
- The most desirable features for convention centers include breakout meeting rooms, a walkable hotel and entertainment district, a single exhibit hall, and light rail access from the airport to a location near the convention center,
- The LACC has a comparably low amount of meeting room space,
- Gathering spaces, both inside and outside, are increasingly important, with many centers improving outdoor plazas and providing amenities such as wifi service to enhance informal interactions among conference attendees, and
- The LACC does not currently have a large ballroom to provide specialized food and beverage and meeting services that have become increasingly important.

The report includes several recommendations for facility and amenity improvements, including:

- Increase the amount of contiguous exhibit space,
- Create service-enhanced informal gathering spaces.
- Create ballroom space, and
- Increase the amount of meeting room space as well as the number of larger meeting rooms.

The report also recommends that Figueroa Street be enhanced with hotel, restaurant and retail uses to improve the walkability of the district.



John Wickham
Analyst

Attachment: Report, "Future Planning Concepts for the Los Angeles Convention Center," by CSL International

Future Planning Concepts for the Los Angeles Convention Center DRAFT



Presented to the:
City of Los Angeles



May 13, 2013

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Assessment of Desired LACC Features

Assessment of Desired LACC Features (preliminary planning for non-stadium scenarios)

The City of Los Angeles is considering various programming elements for the Los Angeles Convention Center (LACC), under a potential scenario without a new NFL stadium. To assist in this effort, CSL has developed various industry trend, comparable facility, event space requirements and other research efforts.

The focus of this assessment is on several primary convention center components, including the following.

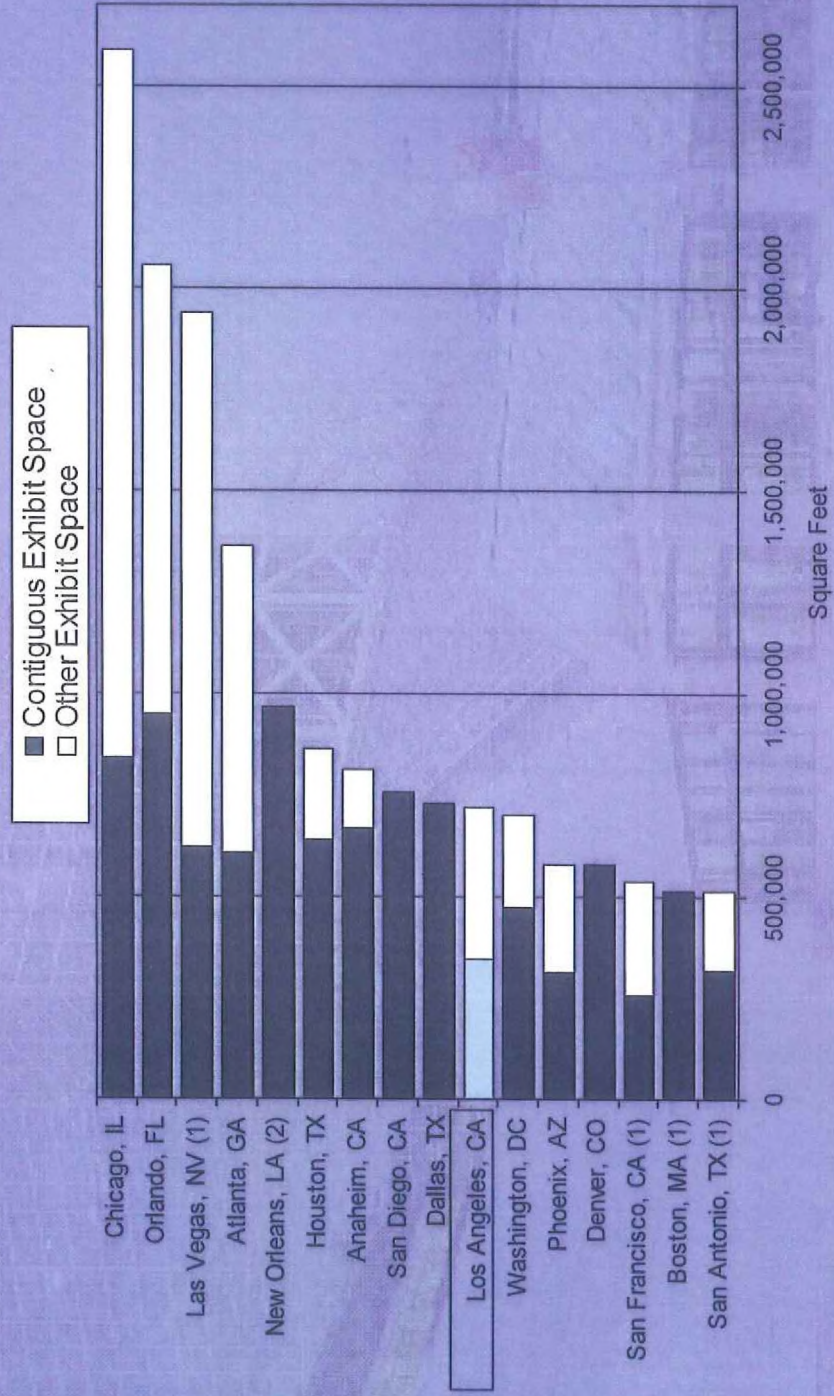
- Exhibit space
- Meeting space
- Ballroom/multi-use space
- Emerging interior spaces
- Emerging exterior spaces

The programming recommendations associated with each of these spaces is presented throughout this analysis. The summary section presents programming recommendations in terms of a Near Term Plan (a modest investment over the next several years to improve existing spaces), and a Long Term Plan (significant facility development concepts to better address industry trends and meeting planner requirements).

Assessment of Desired LACC Features

EXHIBIT SPACE – comparable facility data

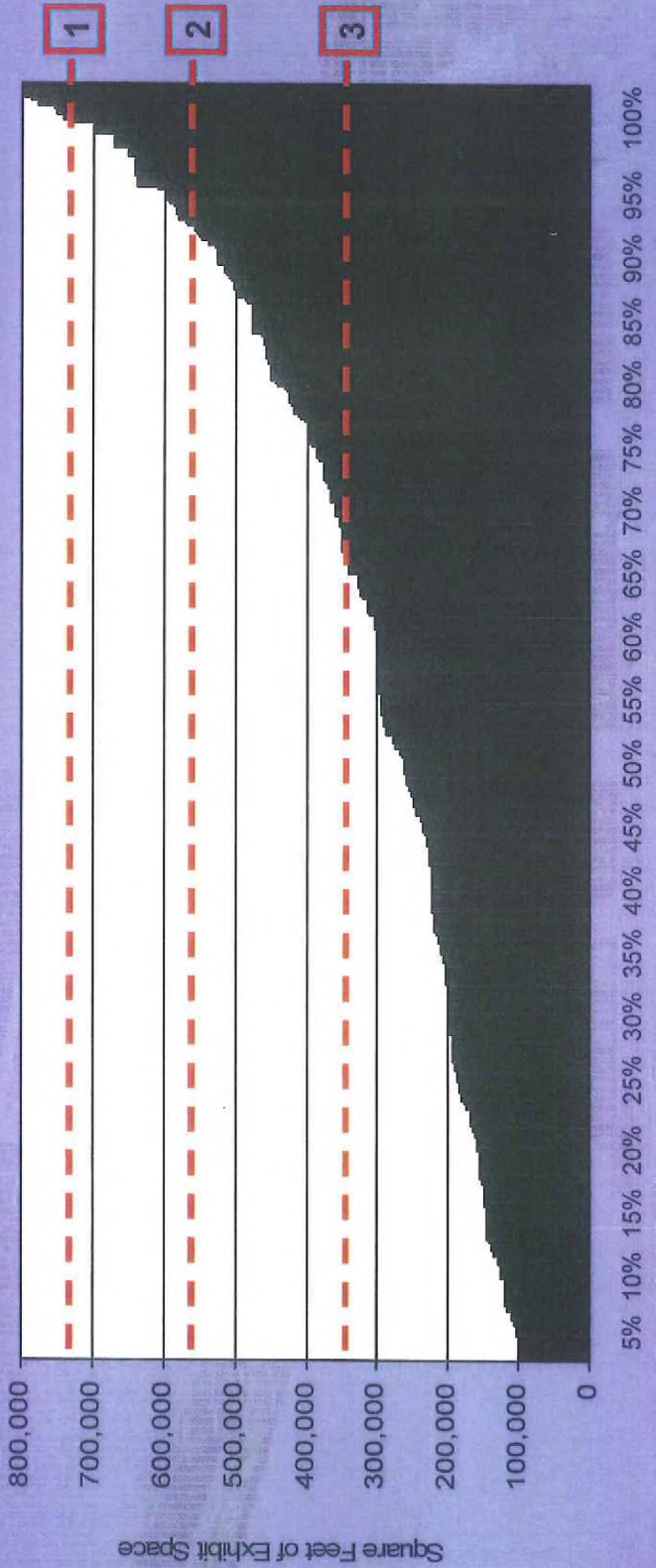
The existing LACC offers approximately 720,000 square feet of exhibit space, including Kentia Hall (which is substandard in terms of column grid and ceiling height). This space total ranks in the lower half of centers reviewed. At approximately 347,000 square feet, the contiguous space ranks below the majority of comparable and competitive centers.



(1) Planning underway for expansion/enhancements. Space levels are undetermined.
Source: facility floorplans and management, 2013

Assessment of Desired LACC Features EXHIBIT SPACE – national event market capture assessment

We have presented a summary of the national convention market in terms of required exhibit space. As noted below, the 347,000 square foot contiguous South Hall space can accommodate approximately 65 percent of the national market. If both South and West Hall are combined, capture percentages increase to 90. If Kentia Hall is included (which is difficult to market to national planners), capture percentages increase to nearly 100 percent. Some event planners are reluctant to book non-contiguous space, and it is likely that the LACC loses market share given the limited contiguous space offered. This is further explored on the following page.



- (1) South + West + Kentia Halls (719,600 GSF)
- (2) South + West Halls (557,600 GSF)
- (3) South Hall (346,900 GSF)

Note: Data represents events occupying 100,000 to 800,000 GSF of exhibit space per day

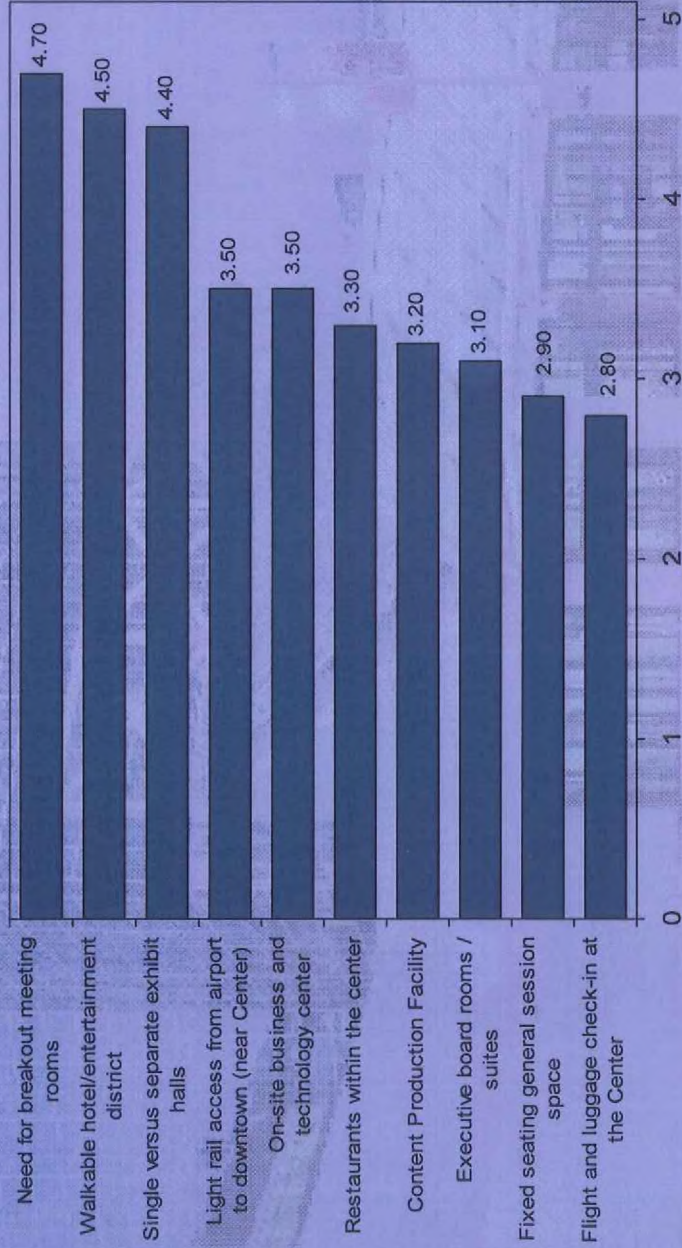
Source: DMAI EmpowerMINT database, 2013



Assessment of Desired LACC Features

EXHIBIT SPACE – event planner survey data

CSL has conducted recent surveys of over 100 planners of large and mid-sized conventions and tradeshows, with some focus on characteristics important to a successful event. Issues of least importance include luggage check-in and fixed seating space. Most important characteristics include sufficient breakout meeting space, a walkable convention/entertainment district, and single versus separate exhibit halls. These results indicate that the current bifurcated LACC exhibit space may represent a competitive challenge, particularly for attracting larger events.



Least Important

Most Important

Source: CSL Interviews, 2013

Assessment of Desired LACC Features EXHIBIT SPACE – future program recommendations

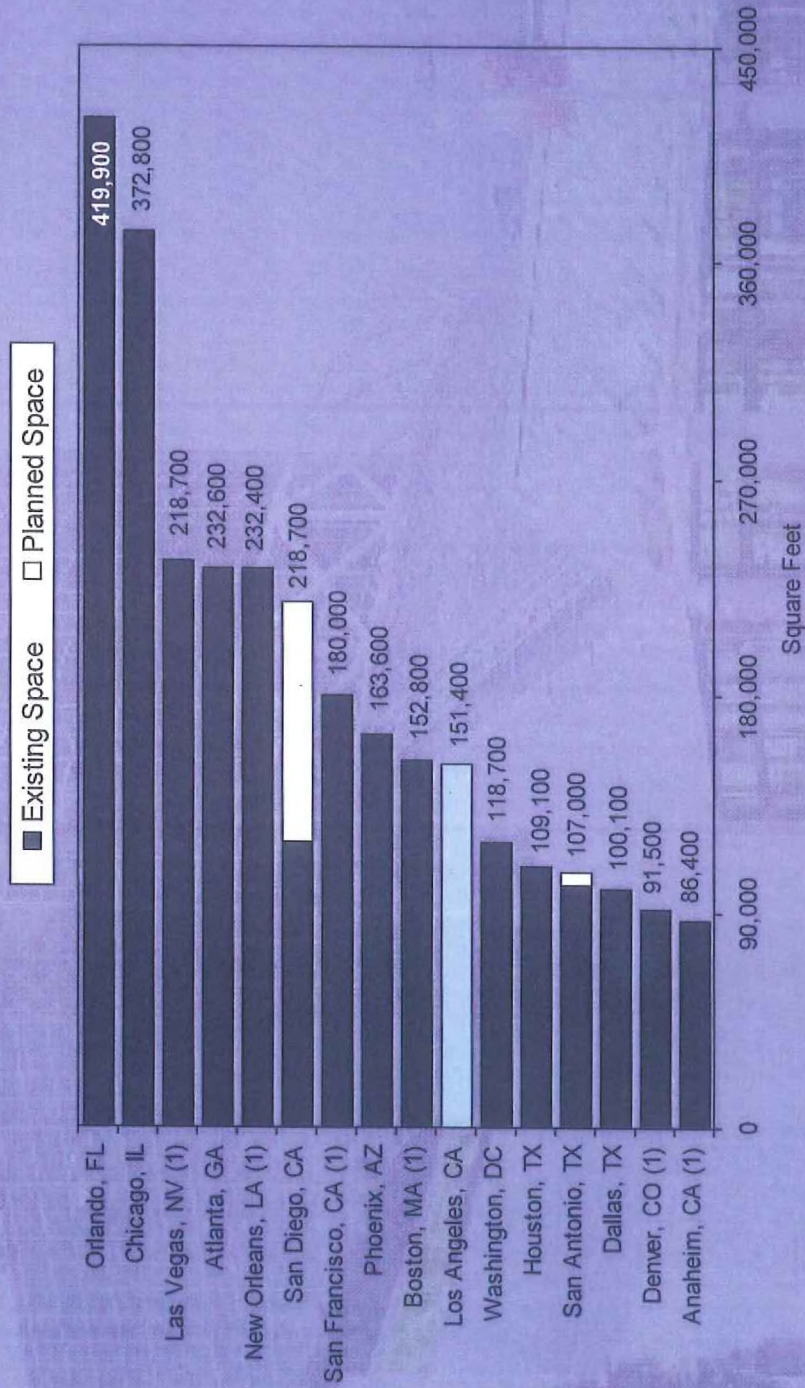
Future priorities for LACC exhibit space development should include the following.

- The current plan for LACC improvement calls for creating contiguous exhibit space by replacing the West Hall and rebuilding space connected to the South Hall.
- If stadium development does not move forward, long term LACC planning should consider an eventual linking of West and South Hall by creating exhibit space over Pico Boulevard. It is not critical that significant addition of overall exhibit space result, giving flexibility in terms of removing portions of existing exhibit space as part of a Pico addition, if necessary, to accomplish other program goals.
- We do not view such a project as an immediate priority – there are numerous meeting, function and destination planning initiatives (discussed later in this report) that take precedence over investing in contiguous space.
- A long-term LACC planning effort should also include allowances for future exhibit space expansion. This will require careful land planning/acquisition efforts.

Assessment of Desired LACC Features

MEETING SPACE – comparable facility data

The existing LACC offers approximately 151,000 square feet of meeting space if both Kentia and Petree halls are included as meeting space. This ranks somewhat low relative to the facility set reviewed, but largely consistent with the LACC exhibit space ranking.



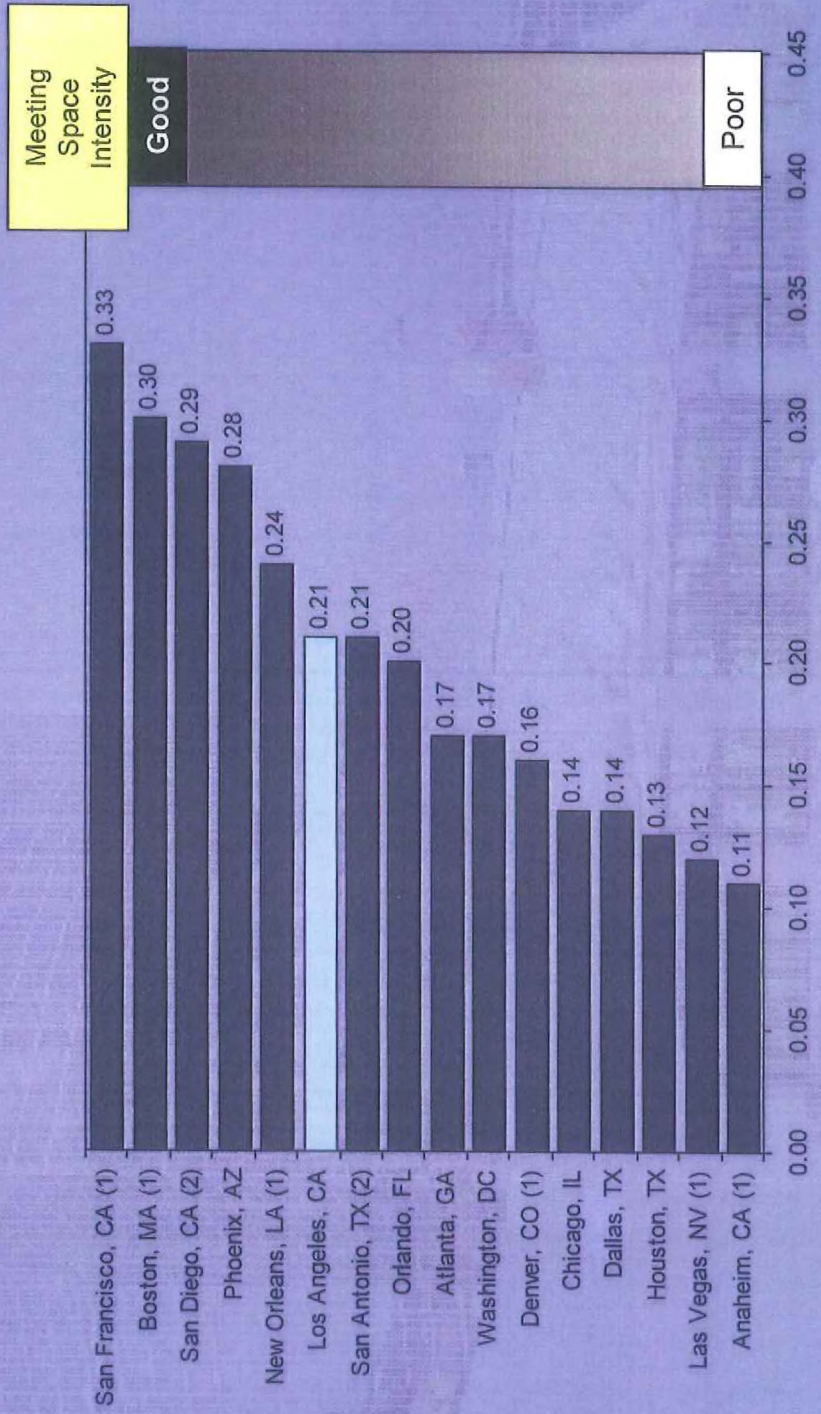
(1) Planning underway for expansion/enhancements. Space levels are undetermined.
 Note: Space levels for the LACC include both Concourse and Petree Halls.
 Source: facility floorplans and management, 2013



Assessment of Desired LACC Features

MEETING SPACE – comparable facility data

The ratio of meeting to exhibit space at the LACC ranks slightly above the median of centers reviewed. As previously noted, sufficient meeting space ranks as the number one criterion when considering potential convention facilities. To the extent possible, the meeting to exhibit space ratio should be maximized, even increasing the current 0.21 ratio.



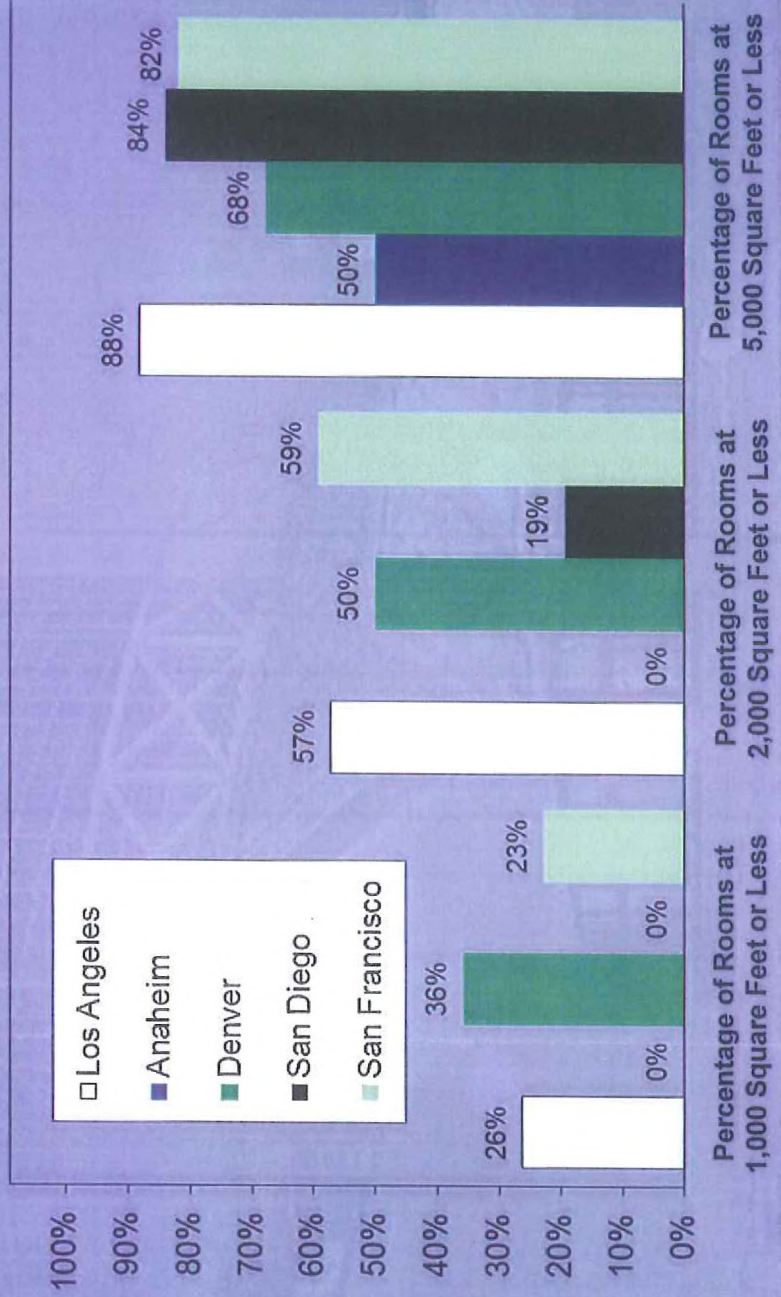
(1) Planning underway for expansion/enhancements. Space levels are undetermined.
 (2) Includes planned space or space currently under construction.
 Source: facility floorplans and management, 2013

Square Feet of Meeting Space per Square Foot of Exhibit Space



Assessment of Desired LACC Features MEETING SPACE – distribution of meeting rooms by size group

The size of individual meeting rooms is also an important factor that event planners focus on when evaluating a center. The existing room sizes for the LACC tend towards the smaller square footage categories (under 2,000 square feet). The planned LACC expansion adjusted the room sizes to focus on a distribution of somewhat larger rooms. Without the stadium project, future LACC development should include added larger meeting room components.



Assessment of Desired LACC Features MEETING SPACE – future program recommendations

Should the proposed stadium project fail to materialize, efforts should be undertaken to plan for added LACC meeting space. The higher space levels will be particularly useful in attracting high-impact medical, pharmaceutical and technology events.

Any future added meeting space should help skew the distribution of individual room sizes towards a larger square footage.

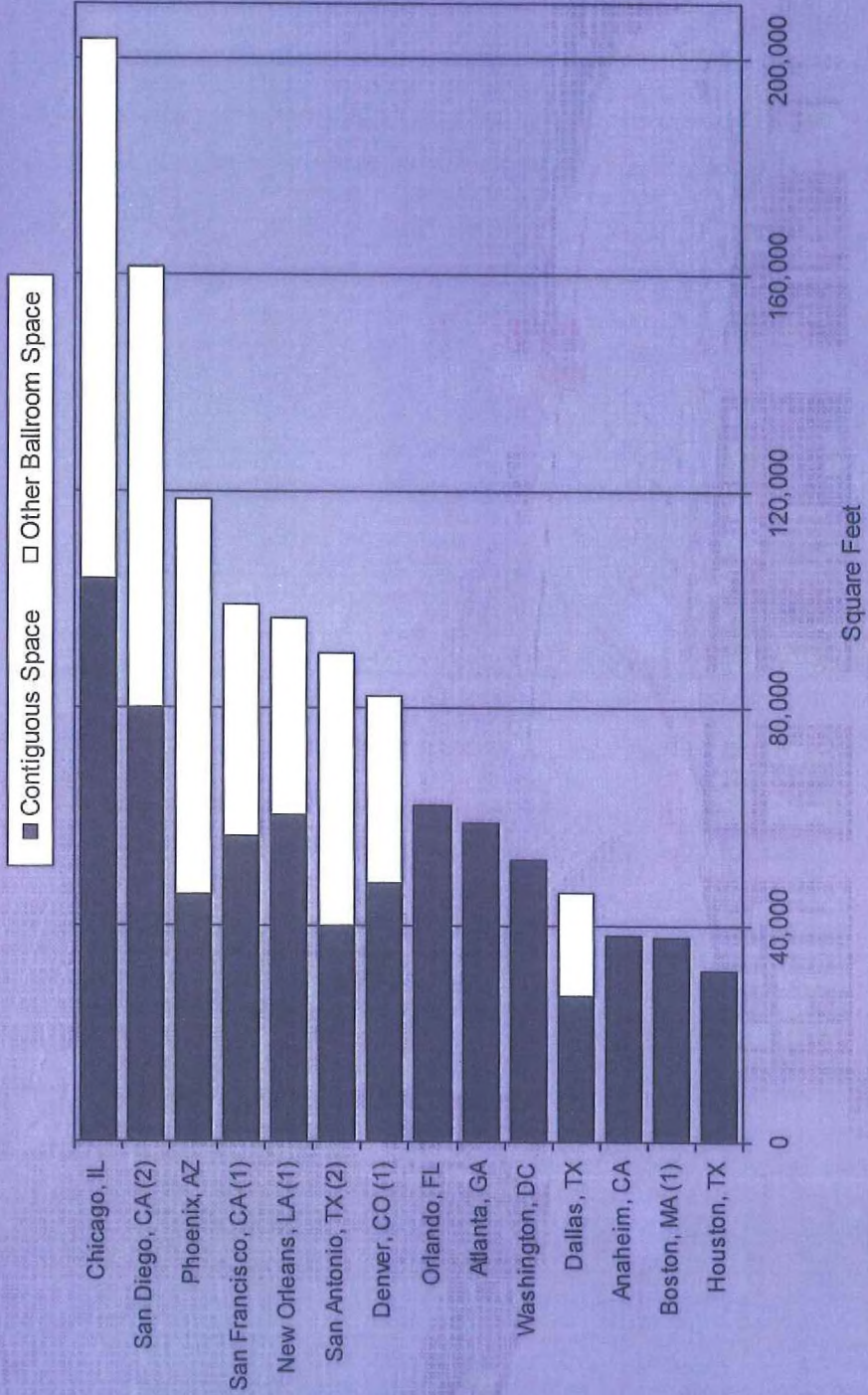
Electronic signage outside each meeting room should be planned for. Signage should be programmable from a central facility location.

Event planners are increasingly using wireless capabilities in meeting rooms to increase attendee interaction (topic feedback, questions, voting, etc.) Robust wireless capacity should be available in all LACC meeting rooms.

A select number of high end executive board rooms should be provided for. These can be used by executives to conduct business during an event, for show management and other important uses.

Assessment of Desired LACC Features BALLROOM/MULTI-USE SPACE – comparable facility data

The existing LACC is one of few venues that does not offer dedicated ballroom space. Today, ballroom square footages often reach and exceed 50,000 square feet in new/expanded center projects. The previous LACC expansion plans called for a ballroom of just under 50,000 square feet.



(1) Planning underway for expansion/enhancements. Space levels are undetermined.

(2) Includes planned space or space currently under construction.

Note: The Los Angeles Convention Center and the Las Vegas Convention Center do not offer ballroom space.

Source: facility floorplans and management, 2013

Assessment of Desired LACC Features BALLROOM/MULTI-USE SPACE – future program recommendations

Should the proposed stadium project fail to materialize, new ballroom space should offer at least 60,000 contiguous, column-free square feet. The space should be divisible into five to ten separate components.

Electronic signage and robust wireless capabilities should be provided for. The ability to accommodate digital presentations from off-site locations, even internationally, should also be provided for.

Large pre-function areas adjacent to the primary ballroom public entrance should be developed.

Assessment of Desired LACC Features EMERGING INTERIOR SPACES – future program recommendations

CSL has conducted extensive industry research into facility features that are or appear to be emerging in importance from the perspective of the meeting planner. We have summarized these features with respect to potential application to future LACC planning. In many cases, these features are included in the current LACC expansion plan (with stadium), and should be carried forward to future near term and/or long term planning.

Gathering Spaces

Recent CSL focus groups with planners of medical, technical and more traditional events indicate that attendees are increasingly seeking to participate in informal working groups within the center during the event. Public spaces in large convention centers, including the LACC, provide relatively few opportunities to address this trend. Future LACC planning should maintain some of the features included in the current expansion plan (such as the tiered seating component in the South Hall lobby). Providing for additional informal gathering spaces with appropriate furniture and power should be explored.

The recently developed conference space within the convention center in Seattle provides high-end informal seating areas that have received high marks from event planners.

Assessment of Desired LACC Features EMERGING INTERIOR SPACES – future program recommendations

International Attendee Amenities

Too often, visitor information spaces within convention center public areas are very traditional, offering brochures, restaurant recommendations and related information. With many events generating an increasing share of international attendees, these spaces need to be more responsive and flexible to meet attendee requirements.

Attendees that arrive from overseas can have a variety of unique travel, cultural and other needs. Features such as high-profile, portable stations offering staff with relevant language capabilities could work to address address various cultural, religious, travel and attendee comfort issues.

Other amenities such as signage, concierge, translation and other services can be aimed at accommodating international event attendees.

Assessment of Desired LACC Features EMERGING INTERIOR SPACES – future program recommendations

Restaurants and Retail within the Center

Our industry research suggests that restaurant facilities within a center, often branded options, are increasing in importance. The goal of the meeting planner is to make sure an event attendee remains on-site during the event, and offering food and beverage capabilities helps accomplish this. Event with the LA Live inventory of food outlets, restaurant capabilities within the perimeter of the LACC (similar to centers in Boston, New Orleans, New York and other large markets) would be desirable.

Aesthetics/Iconic Features – There are numerous convention centers nationally that have incorporated iconic art and architecture. In some cases (Denver, for example), the iconic sculpture incorporated into the center has served as a marketing and branding focal point. Planning for the LACC expansion (with stadium) included several such elements. Both near and long term planning that assumes no stadium should incorporate these types of elements.

Assessment of Desired LACC Features EMERGING INTERIOR SPACES – future program recommendations

Recording/Production Facilities

Meeting planners (both international and domestic) increasingly use event meetings and presentations to create content for web based learning, training and marketing. Often times, planners incur expense by creating a modified production studio within the center to control this production process. Given the modest space needs, modest cost and public/private partnership opportunities, consideration should be given to including a production space (not more than 1,000 square feet) within the existing/reconfigured LACC.

Natural Light

Event planner are increasingly mentioning natural light within event areas as a positive facility feature. The large center in Boston provides natural lighting in the exhibit halls. Both near and long term LACC planning efforts should seek to introduce natural light, as much as possible, into the sellable areas.

Assessment of Desired LACC Features EMERGING EXTERIOR SPACES – future program recommendations

Walkability

The desire for a walkable center, hotel, restaurant, retail & entertainment environment is consistently rated as a top amenity among event planners. The introduction of LA Live began the process of creating such a district. However, there are numerous other areas surrounding the LACC that have not evolved in a way conducive to the convention and hospitality industry. In particular, various parcels along Figueroa Street offer critical opportunities for hospitality related development (hotel, restaurant, retail). Areas south of Flower Street seem to be evolving into mixed-use residential, which will provide critical support for restaurant and retail within the district.

It will be critical for the city to interject (as much as possible) district planning guidelines calling for hospitality oriented development between Figueroa and Flower, creating well landscaped, pedestrian friendly walking areas connecting the existing LA Live assets with emerging visitor friendly development in this area.

Assessment of Desired LACC Features EMERGING EXTERIOR SPACES – future program recommendations

Outdoor Event Space

Facilities in markets such as Anaheim and San Antonio are incorporating a connection to the outdoors, including dedicated outdoor event space for assemblies, receptions & exhibits. The plans for development of the Lindsay Plaza included in the current LACC/Stadium design should be maintained in any future LACC investment.

Near Term Planning Guidelines

Near Term LACC Planning future program recommendations

Exhibit Space

- No major modifications.

Meeting Space

- Enhance electronic signage.
- Explore opportunities for space addition described herein as budget allows, ensuring such additions are consistent with the Long Term Plan.

Ballroom/Multipurpose Space

- No major modifications. Space addition to be included in Long Term Plan.

Emerging Interior Spaces

- Near Term LACC planning should maintain some of the features included in the current expansion plan (such as the tiered seating component in the South Hall lobby). Providing for additional spaces with appropriate furniture and power should be explored.
- To accommodate increasing international attendance, features such as high-profile, portable stations offering staff with relevant language and cultural capabilities should be included in the Near Term Plan to address to address various cultural, religious, travel and attendee comfort issues.

Near Term LACC Planning future program recommendations

Emerging Interior Spaces (continued)

- Plan for the placement of branded retail in a location with significant attendee and patron access. Areas near LA Live should be considered. This should be pursued with a private sector partner.
- Plan for development of iconic art and/or architecture. Current LACC expansion plans have an element of this, which should be maintained. Other opportunities should be pursued as budget allows.
- Pursue a public/private partnership with a local production company to create a basic production facility to enhance event convenience and reduce their costs. When not in use by events, the facility can simply serve as an off-site production operation for the contracted vendor.

Exterior Interior Spaces

- Create a campus plan that focuses on appropriate hospitality development (hotel, restaurant, retail) on sites adjacent to the LACC. This effort should also define improvements to walkability within this emerging district. The Long Term Plan can focus more on implementation of these concepts.
- The current plans for Lindsay Plaza should be carried forward.

Long Term Planning Guidelines

Long Term LACC Planning future program recommendations

Exhibit Space

- Plan for creating a large contiguous exhibit space. This may involve “closing the gap” between the South and West Halls by creating space above Pico Boulevard.

Meeting Space

- Enhance electronic signage.
- Develop plans for added meeting space (approximately 30,000 square feet) in order to improve the ratio of meeting to exhibit to closer to an industry leading level, and to create a better distribution of room sizes.

Ballroom/Multipurpose Space

- Develop a large ballroom/multi-use space of at least 60,000 contiguous sellable square feet.

Emerging Interior Spaces

- Incorporate all interior space concepts defined in the Short Term Plan.
- Introduce natural lighting into sellable areas as is practical.

Long Term LACC Planning future program recommendations

Exterior Interior Spaces

- Implement the campus or district concepts defined during the Short Term Plan process. This will involve extensive work with the private sector to help ensure appropriate uses are placed on sites adjacent to the LACC. The city currently owns relatively little property in this area, so any means (permitting, zoning, finance assistance, etc.) of focusing development in areas that help create the convention/entertainment/hospitality campus should be exercised.