

## Communication from Public

**Name:**

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**Council File No:** 15-1207-S1

**Comments for Public Posting:** CCA Convention Center Support Letter



December 11, 2023

Councilmember Traci Park  
Chair, Trade, Travel and Tourism Committee  
Los Angeles City Council  
200 North Spring Street  
Los Angeles, CA 90012

**RE: Support for a Public-Private Partnership for the Expansion and Modernization of the LA Convention Center  
(CF #15-1207-S1)**

Dear Councilmember Park,

Established in 1924, Central City Association (CCA) represents approximately 300 member organizations committed to advancing policies and projects that enhance Downtown Los Angeles' (DTLA's) vibrancy and increase opportunity across the region. The local economy relies heavily on thriving tourism and hospitality sectors, demanding a state-of-the-art, globally competitive Convention Center. Of the many advantages of a public-private partnership (P3) framework, moving forward with this model brings at least one tangible benefit to the City: on-time and on-budget project delivery. **Given the importance of the project and the significant positive economic impacts it will bring, it is imperative to enter into a formal Exclusive Negotiating Agreement (ENA) with AEG and Plenary Group to arrive at true project costs and a detailed scope. Regardless of what delivery method is ultimately chosen, a decision of this magnitude should not be based any "best guess estimates."**<sup>1</sup>

Although the investment by the City would be significant, so is the return. Both the Chief Legislative Analyst (CLA) and City Administrative Officer (CAO) agree that "the LACC expansion would add an additional 2,600 incremental jobs, generating approximately \$6 billion in additional labor income, \$9 billion in added Gross Domestic Product to the City of Los Angeles, and more than \$15 billion in economic output in nominal dollars."<sup>2</sup> The expansion would boost annual citywide conventions from 23 to 40, resulting in an increase of 471,520 hotel-room nights by 2030 and additional economic output of approximately \$177 million annually. In addition to its regional importance, this project is also vital for the recovery of DTLA. With fewer office workers present day-to-day due to the rise of remote and hybrid work, DTLA's businesses and the vibrancy of its streets and public spaces are ever more reliant on the foot traffic driven by visitors. Conventions are critical for bringing visitors to DTLA and supporting our neighborhood's economy.

We believe it is also important that the City to go beyond the CLA and CAO's high-level analysis and continue to fully explore the potential for a P3 to deliver this project. It is worth noting that the last major infrastructure project the City undertook on its own, not via P3, – the 6th Street Bridge – was delivered two-and-a-half years late and more than \$141 million over budget. A P3 has the capacity to ensure the project is delivered in an efficient and timely manner by proven, established private entities that have executed projects to this scale already in Los Angeles and across the county.

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<sup>1</sup> City of Los Angeles Chief Legislative Analyst and City Administrative Officer. (December 4, 2023) *Status of the Los Angeles Convention Center Expansion Project*, page 3.

<sup>2</sup> Id., page 9.



For all these reasons, CCA urges this committee to enter an ENA as expeditiously as possible. Moving forward with a “do-nothing” approach with only limited planned capital improvements to the Convention Center is not a viable option and would be a tremendous, missed opportunity for Los Angeles and serve as a critical blow to DTLA at an economically vulnerable time.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Nella McOsker", written in a cursive style.

Nella McOsker  
President & CEO  
Central City Association

CC: Council President Paul Krekorian  
Councilmember Bob Blumenfield  
Councilmember Hugo Soto-Martinez  
Councilmember Tim McOsker  
Councilmember Monica Rodriguez  
Councilmember Marqueece Harris-Dawson