The City of Los Angeles
and
The Department of Convention & Tourism Development

REQUEST FOR INFORMATION:

For the
Development of a Convention Headquarters Hotel
Los Angeles Convention Center

RFI Issued: December 4, 2015
RFI Response Due: February 26, 2016
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INTRODUCTION

On June 30, 2015, the City Council of Los Angeles ("Council") approved a motion, Council File No. 15-0446, relative to the issuance of a Request for Information to seek parties interested in developing a Convention Center Hotel and amenities on City-owned parcels at the Los Angeles Convention Center ("Convention Center").

The City of Los Angeles ("City") has been working on a proposed plan to expand and renovate the Convention Center as it has not been upgraded in over 20 years and is limited due to a lack of exhibit, meeting room and ballroom space. Within the last year the City selected an architectural firm through a task order solicitation process for designing a potential expansion ("Design Competition") for the Convention Center facility (Council File No. 13-0762), which included drawings, renderings, and models of two designs; one design that assumed an on-site pad for a 1,000 room hotel and one without. The City is now interested in surveying the market to determine the actual level of tangible interest and commitment by national hotel developers and brands capable of successfully undertaking a 1,000 room hotel on the LACC campus. In addition, the City is studying optimal models to finance, build, and deliver the LACC expansion with a headquarters hotel.

As such, the City along with the Economic Workforce Development Department ("EWDD"), the Department of Convention and Tourism Development ("CTD"), and in consultation with the Chief Legislative Analyst and the Office of the City Administrative Officer, is requesting information from interested parties with the expertise, resources, and successful track record to realize the development of a new, privately owned and operated convention headquarters hotel adjacent to the Convention Center in downtown Los Angeles.

The RFI will identify those development teams who have (i) expressed written interest in exploring the opportunity, (ii) successfully described relevant development experience of a downtown and/or convention headquarters hotel[s], and (iii) provided a compelling preliminary vision for the project while providing thoughts on key development-related issues necessary for a successful on-time, on-budget development. Upon receiving the RFI results, it is anticipated that the City will move forward with a Request for Qualifications or a Request for Proposal in Q1 of 2016, contingent upon appropriate Council authority. The City reserves the right to terminate this process at any point in time.

THE HOTEL REQUIREMENTS

In order for the LACC to compete effectively in the industry, it was determined that the proposed Convention Headquarters Hotel be at least 1,000 rooms and of an upper-upscale quality or higher. Although it is anticipated that the planned hotel will include all of the function space, food and beverage outlets, parking, guest amenities, and other features customary within large convention headquarters hotels, the City places no other programmatic limitations on the Hotel RFI submittals at this time.
POLICIES AND INVESTMENT TOOLS

The Mayor and Council are focused on job creation and building a strong local economy. They recognize that the leisure and hospitality sector, and in particular the Convention Center, play a key role in maintaining the City's economic vibrancy. While the downtown market currently enjoys strong occupancy and revenue per available room figures, the City has in place tools that may be available to help bridge warranted hotel funding gaps, should they exist, and bring projects like the Convention Headquarters Hotel to fruition.

THE DOWNTOWN LA HOTEL MARKET

The hotel market in downtown Los Angeles continues to enjoy robust growth. From 2010 through 2015, the comparable set of hotel properties within proximity of the LACC realized compound annual growth rates of 6.5% and 8.3% in average daily rate ("ADR") and revenue per available room ("RevPAR"), respectively. The individual properties comprising the comparable set and the summary of their collective performance from 2010 through September, 2015 are below:

<table>
<thead>
<tr>
<th>Hotel</th>
<th>Year Opened</th>
<th>No. Rooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luxe City Center Hotel</td>
<td>Jun 1965</td>
<td>175</td>
</tr>
<tr>
<td>Westin Bonaventure Hotel &amp; Suites</td>
<td>Jun 1977</td>
<td>1,358</td>
</tr>
<tr>
<td>The LA Hotel Downtown</td>
<td>Jun 1983</td>
<td>469</td>
</tr>
<tr>
<td>Hilton Checkers Los Angeles</td>
<td>Feb 1989</td>
<td>193</td>
</tr>
<tr>
<td>Omni Los Angeles Hotel</td>
<td>Dec 1992</td>
<td>453</td>
</tr>
<tr>
<td>JW Marriott Los Angeles LA Live</td>
<td>Feb 2010</td>
<td>878</td>
</tr>
<tr>
<td>Ritz-Carlton Los Angeles</td>
<td>Apr 2010</td>
<td>123</td>
</tr>
<tr>
<td>Ace Hotel Downtown Los Angeles</td>
<td>Jan 2014</td>
<td>182</td>
</tr>
</tbody>
</table>

Source: STR.
**THE PROJECT OPEN HOUSE**

In lieu of the traditional pre-submittal meeting, the City will welcome all interested developers and development team partners to attend a project open house. The City and the Los Angeles Tourism & Convention Board ("LATCB") representatives will be on hand to discuss the vision for the proposed campus design of the expanded Convention Center. The architectural model and artistic renderings of the Convention Center expansion generated by the City’s selected design team of Populous and HMC Architects will also be on display.

The Open House will be held on Tuesday, January 26, 2016 from 11:00 AM until 3:00 PM PST at the Convention Center. Interested parties are encouraged to stop by at their leisure during those hours. Although the primary purpose of the Open House is an extension of the project introduction, developer questions will be taken at that time. Written responses to all questions will be provided by the City and distributed to all interested development parties as part of the normal project timeline on or before February 11, 2016.
THE SITE

As shown above and in the image on the following page, two potential sites for a Convention Headquarters Hotel (Sites “A” and “B”) are located on the LACC campus and could be directly integrated into the Convention Center facility. Site “A” is physically attached to the northern border of Convention Center’s West Hall at the intersection of LA Live Way and Chick Hearn Court, just steps away from the Staples Center, LA Live, Microsoft Theater, and the JW Marriott and Ritz-Carlton Hotels. Site “B”, also known as Venice Garage of approximately 1,100 parking spaces, is located adjacent to the South Hall, along Venice Boulevard.

Prior preliminary analysis included in our Design Competition has shown that Sites “A” and “B” could each accommodate a hotel of 1,000 rooms or more. The final three participants of the Design Competition had each identified Site “A” as their recommended site for the hotel development. As part of this RFI process, the City seeks input from prospective Developers on all site preferences and development opportunities, including sites that may not have been identified in this document.

The Site and the Convention Center are in an area known as South Park, an approximate 0.5-mile square business district that currently has 25 mixed-use development projects underway, including the addition of 1,068 upscale residential units on Figueroa Street directly across from the Staples Center.
THE CONVENTION CENTER EXPANSION & MODERNIZATION PLAN

The core elements of the City’s vision to expand and modernize the LACC include: enlarging the West Exhibit Hall to approximately 350,000± square feet; the addition of a new 100,000± square foot ballroom; the creation of a new 75,000± square foot exterior ballroom/flex-space; a net addition of 78,000± square feet of break-out meeting space; and a general upgrade and renovation of the existing Convention Center space. All prospective developers are encouraged to review “The Future of the Los Angeles Convention Center,” a 25-page white paper document that can be downloaded here:

http://www.lacclink.com/about/expansion-modernization

One of the guiding principles of the expansion effort is to not simply make the Convention Center bigger, but to expand and enhance LA’s appeal as a convention destination. Often times, it is the spaces between buildings that become the differentiators of successful destinations. Therefore, special attention was given in adding a collection of unique paths, gardens, and open spaces to create an active and flexible outdoor setting. Moreover, this design greatly improves the integration between the Convention Center campus and the larger urban experience of downtown Los Angeles. The complete set of imagery that communicates the design vision will be on display at the Project Open House.
THE PROJECT TIMELINE

Although subject to change, the following presents the City’s goal with respect to the overall project development timeline and milestones for the Convention Headquarters Hotel:

December 4, 2015: RFI Issued
January 26, 2016: Project Open House in LACC from 11 AM to 3 PM PST
February 4, 2016: Last day for Developers to submit written RFI questions
February 11, 2016: Written responses provided to Development Teams; posted on EWDD website (see p. 11)
February 26, 2016: RFI Submittals Due

Assuming appropriate Council authority, a Request for Qualifications or Request for Proposal could be issued in Q1 of 2016.

It is in the mutual best interest of the City and the Hotel Developer to have aligned development schedules for the Convention Center Expansion and the Convention Headquarters Hotel projects, respectively. For planning purposes, the table below presents the City’s current timeline and milestone goals for the Convention Center Expansion:

![Estimated Convention Center Expansion Project Timeline](image-url)
SUBMITTAL REQUIREMENTS

The submittal should include the following information and in the following sequence:

Section 1: Development Team

A. Identify the Developer Team members, providing individual primary points of contact for each including name, title, mailing address, phone number, email address, and a brief personal resume.
   i. Lead Developer
   ii. Other Developers: if any
   iii. Architectural Design Team: Although the City selected the architectural team of Populous-HMC to design the Convention Center Expansion, absolutely no preferential consideration will be given to these firms as it relates to the Convention Headquarters Hotel RFI.
   iv. Hotel Brand[s]: Developers may respond to this RFI with more than one prospective hotel brand. However, Developers are strongly encouraged to provide sufficient evidence to the City that the selected brand[s] are supportive and eager members of their prospective Development Team. Hotel brands may elect to participate on more than one Development Team and will not be detrimentally viewed as a result.
   v. Financial Partners
   vi. Construction
   vii. Others

Section 2: Relevant Project Experience

A. Provide a list of the Development Team’s hotel development experiences and the specific role each played within that experience. Include both P3 convention hotels and non-convention hotel projects developed over the past 10 years. Please identify those projects where two or more of the Development Team members worked jointly on a past project. Provide the following information for each experience, where relevant:
   i. Project name and size
   ii. Location and photograph
   iii. Date opened
   iv. Development cost and a brief explanation of the finance approach
   v. Developer’s and/or Financial Partner’s ownership stake at the time of development
   vi. General description of the public-private partnership (P3) and room block agreement
   vii. Public entities involved
Section 3: Preliminary Vision

A. The City acknowledges that information provided at this point to interested Development Teams is limited, which is inherent in any RFI process. Nevertheless, the City is interested in understanding the Development Team’s preliminary, non-binding thoughts on how it might approach the Convention Headquarters Hotel project. This may include, for example, high-level commentary on aspects of the project’s physical and programmatic elements, aesthetics/design, financial/P3; marketing/positioning; room block agreement and working relationship with Convention Center; and or its general strategy for success. Please note that the City is not requesting nor is it expecting to receive any architectural designs or renderings as part of this RFI submittal. Rather, the purpose of this section is to begin to identify those Development Team candidates whose project mindset aligns with that of the City. At a minimum, Developers are required to comment on preliminary site preference issues as outlined on pages 6 and 7.

B. From what is known from the downtown market, LACC site and its environs, Developers are encouraged to provide comments on key development-related issues that they deem necessary for a successful on-time, on-budget development.

Section 4: Additional Information [Optional]

A. Development Teams are strongly encouraged to include any additional information or materials that could demonstrate its ability to be a good partner with the City and who ultimately could deliver the type of Convention Headquarters Hotel property that will assist Los Angeles achieve its broader community and economic development goals.

What do they see?

What else?
**Submittal Instructions**

One electronic copy of the RFI submittal must be emailed to the addressee below at or before 3:00 PM local time on February 26, 2016. Late submittals will not be accepted. The subject line in the email submittal message should read: “RFI for Convention Headquarters Hotel.”

Mr. Samuel Hughes, Assistant General Manager  
Economic & Workforce Development Department  
City of Los Angeles  
1200 W 7th Street  
6th Floor  
Los Angeles, CA 90017  
Phone: (213) 744-9723  
samuel.hughes@lacity.org

All inquiries regarding the RFI must be directed to Sam Hughes.

This RFI as well as all written Development Team questions and City responses can also be found on the EWDD’s website at the following URL: