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Arena Upgrade Could Be Huge For Long Beach

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The Long Beach Area Convention and Visitors Bureau (CVB) is moving forward with plans to significantly upgrade the Long Beach Arena and position the facility as one of the premier ballroom and concert venues in the region.

The plans center around the installation of a state-of-the-art lighting, sound and video system above the 45,000-square-foot arena floor that would allow the arena to function as one of the region's largest ballroom spaces, offering the potential for the facility to attract and host a much wider assortment of events.

The plan also calls for lighting, sound and video to be complemented by a system of floor-to-ceiling curtains that would isolate the massive floor area of the arena, and allow it to be used for events ranging from high-end sit-down dinners for several thousand guests to elaborate multi-media affairs.

When used during concerts, the curtain system would also allow the facility to transform from the 13,500-seat, full-scale arena seating plan down to a much more intimate environment with seating for about 5,000 guests.

The plan is being proposed to capture what the CVB has identified as more than \$21 million in potential economic impact lost to the city over the past two years due to the lack of ballroom space at the Long Beach Convention and Entertainment Center.

"Essentially what we are doing," CVB President/CERO Steve Goodling said, "is taking under-utilized space at the arena and transforming it into space that can drive revenue to the city while also increasing the prestige and marketability of the city."

The basic CVB proposal would cost the city about \$4.4 million to implement. Optional upgrades would raise the cost, and overall flexibility of the upgrades, to around \$6 million.

An economic analysis of the plan by California State University, Long Beach economist Lisa Grobar, found that the city's investment could optimistically generate nearly \$225 million in economic impact to the city over 10 years, with more than \$7 million alone in tax revenue going directly to city coffers. It would also support nearly 1,250 jobs over the same 10-year period, with wages to these workers totaling just under \$44 million.

From a funding standpoint, the proposal comes at an opportune moment. Because the arena is located within the city's tidelands, Tidelands Funds can be used for arena development. Thanks in large part to Measure D, passed last year by voters, the Tidelands Funds have since amassed a large pot of money. The city council is now looking to direct those funds at more than \$300 million worth of projects within the tidelands. However, many of those projects are not shovel-ready and could take several years to reach the point where sizable funds are required. This means that for Fiscal Year 2012, ready-to-go tidelands projects like the CVB proposal – which could be completed within a year – could be more attractive to City Hall decision makers.

Goodling plans to formally present the proposal to the city council in October. However, he has already met with several

councilwomen to present the plan. Goodling said that the response has been almost universally supportive.

Councilman Gary DeLong said that, while he believes there are still discussions to be had over how to fund the proposal, he thought the idea presented to him by Goodling was excellent.

"I support investing in assets that generate job growth and revenue for the city and our hotels, restaurants and businesses. I think Steve is doing absolutely the right thing," DeLong said.

Councilman Robert Garcia was also very positive about the arena plan.

"I think it is innovative, it is forward thinking, and I think it will bring a lot of recognition and development to the city," Garcia said.

Arena Upgrade Could Bring Millions More Dollars To City



If the Long Beach City Council agrees to move forward on a proposal from the local hospitality industry, the Long Beach Arena could become one of the premier event destinations in the country, providing a venue with unmatched lighting, sound and video systems. See story on Page 5. (Rendering by HKS)

"But in addition to having vision, the plan has a tremendous amount of return – in investment dollars, in hotel dollars, in convention dollars and just economic impact overall. It's an investment worth making."

Another strong supporter of the plan is Councilman Dee Andrews, who said he was elated when he saw the CVB plan.

"This is long overdue," Andrews said. "We talk about money, but this would give back to us tenfold. We are going to have everything we have now [at the convention center], but only more. Who knows, perhaps we could be talking in the future about a Grammy or an Emmy show in Long Beach. Let's do this now, while we can."

CVB Boardmember John Molina praised the plan as both creative and financially astute.

"Tourism is one of the pillars of the Long Beach economic community," Molina said,

"and this plan puts us in a higher level, so to speak, in terms of the quality of conventions we can bring in, but also the size of events we can host."

Molina said that he was confident that beyond the financial aspects, an upgraded arena is also very likely to increase the prestige factor of Long Beach, which in turn would benefit the entire city.

Asked if he was confident in the plan, Molina said all one has to do is look at who proposed it.

"We all know that there have been past projects in the city that have over-promised and under-delivered," Molina said, "but the difference here is when you have a group with such an impressive track record like Steve Goodling and the CVB, and they tell you, 'this [plan] is not far afield of our bailiwick,' that gives you a great deal of confidence that they are going to deliver." ■