

Revised Appendix K

Employee Estimate for the Entertainment and
Sports Center

MEMORANDUM

To: Jacqueline De La Rocha, Eyestone Environmental
From: HR&A Advisors, Inc.
Date: January 12, 2018 – Revised March 1, 2019
Re: Employment Estimates Related to the Proposed Entertainment & Sports Center
Cc: Heather Crossner, Latham & Watkins; Nicholas Rumanes, Westfield

In May 2017, HR&A Advisors, Inc. (“HR&A”) completed an analysis of the one-time and ongoing economic and fiscal impacts related to the construction and future operations of Westfield’s Promenade 2035 development, a large mixed-use development that is proposed to replace the existing Westfield Promenade shopping mall in the Warner Center area of the City of Los Angeles. As a part of this analysis, HR&A estimated the economic impact of the proposed Entertainment and Sports Center. As conveyed to HR&A by Westfield, the Entertainment and Sports Center is anticipated to be a 15,000-seat multi-purpose venue.

Unlike the other land uses that comprise the balance of the Promenade 2035 program (which include multifamily residential, office, hotel, and retail), the ongoing economic impact of the Entertainment and Sports Center cannot be estimated through traditional land use metrics which correlate square footage to sales and/or jobs to be used as inputs into the economic impact model. The ongoing economic impact of the Entertainment and Sports Center is highly-dependent on the intensity of use; while some venues are highly-programmed and require significant ongoing management and maintenance, others are sport-specific and only host a handful of events per year and require relatively fewer permanent employees.

To estimate the economic impact of the Entertainment and Sports Center, HR&A conducted a benchmarking analysis of similarly-sized multi-purpose venues on the West Coast, including those which host minor league professional teams, for which economic impact studies have been completed. The three studies identified below also estimated the number of full-time equivalent jobs that would be located on site. The results of the analysis are summarized on the next page below.

Through the benchmarking analysis, HR&A identified or calculated the number of direct jobs estimated at each venue once it would be fully operational on a per-seat basis. This ratio ranged from 95.5 (Portland) to 133.3 (Sacramento), with an average of 119.5 seats per employee. HR&A then used this ratio to estimate a total employment of 125.6 at the 15,000-seat Entertainment and Sports Center.

Figure 1: Venue Seating and Employment Benchmark Analysis

City	Study Date	Analysis Completed By	Stadium Seating	Direct Jobs at Stadium	Seats Per Employee
<i>A vaya Stadium San Jose Earthquakes</i> ¹	2008	Sports Economics	18,500	142.9	129.5
<i>Providence Stadium Portland Timbers</i> ²	2008	ERA	19,200	201.0	95.5
<i>Papa Murphy's Park Sacramento Republic FC</i> ³	2015	Capital PFG	20,000	150.0	133.3
Average					119.5
Estimated Direct Employment at Westfield Entertainment & Sports Center ⁴			15,000	125.6	

¹ Per a 2008 economic impact study completed by Sports Economics, 1/3 of the Stadium's \$15 million annual operating budget is spent on jobs. HR&A conservatively estimated that the average wage for a job would be \$35,000.

² Per a 2008 economic impact study conducted by ERA, there would be 201 direct jobs associated with the operations of the Portland Soccer Stadium.

³ Per a 2015 economic impact study conducted by Capital PFG, the Sacramento stadium is likely to generate up to 150 full time stadium employees. HR&A used an average of the proposed seating range (18,000 to 22,000 seats).

⁴ Assumes 119.5 seats per employee for the proposed 15,000-seat stadium.