



## CITY OF BEVERLY HILLS STAFF REPORT

**Meeting Date:** November 19, 2013  
**To:** Honorable Mayor & City Council  
**From:** Steven Zoet, Director of Community Services  
**Subject:** Request by Reed Expositions France to Hold a World Class Fine Art Event in Late April 2015  
**Attachments:** None

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### INTRODUCTION

Reed Expositions is one of the world's leading event organizers. With 34 global offices, the company employs over 3,000 people and produced over 500 events in 41 Countries in 2012. They are asking City Council for consideration to host FIAC (Foire Internationale d'Art Contemporain) in late April 2015. Michel Vilair, Managing Director, and Jean-Daniel Compain, Senior Vice President of the company's Culture, Luxury and Leisure Division, are scheduled to be in attendance and will explain the event, discuss the possible benefits and impacts to the community and will formally request City Council's approval to host the event in Beverly Hills. If approved, staff will make every effort to mitigate impacts to the community throughout the duration of the event.

### DISCUSSION

Reed Expositions France is based in Paris and is a subsidiary of publicly traded Reed Expositions which is headquartered in the United Kingdom. It is the owner and creator of FIAC which is considered by many to be one of the world's leading contemporary art show and sales events. The show has grown its reputation and standing in the art world and has become a global focal point for the world's most prestigious art galleries and collectors. It is held annually at the Grand Palais in Paris in October. For this year's event, approximately 900 galleries from around the world applied to have one of the 180 available spaces.

To further establish itself in the art world, Reed Expos is studying its opportunities to host FIAC in the United States. They believe that there is an unmet demand for a large, professionally run, high quality event in the greater Los Angeles area that would showcase leading local and international galleries and attract collectors both nationally and internationally. A particular interest in the Los Angeles area is due to its association with and proximity to the Asian market which Beverly Hills has benefited by as well. The world's leading galleries would be the exhibitors at this proposed event as they are at FIAC Paris.

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Reed Expo has retained the services of Global Art Development, founded by former resident and Fine Art Commissioner Scott Stover, to advise them on suitable venues in the West Los Angeles area to hold FIAC. The event, scheduled for April 23 – 26, 2015, would occur at the same time as Paris Photo LA which is also an event coordinated and produced by Reed Expositions and is held locally at Paramount Studios. The term of use for a suitable site within the city requires a minimum commitment of three years to allow Reed Expo the opportunity to recoup its front-end investment and begin to realize a profit with a preferable option for at least an additional two years.

Spatial requirements are preferred to be upwards of 130,000 square feet with capacity to grow. Outdoor settings are conceivable due to specialty tenting and structures that are designed and built specific to the site. The space is desired to be as contiguous as possible to help minimize layout and related operational costs.

On October 7, 2013, City Manager Jeff Kolin, Scott Stover, Jean-Daniel Compain and I met to conceptually discuss the proposed event and looked at several locations within the City. These included the Burton Way Median; the city owned property in the Entertainment Business District (EBD) generally bordered by 3<sup>rd</sup> Street, Foothill Road and Alden Drive; and Roxbury Park. Roxbury Park was dismissed for being too small and impactful to the community given lack of ample parking and other support needs. The EBD parcel has appeal due to its size and presumed possibilities of being leveled, cleared and available for use by the required date but was of concern to the event's owners if an assurance of its availability could not be given for at least the three to five year time frame that is desired. The Burton Way median, although providing challenges, is the preferred location of the requesting party.

This location would require a lane closure both east and west bound adjacent to the median curbs to insure the safety of all involved during the setup, operation and striking of the event. Staff met with representatives from the city's public safety departments to discuss their concerns, as well as with the Rodeo Drive/Special Events/Holiday Program liaisons (Vice Mayor Bosse and Councilmember Krasne) on November 12, to discuss the event and the pros and cons associated with each of the venues which are as follows;

#### **Burton Way Median**

- Pros:**
- Highly visible location
  - No city investment necessary to make it site-ready
  - More aesthetically pleasing
  - Somewhat easier access to public parking structures
  - Somewhat easier walk from the business triangle and certain target hotels
- Cons:**
- Commuting/traffic flow implications
  - Greater pedestrian safety concerns
  - Possible impacts to emergency response times
  - Greater impacts to residential street parking
  - Impacts to the courthouse, L'Ermitage and frontage related businesses
  - Damage to turf and possibly sub-surface irrigation and other infrastructure
  - Lack of easy access to utilities
  - Less contiguous resulting in higher front-end costs to the applicant

### **Entertainment Business District**

- Pros:**
- Less impactful to residents
  - Less impactful to traffic flow
  - Less front-end investment requirements for the applicant (excluding demolition costs)
  - Easier access to utilities
  - Less adverse impacts to landscaping given the existing hardscape surface
  - Easier to secure, monitor and control due to greater self-containment
- Cons:**
- Large investment to make it site-ready
  - May have adverse impacts to bordering businesses
  - Local businesses have expressed a possible interest in leasing sections that may pose a conflict with site availability
  - Assurance of site availability for the requested 3 to 5 year time frame may be problematic
  - Not as visible or easily accessed
  - Not as aesthetically pleasing

Mr. Stover, along with the aforementioned representatives from Reed Expositions France, are scheduled to be in attendance at the Study Session to provide additional information about the proposed event, the perceived mutual benefits of hosting such an event within Beverly Hills and other information presumed to be of importance for City Council to provide direction regarding this matter.

The Fine Art Commission was presented with an overview of this event at their October 29<sup>th</sup> meeting and unanimous support was given to further explore the possibilities of hosting the event. The Commission feels that the event would provide the city with international exposure, complement its current branding efforts and further its standing in the art world. The Commission fully recognizes that matters such as logistics and impacts on the community, which will influence Council's decision on the event, are beyond their purview to assess and comment on.

### **FISCAL IMPACT**

Reed Expo has indicated their intent to cover all direct staff expenses, permit fees and other applicable costs associated with FIAC should City Council approve the event. Staff has not had the opportunity to fully ascertain all direct costs that will be associated with the event due to the uncertainty in confirmation of the selected venue. Information regarding possible economic benefits to the city will be shared by the Reed Expo representatives based on their experience with the Paris event and other suitable comparisons. At this early stage, Reed Expo is projecting that they would make between a 3 to 5 million dollar investment in the proposed event and that, based on past experience, the local community can realize a multiplier effect of approximately 3 to 5 times that amount with respects to associated attendee expenditures.

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**RECOMMENDATION**

Staff seeks direction on this matter. Vice Mayor Bosse and Councilmember Krasne are supportive of the event but feel, for safety reasons and presumed impacts to the bordering residential areas, that the event, if supported by the majority of City Council, should be held at the EBD site and not within the Burton Way median.

A full analysis of either of these sites has yet to occur. Staff have gotten a preliminary estimate that the costs to demolish and remove the existing city owned structures on the EBD site which would be necessary to accommodate the event would be approximately \$595,000. Reed Expo needs to assess as to whether they can cover or contribute to that cost as a factor in their decision making process. Staff also seek direction as to what City Council's expectations are as relates to this matter.

Mr. Vilair and Mr. Compain from Reed Expositions will be providing their own formal presentation to City Council and will be available, along with Mr. Stover from Global Art Development and staff to address any questions of the Council.

Steve Zoet  
Approved By

A handwritten signature in black ink, appearing to be 'SZ', written over a horizontal line.