

Purpose of Formulating Development Policy

- In order to reinforce MICE function, the City is working towards developing the second-phase exhibition center as well as inviting private sector such as hotels and facilities that create vibrancy to join, in the convention section in the Waterfront Area.
- For the reinforcement of MICE function, it is indispensable to utilize knowhow of private sector in facility development and management, as well as to construct roads and other transport infrastructure. Since different public and private bodies will be responsible for the development and management of these facilities, it is important for them to share a same sense of direction and to confirm each role designation as the collaboration progresses. Therefore, the proposed Development Policy has been created to express the City's fundamental view at this stage on outline of facilities and development methods.
- The planned open submission for business proposals will begin in March 2015. The City will discuss and review the proposed Waterfront (Chuo and Hakata Wharves) redevelopment plans with proposers to determine locations of facilities and make detailed plans.

1. Status Quo of Fukuoka City's MICE

1) Characteristics of Fukuoka City's MICE

- For the fifth consecutive year since 2009, Fukuoka is ranked second in Japan in terms of number of international conventions held. The City has also received praises for its MICE-holding potential and selected by the Japan Tourism Agency as the Global MICE Strategic City in June 2013.

<Advantages of Fukuoka City>

- Geographical advantages of being in close proximity to Asia and availability of direct flights to major cities in Asia.
- Compact urban structure enables stress-free operation of MICE events.
- Concentration of potential conference hosts and participants including universities and research institutes.

MICE is a term coined from the capital letters of Meetings (business meetings of companies), Incentive tours (incentive, reward, and training tours of companies, etc.) Conventions (international conferences held by international organizations, academic societies, etc.), and Exhibitions/Events (trade fairs, exhibitions and miscellaneous events), and collectively represents business events that are expected to invite many people.

2) Challenges

- **Lack of functions in Convention Zone**
 - The area lacks accommodation and facilities for vibrancy, and locations of facilities lack a sense of cohesiveness and continuity.
- **Difficulty in accepting new events because of the current high operating ratio**
 - Since the operation rate of current facilities is over 80%, which is approaching the upper limit, many clients have been turned down, resulting in an economic opportunity cost.
- **The Waterfront Area lack attractions and daily vibrancy**
 - The area lacks spaces for dining and other activities that attract people to visit, and is seen as a remote place by citizens.
 - The area lacks spaces or facilities that represent the Waterfront Area.
- **Accessibility and traffic congestion**
 - There is no smooth and easy-to-access means of transport connecting the airport, Hakata Station, and other transport nodes.
 - Serious traffic congestion occurs when events are held in the neighborhood of the Convention Zone.
- **Renewal of existing facilities**
 - When existing facilities are reconstructed, it will be necessary to ensure continuity without causing a temporary degradation of MICE functions.

2. Direction of MICE Development

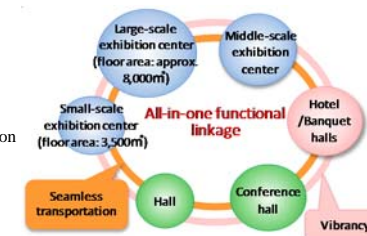
MICE Promotion Utilizing the Resources of Fukuoka City

- Inviting large conferences that also have concurrent exhibitions
- Inviting Asia-related conferences, academic meetings, and corporate incentive tours
- Organizing and inviting exhibitions and trade fairs using the industrial characteristics of Fukuoka and Kyushu

Reinforcing MICE Functions

■ Direction for Reinforcing MICE Functions

- Realize "All-in-one" configuration in which MICE facilities are located within walking distance in an integrated and functional manner.
- Increase capacity to hold MICE events by developing the second-phase exhibition center.
- Improve convenience for MICE participants and create attractive and vibrant space close to citizens.
- Improve access and visitor circulation to and within the area for smooth operations of MICE events.
- Implement appropriate renewal and relocation of existing facilities.



■ Conceptual diagram of "all-in-one"

■ Viewpoint of urban development in the Waterfront Area

- To promote urban development in the Waterfront Area, it is necessary to create vibrant exchange space and realize efficient transportation control at the Entrance zone, which is expected to serve as the gateway to this area.
- It is important to enlarge the scope and flexibility of planning and improve the feasibility of business to encourage private sector to locate their businesses in the area.



<New functions to be introduced>

- 1) Exhibition function (Second-Phase Exhibition Center)**
 - Size and functions of facility capable of meeting exhibition needs for large conferences
 - Ease of coordination and cooperation with Marine Messe Fukuoka and Fukuoka International Congress Center
- 2) Accommodations (hotel)**
 - A hotel with 250 to 300 guest rooms including premium rooms for VIPs
 - Excellent meeting rooms and spacious banquet halls that are appropriate for MICE venues
- 3) Dynamic atmosphere (restaurants, shops, etc.)**
 - Improve convenience for MICE participants and placement or operation of restaurants and retail stores that are sufficiently attractive to encourage people to visit them regularly
 - Create a dynamic atmosphere for exchanges of materials and people, and provide a plaza that serves as the starting point for people to circulate
- 4) Pedestrian routes (including pedestrian decks)**
 - Traffic lines that allow MICE participants to walk smoothly between facilities without getting wet on rainy days.
 - Traffic lines that allow people who regularly visit the Area, as well as tourists and visitors, to enjoy walking safely around facilities in the Area

<Functions for which renewal is under review>

The City will make accurate decisions on hall functions, including the timing for renewal by considering business proposals from private businesses and conducting interviews with proposers.

1) Hall functions

- Size and functions capable of holding ceremonies and lectures of international conferences and popular music concerts

3. Concept of Functional Layout

Specific location of each function will be determined based on planned open proposal submission.

1) Exhibition function (Second-Phase Exhibition Center)

- The lot located in south side of Marine Messe Fukuoka is designated as the planned site for the second-phase exhibition center in order to provide sufficient area of regular-shaped land for the project. The lot is chosen based on considerations of its cohesiveness and continuity with Marine Messe Fukuoka, which allows smooth transition between facilities in the area during large-scale conference.

2) Parking function

- Lay out a parking lot adjacent to or close to the convention facility to allow users to move easily between the parking lot and the facility.
- Mainly use the lot south of the Urban Expressway and lay out parking lots at various locations to facilitate ease of access and mitigate traffic congestion during events.

3) Hall function

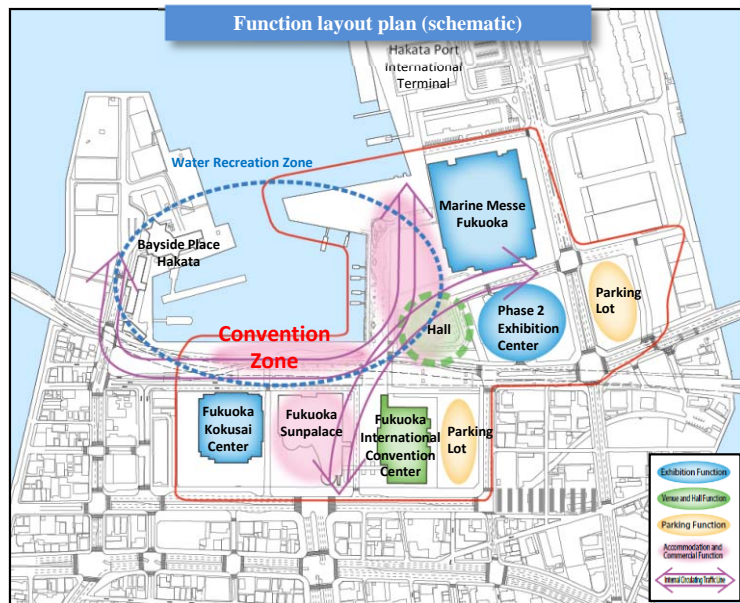
- Lay out halls adjacent to or close to the Fukuoka International Congress Center or the Second-Phase Exhibition Center, considering ease of movement of participants during large conferences and academic meetings.

4) Accommodation and commercial function

- Lay out an accommodation facility that is close to the Fukuoka International Congress Center, is equipped with a designated traffic line for VIPs and ensures ease of movement during international conferences.
- The facility (facilities) should take into considerations the circulation of visitors in the area and the vibrancy in the integrated area of Hakata Wharf and the waterfront area, and take advantages of its location close to the sea. The facility should be placed at a location adjacent to the traffic lines in order to increase convenience of MICE participants and visitors and create continuity of vibrancy.

5) Circulating traffic line in the Area

- Ensure formation of a network for smooth pedestrian movement in the Area and maintain circulating traffic lines that allow the creation of overall vibrancy in the area and accessibility to the water recreational area.
- Maintain safe and comfortable pedestrian spaces that are easy to understand for MICE participants coming to the venue from inside and outside Japan for the first time.



* The above layout is a schematic illustration based on the Concept of the Functional Layout. The definitive layout will be decided by considering proposed plans submitted in response to the submission of business proposals.

4. Facility Planning

Second-Phase Exhibition Center

1) Basic concept

- The exhibition center should ensure division of functions based on characteristics and advantages of existing facilities.
- The facility serves mainly as a venue for exhibitions. The facility should have a structure that allows space to be subdivided by movable partitioning in order to handle exhibitions of various scales and purposes.

2) Outline of facility

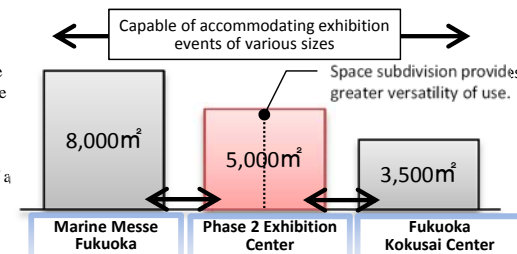
○ **Exhibition area: approx. 5,000 m²**

- Design the exhibition space as a medium-size hall, unlike the existing exhibition facility, so as to share functions among the facilities and ensure coordinated use of the facilities.
- Design the exhibition hall as a dual-dividable structure with sound-absorbing movable partitions, so as to hold small exhibitions and allow sectional meetings to be held as part of a large academic meeting.

○ **Total floor area: approx. 10,000 m²**

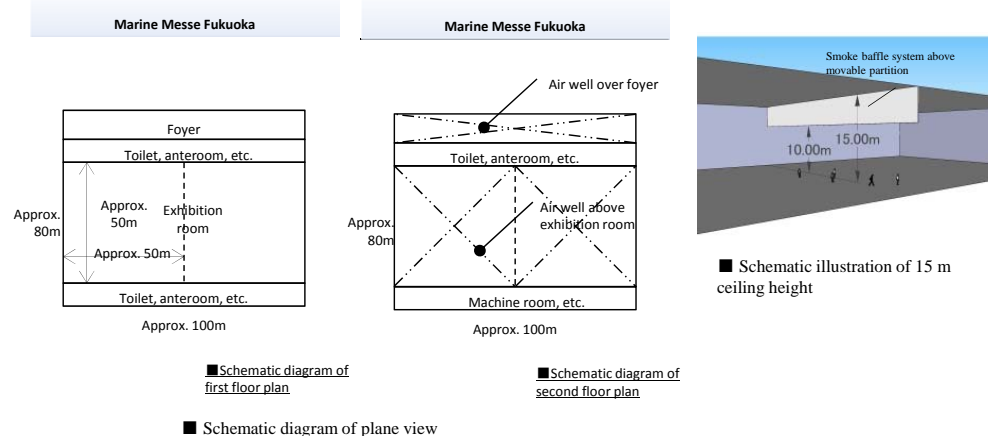
- Set the effective exhibition ratio* to about 50% and set the total floor area of approx. 10,000 m².

* Ratio of exhibition area to total floor area



○ **Ceiling height: 15 m or higher**

- The height of ceiling should be 15 m or higher to be able to hold concerts in addition to exhibitions.



○ Others

- The exhibition hall should have column-free space that allows a free exhibition layout.
- Facility functions should be specialized for exhibitions but the venue should also be able to accommodate different type of events such as concerts. Minimum equipment including lighting, acoustics, and stages for such events should be included.
- One main entrance and one or more sub-entrances for each of the exhibition room should be provided when space is divided into separate compartments.
- Sufficient loading space should be provided near the main delivery entrance.
- Rooms needed: Organizer's anteroom, office, meeting room, storage, and other necessary rooms (such as pantry)

4. Facility Planning

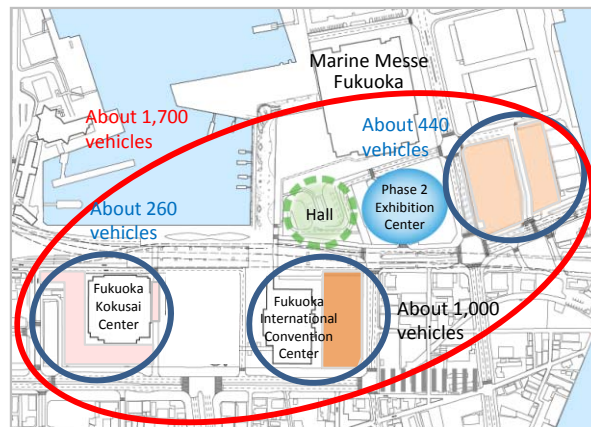
Parking Lot

1) Basic concept

- Appropriately re-arrange the parking capacity necessary to serve visitors to the Second-Phase Exhibition Center and the new hall based on past usage and consideration of the impact on the surrounding traffic environment.

2) Outline of facility

- A parking capacity of about 200 vehicles should be sufficient for the Second-Phase Exhibition Center based on the usage of the southern parking lot of the Marine Messe Fukuoka.
- A parking capacity of about 200 vehicles should be sufficient for the new hall based on the parking capacity of other similar facilities.
- The Second Phase Exhibition Center is planned to be constructed at a lot currently used for parking. Therefore, parking space for 740 vehicles, including space for about 340 vehicles from the existing parking lot, will need to be relocated somewhere south of the Urban Expressway and close to Marine Messe Fukuoka or the Second-Phase Exhibition Center.
- Considering the land available for parking in the neighborhood and the impact on the surrounding traffic, the eastern parking lot of the Congress Center will be changed into a multi-story parking building (with a capacity for about 1,000 vehicles).



■ Concept of parking rearrangement

Hall

Promote the plan for hall renewal based on the following basic policy:

1) Basic concept

- The new hall should be capable of holding ceremonies and lectures associated with MICE events, as well as concerts mainly of popular music.
- The facility should be capable of allowing combined use with other exhibition and conference facilities.

2) Outline of facility

- Provide a seating capacity of approx. 2,500 to 3,000 (including 2,300 to 2,500 fixed seats).
- Use a proscenium stage with fixed seats (main stage + wing stages).
- Provide a new hall with equipment specifications capable of holding ceremonies and lectures associated with MICE, which are the main users, as well as mainly popular music concerts.
- Necessary rooms: Lobby, foyer, dressing room, controlling room, lighting room, etc.

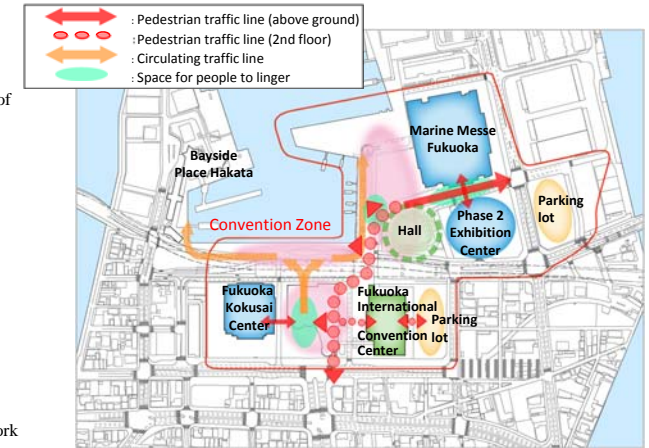
Pedestrian Routes (Pedestrian Deck, Etc.)

1) Basic concept

- Maintain pedestrian traffic lines that are easy to follow for participants from inside and outside Japan for the first time and shelter them on rainy days.
- Avoid crossing of pedestrian and vehicle lines and ensure safe and secure pedestrian spaces.
- Maintain pedestrian traffic lines that allow visitors to enjoy the waterside recreational space and commercial and hospitality facilities.

2) Outline of facility

- Pedestrian decks must have a standard width of 6 m to handle pedestrian traffic volume and mobility.



■ Schematic diagram of pedestrian network

5. Concept of Traffic Measures

1) Development of new road infrastructure

- Build The undeveloped section of the Urban Planning Road Chikuko Sekijomachi Line will be constructed, and surrounding intersections will be improved as required. These development will reinforce traffic networking with the east-west and north-south truck roads in and around the Convention Zone, and mitigate the traffic loads at intersections.

2) Improvement of public transportation accessibility

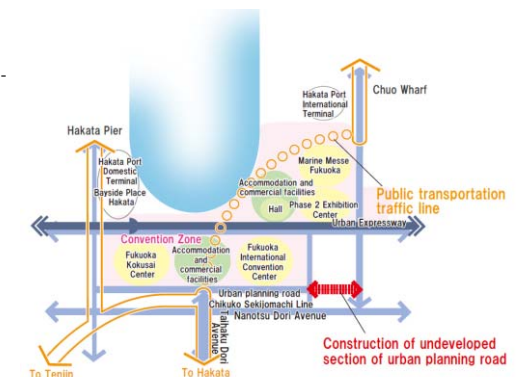
- Provide traffic lines designated for public transport that separate public transport from general transport inside the Convention Zone, and improve the convenience of public transportation by appropriately arranging platforms and waiting spaces for passengers.

3) Separation of vehicle traffic lines from pedestrian traffic lines

- Construct pedestrian decks, etc. that help create a safe and easy-to-understand pedestrian environment, in order to mitigate traffic congestion caused by vehicle and pedestrian lines crossing, and improve ease of walking by pedestrians around the Area.

4) Traffic management

- Review nonstructural measures that promote the use of public transportation.
- Review installation of road signposts and guidance signs that disperse traffic concentration throughout the Convention Zone.



6. Effects of Facility Development

1) Effects of facility development

- i) Improve facility integration and convenience in the Convention Zone
- ii) Increase the number of days available by increasing exhibition area (elimination of opportunity costs by enhancing operating ratio)
- iii) Promote urban development of the Waterfront Area

2) Economic ripple effect (estimation)

- Economic ripple effect estimated from the demand for exhibitions and conferences at Second-Phase Exhibition Center and the consumption price per participant surveyed in the past are approx. ¥50 billion. **Approx. ¥20 billion** included in the above figure is a direct effect of participants and organizers.
- The job creation effect of holding MICE at Second-Phase Exhibition Center is estimated to be **about 2,000 persons**.

■ Details of direct effects

- Visitors: Spending on accommodation, eating and drinking, traveling within the City using transportation, souvenirs and shopping, sightseeing and other forms of entertainment
- Organizers: Spending on renting venues, transportation, management and operation, renting equipment, etc.

7. Development Method

1) Basic concept

- Use a business implementation method that makes the most of private skills, technology, expertise, and funds to mitigate and equalize the City's financial burden for facility development and reduce maintenance costs of those facilities.
- The existing three convention facilities are integrally operated by the Foundation of Fukuoka Convention Center, which is successfully operating the facilities with emphasis on high operating ratio, stability, and the public good. When operating the second-phase exhibition center, involving the Foundation is a basic condition so that consistent and integrated operation with existing facilities is achieved.
- Study specific operating techniques for the coordinated operation of convention facilities and public facilities based on the results of the planned submission of business proposals.

○ Second-Phase Exhibition Center

- Promote the project using PFI (BTO).

○ Parking

- Promote a further review of the use of private-sector vitality including PFI, while considering the need for improving public services and mitigating and equalizing the municipal financial burden.

○ Hall

- Review an appropriate business method for improving the quality of services and minimizing the public financial burden, while using private-sector vitality based on submitted business proposals from proposers in private sector.

○ Relevant infrastructure

- Roads, sewage system, waterworks, and other basic infrastructure that are the prerequisites of facility development should be developed by the public sector.
- Regarding the construction of pedestrian roads (including pedestrian decks), its integration with commercial facilities, including hotels, shopping malls, and other hospitality facilities, will be determined by referring to proposals from private proposers who apply in response to the planned submission of business proposals. At the same time, the following will be under reviewed: total facility plan including private facilities (scale, performance, and other factors), sharing of roles and scope of development among the public and private sectors, and maintenance of facilities.

○ Hotel, commercial/hospitality facilities

- Commercial facilities should basically be developed by the private sector. Conduct a further review of the business area, functions to be introduced, scale of development, layout plan, and business scheme by considering the plans of private applicants for the planned submission of business proposals and consultations with proposers.

8. Approximate Development Cost

- The estimated cost of developing MICE facilities and related infrastructure, including the Second-Phase Exhibition Center, is assumed to be approx. ¥15 billion, which is an approximation based on present assumptions of public development.
- The development cost will be reviewed by considering submitted plans from private businesses and consultation with those proposers, and making a detailed examination of the roles and cost sharing of public and private stakeholders. Cost reduction should be one of the main purposes of this review.

Classification	Development Cost *	Remarks
Phase 2 Exhibition Center	Approx. ¥4.5 billion	Development cost using PFI
Parking lot	Approx. ¥3.5 billion	Parking west of International Convention Center constructed as a multi-story parking building
Relevant Infrastructures		
Urban planning road	Approx. ¥2.5 billion	Land compensation cost related to urban planning road included
Others	Approx. 4.5 billion	Development of pedestrian road and other infrastructure (land preparation and construction), etc.

- The development cost of the hall will be calculated based on a future review of specific details including facility size.

* The above cost is estimated as of January 2015. It is subject to change depending on the progress of facility planning and the trends of construction material prices (influence of disaster rehabilitation, Tokyo Olympics, and other factors).

* The land acquisition cost in the Convention Zone is not included.

9. Business Schedule (Target)

- Because the Second-Phase Exhibition Center is assumed to be built on an existing parking lot, the existing parking capacity should be made available elsewhere. In this respect, a parking lot that can accommodate the existing capacity should be developed and put into service prior to commencing the Second-Phase Exhibition Center construction project.
- Proceed with development of relevant infrastructures, including building of an urban planning road, so as to aim at opening them to service in time for opening of the Second-Phase Exhibition Center. Develop infrastructure including road development prior to commencing building work.
- To develop the new hall and commercial/hospitality facilities including hotel, determine the business plan and implementation timing first and proceed with the procedure regarding open submissions for business proposals so that the all-in-one feature can be promptly achieved.

