

09-1716

JUL 10 2009

MOTION TO CLERK FOR PLACEMENT ON NEXT REGULAR COUNCIL AGENDA TO BE POSTED

#57

for 7.21.09

The passing of Michael Jackson was a worldwide event culminating in a memorial service held at Staples Arena in downtown Los Angeles on Tuesday, July 7, 2009. The passing of this pop icon generated unprecedented interest from fans and well-wishers across the United States and abroad, hoping to join in the local memorial celebration of Michael Jackson's life and career. As a result of this massive interest, preliminary reports indicate that downtown hotel occupancy rates were nearly full, and the sale of Jackson memorabilia by local businesses and entrepreneurs spiked dramatically. Transatlantic flights into and out of LAX and surrounding international airports were heavily booked, especially from Heathrow Airport. According to news reports, Jack Kyser, the chief economist for the Los Angeles County Economic Development Corp., estimates that expenditures by visitors and the media could generate about \$4 million in revenues for local businesses, restaurants and hotels. Others tout the ancillary benefits to the City of holding this historic event in pop music in Los Angeles.

Critics have raised the issue of the cost of this special event to the City, in the form of public safety, traffic control, and sanitation services. Given the City's current financial constraints, it is critical that the City conduct a thorough analysis of the total costs and benefits of this event, weighing direct City costs against the estimated economic benefits to the City from increased revenues from Airport revenues, the City's Transient Occupancy Tax on hotels, Parking Users' Tax on lots, Business Tax revenues from increased local sales at businesses and restaurants, and other related City revenues (taxicab, convention center, citations, etc.). To help complete this study, the City should request assistance from outside economic and financial experts to ensure a thorough and complete analysis.

I THEREFORE MOVE that the City Council instruct the CAO and the CLA, with the assistance of the Office of Finance, LA, Inc., the Los Angeles County Office of Economic Development, the UCLA Anderson School of Management, and other local financial and economic experts, to report to the City Council within two weeks with an estimate of the total local revenue attributable to the Michael Jackson memorial event from Saturday, July 4, 2009 through the date of the actual event on Tuesday, July 7, 2009, and compare those economic benefits to the actual and direct cost of City services for public safety, traffic control, and sanitation services.

PRESENTED BY:

Janice Hahn

JANICE HAHN
Councilmember, 15th District

SECONDED BY:

[Signature]

ORIGINAL

July 10, 2009

[Signature]