



July 27, 2011

The Honorable Jan Perry  
Los Angeles City Council  
City of Los Angeles  
200 N. Spring Street, Room 420  
Los Angeles, CA 90012

Date: 7/27/11  
Submitted in STADIUM Committee  
Council File No: 11-0023  
Item No.: 1  
Deputy: Adam R. Lid

Dear Councilmember Perry & Members of the Ad Hoc Committee,

We have reviewed the July 25 report from the CLA and CAO to the Ad Hoc Committee on Downtown Stadium and Convention Center Renovation and find it to be a very comprehensive, thorough and well reasoned piece of negotiation on behalf of the City of Los Angeles. We applaud both the city staff and the professional consultants who were hired to assist with the assessment and counterproposals to the initial AEG proposal.

We concur with the recommendation by the CLA and CAO that the City Council approve a Memorandum of Understanding that outlines a development model of the Project developed by the City Team and AEG. As noted in the report, this MOU is a non-binding framework that will guide discussions on the Definitive Agreement, the contractual document that would implement the Project.

The financial interests of the City of Los Angeles are protected and enhanced in the MOU presented by the CLA and CAO. From the outline presented, the financial upside to the city's general fund is significant and the financial downside to the city's general fund has been eliminated.

The MOU presented is an excellent example of a public private partnership that has the potential to achieve economic and community results that neither party could accomplish on its own.

The Los Angeles Area Chamber of Commerce urges the City Council to approve the MOU as recommended by the CLA and CAO.

Sincerely,

Gary Toebben  
President and CEO