

ORDINANCE NO. _____

An ordinance adding Chapter 174 to Division 5 of the Los Angeles Administrative Code to create the Wilshire Grand Hotel Project Trust Fund for the receipt and disbursement of appropriations to fund hotel development incentive payments to be made by the City in relation the Wilshire Grand Hotel Development Project.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Chapter 174 is added to Division 5 of the Los Angeles Administrative Code to read as follows:

CHAPTER 174

WILSHIRE GRAND HOTEL PROJECT TRUST FUND

Sec. 5.580. Creation and Administration of the Fund.

(a) There is hereby created and established in the Treasury of the City of Los Angeles a special fund to be known as the Wilshire Grand Hotel Project Trust Fund (the Fund).

(b) The purpose of the Fund shall be for the receipt, retention and disbursement of all monies apportioned by the Mayor and City Council as hotel development incentive payments (the Incentive Payments) for the development of the Wilshire Grand Hotel Project in accordance with the Second Amendment to the Subvention Agreement for the Wilshire Grand Hotel Agreement (Agreement) entered into by and between the City and Hanjin International Corporation, Inc., as approved by the City Council on December 14, 2016, under Council File No. 11-0106.

(c) The Fund shall be administered by the City Administrative Officer (the Fund Administrator).

(d) Monies shall be deposited into the Fund in accordance with the City's budgetary process on a not less than yearly basis in an amount sufficient to pay anticipated Incentive Payments and related expenses as reported by the Fund Administrator.

(e) Expenditures from the Fund shall be made by the Fund Administrator to fund Incentive Payments due under the Agreement in accordance with the terms and conditions of the Agreement and reasonable expenses associated therewith.

(f) The Economic and Workforce Development Department shall maintain records, issue reports, schedule public hearings and perform any other activity required under California Government Code Section 53083.

(g) All interest and earnings attributable to the monies in the Fund or any account in the Fund shall be credited to the Fund and shall be devoted to the purpose of the Fund.

(h) At the close of each fiscal year, monies not expended from the Fund shall remain in the Fund and shall not revert to the Reserve Fund in accordance with Charter Section 344.

(i) The provisions of this ordinance shall be repealed, and this Chapter shall be of no force and effect, upon the earliest of: (i) the expiration of the term of the Agreement; (ii) full payment of the Incentive Payments; (iii) the termination of the Agreement; or (iv) the termination of the City's obligations to utilize the Fund as the source of the Incentive Payments, as reported by the Fund Administrator.

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting on _____.

HOLLY L. WOLCOTT, City Clerk

By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By  _____
MIGUEL DAGER
Deputy City Attorney

Date January 19, 2017

File No. _____