

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to the Metropolis Hotel Development Incentive Agreement (HDIA).

Recommendations for Council action:

1. AUTHORIZE the Mayor to execute the Metropolis HDIA, Attachment A of the Chief Legislative Analyst (CLA) report dated December 5, 2014 (attached to Council file [C.F.] No. 14-0029), between the City of Los Angeles and Greenland LA Metropolis Hotel Development, LLC concerning terms to provide, as a conditional obligation, financial support of \$13.5 million net present value.
2. APPROVE the Section 53083 report, Attachment B of the CLA report dated December 5, 2014 (attached to C.F. No. 14-0029), for the Metropolis HDIA; and, INSTRUCT the Economic Development and Workforce Development Department to provide annual reporting on this project as required under Section 53083 of the Government Code.
3. REQUEST the City Attorney to prepare and present an ordinance to establish a Special Fund for the purpose of receiving funds and making payments to meet the conditional obligation associated with the Metropolis HDIA, to be known as the Metropolis Hotel Project Trust Fund.
4. AUTHORIZE the City Administrative Officer to issue a Request for Proposals and negotiate and execute a contract for trustee services for projects, subject to Subvention Agreements.

Fiscal Impact Statement: The CLA reports that approval of this HDIA will have a positive impact on the City's General Fund. This agreement is expected to result in the development of a 350-room hotel and the subsequent generation of \$156.7 million in new City tax revenues over 25 years, of which approximately \$18.7 million (\$13.5 million net present value) will reimburse the Developer and the remaining \$138.0 million will accrue to the City's General Fund.

Community Impact Statement: None submitted.

SUMMARY

At a special meeting held on December 9, 2014, the Economic Development Committee considered a report from the CLA dated December 5, 2014 relative to a Hotel Development Incentive Agreement between the City of Los Angeles and Greenland LA Metropolis Hotel Development, LLC for the development of the Metropolis Hotel Project.

After providing an opportunity for public comment, the Committee approved the recommendations in the CLA report. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
KREKORIAN:	YES
HUIZAR:	ABSENT
CEDILLO:	YES
MARTINEZ:	YES
WESSON:	ABSENT
KORETZ:	YES

REW
12/10/14
FILE NO. 14-0029

-NOT OFFICIAL UNTIL COUNCIL ACTS-