

CITY OF LOS ANGELES

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March 24, 2016

Honorable Members of the Economic Development Committee
c/o Office of the City Clerk
200 N. Spring Street, Room 360
Los Angeles, CA 90012

Reference: C.F. 14-1383

SUPPLEMENTAL REPORT: PUBLIC-PRIVATE FINANCING OPTIONS FOR THE LOS ANGELES CONVENTION CENTER EXPANSION PROJECT

Honorable Members:

At its meeting on March 3, 2016, the City Council approved the CAO's "Supplemental Report: Public – Private Financing Options for the Los Angeles Convention Center Expansion Project."

The Board of the Los Angeles Department of Convention and Tourism Development very much appreciates the City Council's support for exploring simultaneously the conventional approach as well as the "Design Build Finance Operate and Maintain" (DBFOM) project delivery method proposed by the CAO. However, the Council motion also included the recommendation that, "The Business Case document's project description will prohibit residential uses."


Our Board continues to believe the Committee and Council should **not** strictly prohibit the exploration of all residential uses. As the Board with the oversight responsibility for the Los Angeles Department of Convention and Tourism Development and the Los Angeles Convention Center (LACC) site, we work very hard to fulfill our duties to the City and its residents. We believe that in order to assess objectively and analytically


what is the best course, all of the pros and cons of both project delivery methods should be explored. By taking the residential option off of the table (when it is not a binary consideration), we will necessarily be ignoring data that we will need to make a fully-informed determination. We believe that the Council, and other relevant bodies, will be similarly hamstrung in making a full assessment.


In addition to our Board feeling very strongly about this matter, I know Ernest Wooden of the Los Angeles Tourism and Convention Board reached out, as well as the Mayor's office, in support of not limiting the data we could assess. To be clear, none of us are advocating including residential uses on the property, as we do not have sufficient information to make that assessment one way or another. It might very well be that in the final analysis all residential uses are prohibited on the LACC campus, but we would appreciate not having artificial limits being placed upon our evaluation. Studying the inclusion of residential uses allows the City Council to conscientiously make that decision, rather than not even have all the facts on the table during the deliberations.

As we continue to work together on this very important economic development project for the City, we urge the Economic Development Committee and the City Council to be willing to consider a housing component as part of the DBFOM Business Case.


Sincerely,



Jon F. Vein,
President

Ray Bidenost,
Vice President

Jeremy Bernard,
Commissioner

Stella T. Maloyan,
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Commissioner

RRO:JV:cv
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cc: CTD Commissioners
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