

ORDINANCE NO. _____

An ordinance authorizing the sale at its fair market value of an approximately 18,811-square-foot parcel of City-owned real property (City Property) to Lightstone DTLA LLC, a Delaware limited liability company (Buyer), with related conditions assuring that City economic development purposes are carried out on the City Property.

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

Section 1. The City Council of the City of Los Angeles, pursuant to Los Angeles Administrative Code (LAAC) Section 7.27, hereby determines that the public interest or necessity requires the sale of the City Property without notice of sale or advertisement of bids on the basis that the use and redevelopment of the City Property for the construction of a hotel complex with three hotels and up to 1,162 hotel rooms (the "Project") on a site encompassing the City Property and the adjoining site: (i) will eliminate physical blight by developing an underutilized parcel; (ii) will alleviate the shortage of high-quality hotel rooms to serve visitors to the Los Angeles Convention Center (LACC) and the Los Angeles Sports and Entertainment District; (iii) will support the City hosting the 2028 Olympic and Paralympic Games; (iv) will encourage further private investment in and around the community; (iv) will promote the development of educational, cultural, entertainment, and recreational facilities that serve the needs of the residents and the community; (iv) will generate new tax revenues for the City and other local governments; and (v) will create new high paying jobs.

Sec. 2. The City Council of the City of Los Angeles, pursuant to Los Angeles Administrative Code Section 7.22, has declared the City Property as Surplus Property and finds that: (1) the appraised fair market value of the City Property at its highest and best use is \$9,646,000; (2) the Buyer's purchase price for the City Property is \$9,646,000; (3) the City and Buyer will enter into agreements requiring that the City Property be developed and maintained as not less than a 3-star hotel and that Buyer provide certain public benefits, including, without limitation, entering into a room block agreement which guarantees a certain number of rooms for conventions held at the LACC; (4) the fair reuse value of the City Property with such related conditions imposed has a value of \$9,646,000; and (5) the sale of the City Property will assist in the City's economic development goals.

Location and Legal Description of City Property

1260 South Figueroa Street and 621 West Pico Boulevard, Los Angeles California 90015, as more fully described in Exhibit A, which is attached hereto and incorporated herein by this reference.

EXCEPTING AND RESERVING unto the City of Los Angeles all oil, gas, water and mineral rights in the City Property now vested in the City of Los Angeles without,

however, the right to use the surface of the City Property or any portion thereof to a depth of 500 feet below the surface, for the extraction of such oil, gas, water and minerals.

SUBJECT TO all covenants, conditions, restrictions, reservations, easements, encroachments, rights and rights-of-way of record or which are apparent from a visual inspection of the City Property, and excepting and reserving to the City of Los Angeles any rights to the fee interest in the streets adjacent to said City Property.

AND ALSO SUBJECT TO an "As Is" condition set forth in the City sales agreement under which Buyer has expressly agreed to take the City Property in an "As Is" condition and without any warranty as to fitness for use (general or specific) or condition, and that City has no obligation to correct any condition on the City Property whether known or unknown before or after the date of the exchange.

Sec. 3. The Mayor of the City of Los Angeles or designee in the name of and on behalf of the City is hereby authorized and directed to execute a Grant Deed to the City Property described in Section 2 of this ordinance to Buyer (or its nominees or lawful successors in interest), and the City Clerk of the City is hereby authorized and directed to attest thereto and affix the City Seal.

Sec. 4. The Department of General Services, Real Estate Division, or designee in the name of and on behalf of the City is hereby authorized and directed to execute a purchase and sale agreement that provides for the sale of the City Property..

Sec. 5. The Department of General Services, Real Estate Division, or designee in the name of and on behalf of the City is hereby authorized to open escrow, execute and deliver deeds and ancillary documents, pay the City's share of costs and expenses related to the sale transaction and complete all necessary processes to effect this sale of the City Property to Buyer.

Sec. 6. The provisions of this ordinance shall become effective upon publication in accordance with Charter Section 252(j).

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

APN: 5138-025-910

ADDRESS: 621 W Pico Blvd. & 1256, 1258 & 1260 S. Figueroa St., Los Angeles, CA 90015

Those portions of Lot 11, 12 and 13 of Carson and Currier's Subdivision of Block 89 Ord's Survey, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 55, Page 3 of Miscellaneous Records, in the office of the County Recorder of said county, bounded and described as follows:

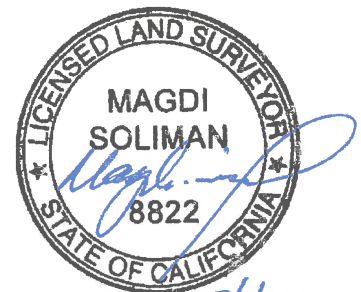
Beginning at the most southerly comer of said Lot 13; thence North $37^{\circ}46'20''$ East along the southeasterly line of said lots a distance of 123.23 feet to the southeasterly prolongation of the southerly face of the South wall of two-story building on the property adjoining on the North; thence North $52^{\circ}13'10''$ West along said southeasterly prolongation and along said southerly face and its northwesterly prolongation to the northwesterly line of said Lot 11; thence South $37^{\circ}45'10''$ West along the northwesterly line of said lots a distance of 148.30 feet to the most westerly comer of said Lot 13; thence southeasterly along the southwesterly line of said Lot 13 to the point of beginning

EXCEPTING therefrom that portion of said Lot 13 lying southwesterly of a line described as follows:

Commencing at the intersection of the centerline of Figueroa Street, formerly Pearl Street, with the centerline of Pico Boulevard, formerly Pico Street, as said intersection is shown on said map; thence southeasterly along last said centerline a distance of 218.42 feet; thence northeasterly at right angle from last said centerline a distance of 50.00 feet to the POINT OF BEGINNING for purposes of this description; thence northwesterly along a line parallel with said centerline of Pico Boulevard to a line extending northeasterly at right angle from last said centerline and passing through a point in said last said centerline distant 169.90 feet southeasterly, measured along last said centerline from its intersection with said centerline of Figueroa Street; thence northwesterly along a curve tangent to said parallel line, concave to the Northeast and having a radius of 557.00 feet to a point distant 15.00 feet southeasterly measured along said curve from the northwesterly line of said Lot 13; thence northerly in a direct line to a point in last said northwesterly line distant 15.00 feet northeasterly measured along last said northwesterly line from said curve

SUBJECT TO all ordinances, covenants, conditions, restrictions, exceptions, reservations, easements, rights and right of way of record.

APN: 5138-025-910
621 W Pico Blvd. & 1256, 1258 & 1260 S. Figueroa St.



Sec. 7. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with City 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.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By  _____
MIGUEL A. DAGER
Deputy City Attorney

Date 4/22/18

File No. 16-0073

M:\Econ Dev_Pub Finance\Economic Development\Miguel Dager\Surplus Property Ordinance -1260 S. Fig

I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

Ordinance Passed _____

Approved _____