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MOTION

The South Park district of the Central City Community Plan Area that surrounds LA LIVE, Staples Center Arena and the Microsoft Theatre has become one of the most active and economically important areas in the City of Los Angeles. The City has made great strides in making downtown a destination in terms of entertainment and livability and there is an ever increasing demand for housing options in the area. This area is also home to the Los Angeles Convention Center, a priority area for growing the tax base of the City. The LA Tourism and Convention Board reports that at least 5,000 hotel rooms are needed in the vicinity of the Convention Center to make it competitive with competing convention markets in the State.

Despite the enormous progress this area has undergone to date, there is still a large need for housing and hotel options to further realize its potential as a tourist, convention, and thriving urban residential neighborhood. A proposal was recently announced by Jia Yuan USA Co, Inc. to modernize the site of the existing Luxe City Center Hotel and surrounding surface parking lots to build a three tower mixed-use development which would include a total of up to 300 hotel rooms, 650 residential condominium units and approximately 80,000 square feet of retail, restaurant and other commercial uses.

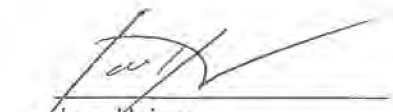
The Developer has indicated that the proposed project requires financial assistance to construct and has requested that the City help with economic incentives such as those that have been provided to other large projects that would significantly benefit the City. As with other projects that have received economic incentives, the Developer would provide funds to support any independent economic and fiscal analysis necessary to evaluate their proposal.

I THEREFORE MOVE that the City Council authorize and instruct the Chief Legislative Analyst to hire consultants necessary to evaluate the proposed Luxe Hotel project and make recommendations on economic development incentives that could help the project move forward, including, but not limited to, a potential site specific revenue agreement consistent with City policies; accept \$150,000 for consultant services from the developer to analyze the economics and financing associated with this instruction; request / authorize / instruct the City Controller to deposit / appropriate / expend all funds received as a result of this action in Fund 100, Department 28, Contractual Services Account 3040; and authorize the CLA to make any technical corrections, revisions, or clarifications to the above instructions in order to effectuate the intent of this action; and

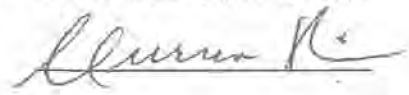
I FURTHER MOVE that the developer pay the full cost for any financial and economic analysis, consultants and any other reviews associated with the economic evaluation of this project; and

I FURTHER MOVE that the City Council instruct the CLA, with the assistance of the City Administrative Officer and City Attorney, to negotiate a Memorandum of Understanding with the Developer concerning to the development assistance for the Luxe Hotel Project and submit the same to City Council for approval.

PRESENTED BY:


Jose Huizar
Councilmember, 14th District

SECONDED BY:



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