

MOTION
ECONOMIC DEVELOPMENT

Los Angeles has made great strides to improve its tourism business over the past decade. Over the last four years, Exposition Park has reemerged as an important cultural and entertainment center in the City. The Lucas Museum and the Los Angeles Football Club Stadium are new attractions of international stature that compliment historically cherished monuments such as the Los Angeles Memorial Coliseum, the Natural History Museum, the California African American Museum, and the California Science Center. And the University of California is a leading educational and cultural institution serving the region and the world.

Despite the City's progress to date to expand its hotel stock, there is still a need for additional hotel rooms to serve the needs of all visitors to the City. The significant investment being made in Exposition Park and its surrounding communities will energize this dynamic community, attracting visitors from all over the world. However, this community requires additional hotel rooms to serve these growing tourist demands.


A proposal to build a new hotel at 3900 Figueroa Street provides the opportunity to meet this growing demand. This project will not only provide 298 new hotel rooms to serve the immediate community, but is ideally situated near a Metro Expo Line station which connects tourists to the greater Los Angeles region and such destinations as Hollywood, Universal Studios, Downtown, and local beaches. The Developer of this project has indicated, however, that financial assistance is needed to help construct the project. The City has provided assistance to similar projects in the past, helping to meet the needs of visitors to Los Angeles Convention Center and other tourist destinations in the region.

In order to prepare the City for the growing tourism sector and for the growth of cultural and entertainment venues at Exposition park, as well as the 2028 Olympic and Paralympic Games, it is essential that we support the development of new hotel rooms if it is determined that the project does require assistance. As with previous projects, it is essential that the City conduct the necessary due diligence to determine whether a financing gap exists in this project and recommend options for the City to ensure that a quality project is able to move forward and provide the City with necessary hotel rooms and the quality jobs they generate.


I THEREFORE MOVE that the City Council authorize and instruct the Chief Legislative Analyst (CLA) to hire consultants necessary to evaluate the proposed hotel project at 3900 Figueroa Street 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.

PRESENTED BY:


CURREN PRICE, JR.
Councilmember, 9th District

SECONDED BY:



APR 25 2018



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