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FEB 04 2014

ECONOMIC DEVELOPMENT

MOTION

Review of competing convention markets in California indicates that Los Angeles continues to have a limited supply of hotel rooms adjacent to the Los Angeles Convention Center. San Diego has over 8,000 hotel rooms within one-half mile of their convention center and San Francisco has over 12,000 hotel rooms within one-half mile of their convention center. Los Angeles has fewer than 2,000 hotel rooms within one-half mile of our convention center. In order to become a competitive west coast convention center city, attracting large conventions and out-of-town visitors that create considerable economic benefits for the City, the Los Angeles Tourism & Convention Board reports that a minimum of 5,000 additional hotel rooms are needed, which is the City Council's goal.

To be more competitive, the City needs more hotel rooms in the vicinity of the Convention Center. The opening of the Headquarters Hotel at LA Live was an important step in that direction, adding 1,000 hotel rooms to the inventory available for conventions. But there is a long way to go.

A proposal was recently announced to construct a 450-room hotel at 917 Olympic Blvd., adjacent to the L.A. Live campus. The Developer has indicated they require financial assistance to construct the hotel proposed and has requested the City assist with economic incentives, such as those which have been provided to other hotel projects. If fully realized, this project could deliver significant job creation opportunities and support for the City's hotel creation goals, in addition to economic development benefits to Downtown and the City at large.

I THEREFORE MOVE that the City Council authorize and instruct the Chief Legislative Analyst to hire consultants necessary to evaluate the project known as "917 Olympic Blvd." and make recommendations on economic development incentives that could help the project move forward, including but not limited to a potential site specific revenue / subvention agreement; accept up to \$200,000 for consultant services from the developer for these purposes, 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 third party reviews associated with the economic evaluation of this project.

PRESENTED BY: [Signature]
JOSE HUIZAR, Councilmember, 14th District

SECONDED BY: [Signature]

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FEB - 4 2014

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