

CITY OF LOS ANGELES

CALIFORNIA



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When making inquiries relative
to this matter, please refer to
the Council file No. 16-0073

April 24, 2018

Councilmember Monica Rodriguez, Chair
Information, Technology, and General Services Committee
Attn: John White

RE: COUNCIL FILE TRANSMITTAL

On April 24, 2018, the Economic Development Committee (EDC) considered a Municipal Facilities Committee (MFC) and Chief Legislative Analyst report relative to the sale of City-owned surplus properties located at 1256, 1258, 1260 South Figueroa Street and 621 West Pico Boulevard and related hotel development incentive agreements, Council file No. 16-0073. After consideration, the EDC moved to approve the MFC recommendations as amended (the amendments are bolded below).

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. DETERMINE that the properties located at 1256, 1258 and 1260 South Figueroa Street and 621 West Pico Boulevard, totaling approximately 14,480 square feet, as detailed in Attachment A of the MFC report dated April 16, 2018, attached to the Council file, are no longer required for City use and that the public interest is best served by the direct sale of the properties.
2. REQUIRE as a condition of any sale specified in the Ordinance, that the City properties be developed and maintained as not less than a 3-Star hotel and that the Buyer provide certain public benefits, including, without limitation, entering into a room block agreement which guarantees a certain amount of rooms for conventions held at the Los Angeles Convention Center.
3. REQUEST the City Attorney to prepare the purchase and sale agreement based on the terms specified in the Ordinance (Attachment B of the aforementioned MFC report) for the sale of the properties.
4. INSTRUCT the Department of General Services, and AUTHORIZE the Controller, to deposit \$9,646,000 of the proceeds from the sale of 621 West Pico Boulevard, 1256 and 1258 South Figueroa Street and 1260 South Figueroa Street (APN 5138-025-910) into the Special Gas Tax Improvement Fund No. 206.
5. REQUEST the Controller to subsequently appropriate \$9,646,000 to the Reimbursement of Related Costs, Account No. 50P299 for Fiscal Year 2017-18, within Fund No. 206.
6. AUTHORIZE the City Administrative Officer to make any necessary technical corrections to implement the intent of the Council and Mayor.
7. **INSTRUCT the Chief Legislative Analyst to:**
 - a. **Make the technical corrections as needed to accurately reflect the total square footage and legal description associated with the subject city parcel.**

- b. Clarify the process by which the proceeds from the sale of the city parcel will be allocated in a manner that is consistent with the terms identified in the hotel development incentives agreement.**

- c. Identify terms of a room block agreement that is both consistent with the city's economic development policies in regards to hotel development incentives and will preserve the economic feasibility of the proposed development.**

The second recommendation as listed on the MFC report dated April 16, 2018 to approve an Ordinance was not considered nor approved by the EDC, as the Ordinance was not properly aendized. This file is now transmitted to the Information, Technology, and General Services Committee for consideration.



Michael Espinosa
Legislative Assistant
Economic Development Committee
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<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
BUSCAINO:	YES
HUIZAR:	YES

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