

MOTION

I MOVE that the matter of COMMUNICATION FROM THE DEPARTMENT OF CONVENTION AND TOURISM DEVELOPMENT and JOINT COMMUNICATIONS FROM THE CITY ADMINISTRATIVE OFFICER AND CHIEF LEGISLATIVE ANALYST relative to resources needed to implement the Early Works Agreement (EWA) for the Los Angeles Convention Center (LACC) Expansion and Modernization Project; the status of the LACC Expansion and Modernization Project; and options for beginning construction on the LACC Expansion and Modernization Project; and related matters, Item No. 13 on today's Council Agenda (CF 15-1207-S1), BE AMENDED to add the following instructions:

Direct the City Administrative Officer, in consultation with the Chief Legislative Analyst, Chief Tourism Officer, and the Executive Director of Bureau Of Engineering to report back to the City Council within 15 days, identifying:

- (1) A proposed overall project executive and the critical path team of consultants who will provide the following work, and;
- (2) The estimated cost and timeline to complete the following work within existing contract parameters:
 - A. Value engineer the project to bring the total project cost (bonded amount) down to be near-cost-neutral against total projected revenues. That is, bring the net general fund obligation as close to zero as possible. Value engineering should include re-consideration of technical requirements, scope, and materials and any other project aspects that could be modified to bring down total project costs.
 - B. Analyze projected revenue ranges for current and future Convention Center operations. Analyze other possible revenue sources to offset project costs or debt service, including but not limited to an expanded sign program, and naming rights of the convention center. Provide itemized detail for the above.
 - C. Analyze projected revenues from the following signage options: (1) the full sign program that includes the freeway-facing digital sign that requires state legislation; (2) the sign program that does not include the freeway-facing digital sign that requires state legislation; and (3) an expanded sign option beyond option 1. Provide itemized detail for the above.
 - D. Analyze projected annual operating expenses for the completed project. Provide itemized detail for the above.

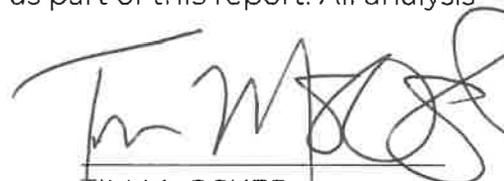


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- E. Identify additional real estate financing mechanisms, timing, and potential deal terms to further reduce the City's overall liability and obligation and increase revenues to the City's general fund from the Convention Center project. Possibilities include a transfer of air rights or other property rights to bring down total City liability and/or project costs or to increase City revenues..
- F. Timeline and actions required to secure final approval of the necessary amendment(s) to the State and Local Agreement or legislative relief to allow the sign district that includes any freeway facing signs that are assumed in the above.
- G. Analyze the impact of tariffs and a weakened economic environment on the cost of this project, specifically considering labor and materials, and provide detailed estimates of potential impacts.

Report back to the City Council no later than May 15, 2025 with a report providing the information requested in bullets A - G above. To the extent there is a disagreement on potential cost savings between the City departments and/or consultants identified above, please provide itemized detail as part of this report. All analysis above should assume conservative numbers.

PRESENTED BY: 
 KATY YAROSLAVSKY
 Councilwoman, 5th District


 TIM McOSKER
 Councilmember, 15th District

SECONDED BY: 





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