

MOTION

The film industry is quintessential to Los Angeles culture, attracting a significant number of out-of-town visitors. Universal Studios, though not within the City limits, helps drive tourism and associated economic activity to businesses within Los Angeles proper, thereby increasing sales and transient occupancy tax revenues for the City.

The Hilton Universal City Hotel (Hotel) is in the City of Los Angeles and has some of the highest occupancy levels in the City, given its amenities and proximity to Universal Studios. With nearly 500 rooms, the Hotel is often at full capacity. Hillcrest Real Estate (Developer), the owner and developer of the Hotel, has expressed an interest in expanding the property to add room and amenities that could more fully serve the hotel demand in the area. This proposed project consists of the addition of a new tower that would add 395 new guest rooms, a rooftop pool, additional meeting and conference space, and below grade parking. The Developer estimates that the new tower will create at least 1,000 construction jobs and 400 new permanent jobs at the Hotel.

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 hotel projects in Los Angeles. As with previous projects, the Developer would provide funds to support any independent economic and fiscal analysis necessary to evaluate their proposal.

I THEREFORE MOVE that the the City Council authorize and instruct the Chief Legislative Analyst to hire consultants necessary to evaluate the proposed Hilton Universal City Hotel Expansion 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.

PRESENTED BY: 
NITHYA RAMAN
Councilmember, 4th District

SECONDED BY: 

ORIGINAL

JUL 02 2024

PK