ECONOMIC DEVELOPMENT & JOBS

MOTION

Oceanwide Plaza is a high-profile mixed-use development located in Downtown Los Angeles adjacent to the Crypto.com Arena, Los Angeles Convention Center, and L.A. Live entertainment district. The project consists of three high-rise towers totaling approximately 1.4 million square feet and was originally designed to include a combination of residential, hotel, retail, and commercial uses, including approximately 504 residential condominium units, a luxury hotel, and approximately 150,000 square feet of retail space intended to complement the existing sports, convention, and tourism uses in the South Park district.

Construction of Ocean wide Plaza began in 2015 but was suspended in 2019 when the developer encountered financial difficulties. Since that time, the unfinished structures have remained vacant and have become widely known as the "Graffiti Towers." The project represents one of the most prominent stalled development sites in the City's urban core and occupies a strategic location directly across from Crypto.com Arena and the Los Angeles Convention Center expansion area, both of which are major drivers of tourism, employment, and economic activity in Downtown Los Angeles.

According to recent industry reporting, a development team has submitted a bid to acquire the property with the intent to restart construction and complete the project. Completion of the project would support the continued revitalization of the South Park neighborhood, enhance the City's convention and tourism infrastructure, generate construction employment, increase Transient Occupancy Tax revenues, and contribute to broader economic recovery efforts in Downtown Los Angeles.

The proposed hotel component is anticipated to complement the existing convention center and entertainment district uses by providing additional hotel rooms within walking distance of major event venues, thereby improving the City's competitiveness in attracting conventions, trade shows, major sporting events, and tourism activity. The project has the potential to activate currently underutilized structures, remove a long-standing visual blight, improve public safety conditions in the surrounding area, and catalyze additional private investment in the Downtown Los Angeles core.

The developer has expressed interest in exploring a Hotel Development Incentive Agreement (HDIA) or similar economic development incentives previously utilized by the City to support hotel development projects that generate net positive fiscal impacts through Transient Occupancy Tax revenues and other economic benefits. The developer would provide funds to support the economic and financial analysis necessary to evaluate the proposal.

I THEREFORE MOVE that the City Council authorize and instruct the Chief Legislative Analyst (CLA) to hire consultant(s) necessary to evaluate the proposed Oceanwide Plaza project and make recommendations on potential economic development incentives that could facilitate completion of the hotel component of the project, including but not limited to, a potential hotel development incentive agreement consistent with City policies; accept a payment of $150,000 for consultant from the developer to analyze the economic 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 2040; 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 provide funding, in an amount to be determined by the CLA, to reimburse the City for the full cost of any financial, economic, or consulting services required to evaluate the proposed project.

PRESENTED BY ____________________
YSABEL JURADO
Councilmember, 14th District

SECONDED BY ____________________

BB
AUG 1 1 2026

ORIGINAL