

MOTION

The 670 Mesquit Project, designed by renowned architecture firm, Bjarke Ingels Group Architects and developed by the Vella Group ("Developer"), consists of five high-rise and mid-rise interconnected structures with tiered rooflines totaling up to 1.8 million square, including 800,000 square feet of office space, 420 residential units (including 21 units for Extremely Low-Income Households and 47 units for Very Low-Income Households) and a 236-room hotel. Half of the development is designated for flexible creative space. Potential uses include a food hall, a grocery store, shops, restaurants, a gym and a potential museum.

A key feature of 670 Mesquit is a publicly-accessible and walkable outdoor deck extending over the rail lines currently separating the site from the river. This open space element would provide a pedestrian connection to the river's edge and the 6th Street "Ribbon of Light" Bridge, the future 6th Street PARC (Park, Arts and River Connectivity), a potential future Arts District Metro Transit Station and the 7th Street Bridge. Activation of the outdoor deck with activities such as farmer's markets, art fairs, and movie nights is envisioned.

The Developer has indicated that the proposed hotel development requires financial assistance in order to be completed and has requested development incentives consistent with those extended to other large hotel projects. The Developer would provide funds to support the independent economic and fiscal 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 670 Mesquit 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 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 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:

KEVIN DE LEÓN

Councilmember, 14th District

SECONDED BY:

BB

AUG 16 2023

ORIGINAL