

LEIMERT HOUSE

Development Proposal

Conscientious Development Partners

Marisha Morris
Adrian Alvarez
Rachel Francis
Kyle McKinney
Roger Sanchez

EXECUTIVE SUMMARY

Vision Statement

The Leimert House is a cultural campus that celebrates, empowers, and activates the community of Leimert Park and the greater Crenshaw District. Located at one block north of Leimert Park, Leimert House is a 1.8-acre, multi-use development poised to become the new neighborhood destination for cultural events, lifestyle, and community.

About the Team

Conscientious Development Partners (CDP) is mission driven organization that is focused on doing good for the people in our communities, designing real estate uses with purpose, and achieving exceptional profits for our investors.

The Site

The 78,617 square-foot parcel is located at 4318 Degnan Blvd, Los Angeles, CA 90018, and is currently owned by the City of Los Angeles. Abutting the property, directly to the south, stands Vision Theatre and just a block away is Leimert Park.

The site's current use is a surface parking lot of 93 spaces, operated by LADOT, with a daily maximum rate of \$2.50, according to parkme.com. If the use changes, it is assumed that the new construction would have to replace the existing 93 parking spaces, because that supports the Vision Theatre which does not have its own on-site parking.

The site is currently zoned as C1.5-1-SP.

The Challenge

Although the new transit lines are bringing new economic investment to the area, the unintentional consequence of these new stops means that the gentrification train is also coming to town. As early as 2013, when the new stops were announced by Metro, a number of predominately black-owned businesses were notified that their leases would not be renewed. Now residents are actively working to ensure the neighborhood remains the hub of the Black community in the coming years.

This grassroots community activism poses a challenge for any new development in the area, which could face fierce opposition. The community has already voiced that they would like to keep the shops and restaurants black-owned and limit the amount of housing which they believe could change the demographic makeup of the neighborhood and raise rents to unaffordable levels.

Proposed Solution

Therefore, Conscientious Development Partners proposes partnering with local firms, RAW International and Leimert Park Village Inc., to create a cultural campus that meets the community's needs. Key elements include:

- **A New Culture Center** – A community statement that celebrates Black culture featuring a large space with rotational programming for gallery, museum, events, and conferences;
- **Ample Outdoor Community Space** – A human scaled, community event driven, landscaped living room that extends Leimert park down Degnan Blvd;
- **A Curated Mix of Local Retailers** – Offering space for local merchants and mission-driven businesses to prove their concepts and grow in their community;
- **A Parkside Boutique Hotel Experience** – An attractive opportunity for both visitors and residents to stay in Leimert Park and experience the tastes of the neighborhood.

Financial Summary

As conscientious developers, our primary financial object is to solve for the highest and best use that takes into account the community's goals while maximizing the financial benefit to the City of Los Angeles. We are pursuing a multi-use development consisting of retail, hotel, and a cultural event center.

CDP is proposing to contribute \$2.75 million the general partner and will seek to raise \$19.29 million from limited partners. Together the development partners will then secure a construction loan of \$35.82 million. Given that the City of Los Angeles currently owns the land, CDP will offer to either purchase at fair market value or ground lease the land for 99 years. In addition, the city would receive the annual fiscal benefit of roughly \$949,000 from the Transient Occupancy Tax each year after the project delivers.

The following pages provide a description of the project that we believe will yield the highest and best use after analyzing multiple proformas, how and why we planned to develop our project with its unique character attributes, the finance and marketing strategy in regards to the structure and return, and lastly our design plan which will highlight site layout and recommended architecture.

Project Description

The expert development team at Conscientious Development Partners have been invited by local firms, RAW International and the Leimert Park Village Inc., the non-profit entity that manages the Leimert Park Business Improvement District, to determine the best development strategy for the presented property.

The property located at 4318 Degnan Blvd Los Angeles, CA 90008, is currently owned by the City of Los Angeles and is zoned C1.5-1-SP. Consisting of 2 parking lots adjacent to the Vision Theater, the combined parcels have a total area of 78,617 square feet.

Leimert Park is a Historic Cultural Monument which dates back to the 1920's. By the 1960's the area began to transform into the center for historic and contemporary African American art, music, and culture in Los Angeles. The neighborhood, although only 1.2 square-miles, is part of the greater Crenshaw District, which is known as the "heart of African-American commerce," according to LA Times writer, Karen Robinson-Jacobs. Leimert Park is home to musicians, artists, antiquities collectors, and grassroots activists, this neighborhood is entering a renaissance. Since 2011, Los Angeles City Council has invested more than \$30 million to renovate the historic Vision Theater. The goal of these renovations is to restore the theatre to its previous glory and enable it to support Broadway plays and other large-scale events. This is a major economic stimulus for the neighborhood.

Mindful of the concerns around maintaining the culture and Black-owned business, CDP is purposing to develop Leimert House, a mixed-use cultural center that supports the community's vision while adding financial benefit to the City of Los Angeles.

Leimert House will be a cultural campus that will celebrate black history and culture, empower the community through events, and activate the community with retail and restaurants. We plan to not only provide a space for the surrounding community to claim as their own but a space where whoever may encounter it will be able to understand more of the black experience. The Leimert's house will consist of a boutique hotel, restaurant, and cultural center which will be home to a gallery for a variety of African American art.

All of these uses will serve to empower the surrounding community while also attracting new revenue into the local area being housed in a Transit Oriented Community, this mixed-use commercial real estate development will add to the legacy of Leimert Park which is a staple to African Americans of Los Angeles. This project will give the community and those who come to visit a place where they can celebrate culture. We hope to fill a void and create a legacy of contributing and providing the tools necessary for the success of generations to come.

Cultural Center

The artwork of local and well-known creatives will be embedded into the circumference of the 10,000 square feet infrastructure which will consist of, but is not limited to, a walk-through gallery. The ideal partnership for the cultural center would be the Museum of African American

Art, which is currently located in the space on the third-floor inside in the Macy's at the Baldwin Hills Mall. As a non-profit 501-C organization, they would be able to apply for construction loan funding with more favorable terms, such as the National Endowment for the Humanities, and grants that could fund the programming and activations inside the cultural center. Finding a strategic partner to run the cultural center programming is a key component for Leimert House.



Every month the art displays will highlight the following mediums from photography, paintings, textile designs, abstract art, poetry, acrylic paintings, and metallic configurations that will help really remind people of the cultural hearth Leimert park truly is. Once our development is done, CDP will be reaching out to the management of the well-known Pan-African Film Festival in regard to possibly becoming the new permanent home for the festival, which will stimulate the Leimert Park community and provide economic support for the hotel and restaurant.

Library/Study

The library will serve as a way to uplift, protect and preserve the community. The Leimert Park Library will be house to research, collections, programs and books teaching real life skills like regional occupational programs: financial literacy, culinary arts, photography, graphic communications, and business law. It is our hope that this space will foster a greater understanding of the Black experience through its collections, exhibitions, programs, and scholarship, and provide a space for young people in the community to learn.

The Boutique Hotel

The Leimert House Boutique Hotel is 150 rooms spread out over six floors. A portion of those rooms will have an amazing view overlooking the Vision Theatre, Leimert Park, and Downtown Los Angeles. Aside from the hotel rooms, The Leimert House hotel will provide an educational experience to visitors through art, décor, and history of African Americans.

Our proforma has estimated the hotel to achieve an effective gross income of roughly \$9.5 million per year based on conservative average daily rates of \$200 per night, with 5% of revenue coming from food and beverage service, and 5% from other offerings such as movie rentals, mini bar, and the lobby bar.

The hotel will have a fiscal benefit to the City of Los Angeles of roughly \$900,000 per year.

Restaurant

The 5,000 square foot restaurant will serve both hotel guests and the surrounding community. Café by day and bar by night, this restaurant will be a cultural hub for creatives, activists, writers, thinkers and dreamers. In partnership with the hotel and cultural center, the outdoor living room will be activated with jazz music in the summer and the outdoor restaurant tables will be the hottest seats in the house. The model of this restaurant will resemble that of the Busboys & Poets restaurant which is a staple to the African American community in Washington D.C.

Parking

Our parking will exist in a single-level underground parking structure with 186 spots. This number is appropriate due to our research which requires a cultural center to include one space for every three persons based on the occupant load of all indoor and outdoor areas. Our cultural center will be 10,000 square feet which will allow us to have a maximum occupancy load 333 people. Based on LA city fire code this means CDP will have to allocate 111 parking spots for the cultural center.

A hotel is required to have one space per every two guest rooms. The Leimert House will have 150 rooms which will result in the hotel needing about 75 dedicated parking spaces. With 111 parking spots, we will have more than enough parking to support both the Leimert House while also replacing the previous 93 city parking spots which will support the Vision Theatre that were previously there. In order for each car to be able to maneuver within this underground garage, 350 square feet is needed per car. Given that the total square footage of parking needed to support these uses is 65,100, we have more than enough land to build the amount of parking space needed in one level of underground parking.

In addition to parking for cars, we will have 40 bike parking spots available at ground-level for public use. This allows us to decrease our car parking needed by 20 spots.

Green Initiatives

The City of Los Angeles has enacted “Los Angeles Green Building Codes” (LAGBC) requirements, as of 2013, which include cool roofs, solar panels, water collection and baselines/benchmarks for new buildings. Its purpose is to reduce the carbon footprint and emissions.

Cool roofs reflect sunlight and absorb less heat into a building compared to roofs not treated with this product. The color to best reflects and compliment the building will be chosen, however this is usually white. This is a way to reduce energy need, usage, and cost/expenses.

Electric Charging Stations allow for credits via utility companies and partnerships with solar companies. Up to a \$4,000 tax-credit for each hardwired EV charger purchased and installed may be available. Charging stations which have more than one connector are eligible to receive an additional incentive of up to \$750 per port. Commercial customers must have at least three

parking spaces available to employees, tenants and the public to qualify for one charger rebate. One additional Level 2 rebate is available for each additional 10 parking spaces at the same location, business or property.

In December 2016, the City Council adopted [Ordinance No. 184674](#), establishing the Existing Buildings Energy & Water Efficiency (EBEWE) Program to reduce energy and water consumption in buildings within the City of Los Angeles. These efficiency improvements will lower energy use, water use, and greenhouse gas emissions citywide.

We will also ensure compliance with City of Los Angeles waste during construction regulations, per Los Angeles Sanitation (LASAN) standards of designated sites for waste types.

Parking Regulation

Per the Los Angeles County Code of Ordinances and Title-22 Planning and Zoning, the following details the parking requirement for each use:

- Cultural Center - 1 space per 3 persons based on the occupant load of all indoor and outdoor areas. A minimum of 10 spaces is required for each use.
- Hotel - 1 space per 2 guest rooms and 1 space per suite of guestrooms.
- Restaurant – 4 spaces per 1,000 square feet of retail

Development Strategy

After reviewing the known state of the community and the new development beginning in Leimert Village, the Conscientious Development Partners believe what they have chosen to develop at 4318 Degnan Blvd will provide a spark for the community's continued growth. With the new Metro Crenshaw/ LAX line rail extension running into Leimert Park due to be completed in 2020 and redevelopment of the neighborhood movie palace, The Vision Theatre, set to be completed in 2021, CDP has hope that investors will see the value in Leimert Park.

Taking all parties into consideration, the community, the city, and our team, we believe our idea has the ability to maximize the lot's potential.

Imagine the value of a newly designed boutique hotel with a restaurant, cultural programming and event space, and a new public gathering space activated with community.

The people of Leimert voiced that they would like to keep the shops and restaurants black-owned and limit the amount of market-rate housing which could change the culture of the neighborhood, so we used a concept driven strategy to deliver for them. This strategy would provide the community with a cultural hub, the city with additional TOT revenue, and the developers with enough profit to continue to do projects in the neighborhood that benefit all parties.

Land Acquisition

For the land acquisition, we have provided two scenarios in our pro forma documents. The first pro forma shows that we could purchase the land from the city at fair market value of roughly \$9 million, not including acquisition fees.

The second pro forma makes the assumption that the city might consider ground leasing the land to CDP at 6% of fair market value for 99 years.

According to ZIMAS there may be liquefaction hazards. In order to mitigate this problem, we have planned to earthquake insurance and we have also consulted with a structural engineer on plans to withstand earthquakes of higher magnitude, and time.

Site Plan



A: Hotel Lobby **B:** Hotel Rooms **C:** Cultural Center **D:** Restaurant **E:** Library **F:** Parking

The design of Leimert House includes four buildings over the 1.8 acres of land. Immediately off of Degnan Blvd., our design provides a large open space meant to act as a community living room and will be programmed with seating areas, life-size games (ex. Third Street Promenade in Santa Monica, CA), and beautifully landscaped pathways. The idea is that when community events and gatherings take place, which occur at least monthly, this space will be able to support those community events and extend Leimert Park down Degnan Blvd, while also activating the cultural center and restaurant.

The cultural center sits on 10,000 square feet of land in the form of a traditional square building. The interior will be a continuous hallway that surrounds an interior courtyard, with NanaWalls that will allow an indoor/outdoor feeling and flow of occupants. Visitors will be able to appreciate the changing exhibits inside and a sculpture garden in the courtyard, which will also be able to house events and weddings.

The restaurant was intentionally separated from the rest of the development to allow more convenient access to the public without impacting the hotel lobby and flow of traffic. In addition, this design also allows the restaurant to have an outdoor patio which will spill out onto the community living room.

The library is also planned to be built as a separate building for convenient public access.

Zoning

The building is currently zoned as C1.5-1-SP, which means the site is zoned for commercial use. Under this classification, the maximum FAR allowable by-right is 1.5:1 with a maximum height limit of 45 feet, without TOC density bonuses.

Given the zoning conditions, in order to support the hotel development, we would need to request a variance to achieve the height of 72 feet for the hotel component. However, we feel confident that this discretionary action would be fairly simple to achieve given that the project is primarily community focused.

Relevant Limitations Related to our Project

- Hotels (including motels), apartment hotels or hostels when no portion of a structure proposed to be used as a hotel (including a motel), apartment hotel or hostel is located within 500 feet from any A or R zone. (Amended by Ord. No. 185,931, Eff. 7/1/19.)
- All merchandise shall be sold at retail only
- All activities, including storage, shall be conducted wholly within an enclosed building;
- All products produced, whether primary or incidental, shall be sold on the premises, and not more than five persons may be engaged in such production or in servicing of materials at the same time

Limitation to erecting a building

1. **Front.** 5-foot minimum setback. If no Pedestrian Amenities are provided along the Building Frontage, a five-foot setback, up to 15 feet of height, or the height of the first floor, whichever is greater, along any lot line that abuts a public street.
2. **Side.** 5-foot minimum setback. add 1 foot of side setback for each story over 2, not to exceed 16 ft.; side setbacks only required for corner lots, adjacent to A or R zone, or for residential uses (except for portions of residential in mixed use project as long as commercial uses or access to residential on ground floor and abuts a street, private street, or alley).
3. **Back.** 5-foot minimum setback. Through lot, front setback applied to rear.
4. **Loading Space.** As required by Section [12.21](#)

Entitlement

We believe that under the existing zoning, all of our uses are allowed by-right. However, the hotel height would require a variance which would open the project up to discretionary action and public opposition. Given that the nature of the development is to support the community, we

don't believe this would pose too much of an issue. However, we have budgeted \$400,000 for entitlement and community outreach.

Additionally, if we explored incorporating the Vision Theatre land into our ground lease in exchange for maintaining the grounds and building, we may be able to utilize the unused FAR from the city owned property, which would allow us to increase the size of The Leimert House Hotel room size and eliminate the need for additional retail.

Financing

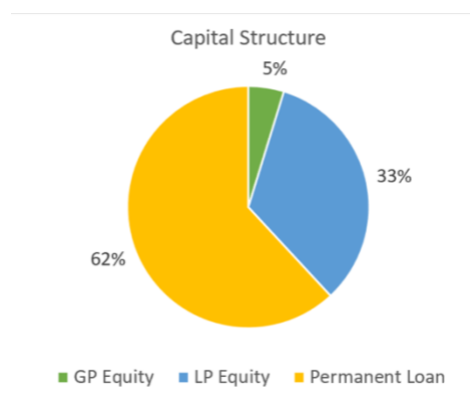
In addition to the benefits of public access to these spaces, there is also the benefit of separate financing models. With each building being its own entity, we can apply for separate financing and even phase out the development, rather than undertaking it all at once.

The cultural center will have the biggest positive effect. CDP's goal would be to find an existing 501-C(a) non-profit organization, like the Museum of African American Art, to ground lease the land to and work with them in partnership to apply for grants and more favorable construction loan financing.

Conscientious Development Partners due diligence determined The Leimert House has promising economic metrics that create economic viability all while sustaining its cultural alignment. Through rigorous financial analysis, two variables emerged that support the project's financial feasibility - its capital structure and profit center diversification.

Capital Structure

Under the scenario whereby CDP purchased the land, our team would contribute \$2.77 million and will seek to raise \$19.36 million from limited partners. Together the development partners will then secure a construction loan of \$35.95 million. Given that the City of Los Angeles currently owns the land, CDP will offer to either purchase at fair market value or ground lease the land for 99 years. In addition, the city would receive the annual fiscal benefit of roughly \$949,000 from the Transient Occupancy Tax each year after the project delivers.



The capital structure CDP plans to pursue is a 65% loan-to-value Acquisition and Development loan on an investment value of \$35.95 million. The remaining equity required will be raised from investors. The Acquisition Development loan timing is two-years and will be taken out by a permanent loan with a valuation based on Year 3 NOI at \$4.09 million.

Acquisition and Development Financing

CDP will secure an Acquisition and Development Loan to purchase the existing parking lot, make the parcel construction-ready, and develop the project. Specifically, the uses of the loan proceeds will cover the Total Development Costs inclusive of Site, Land, Soft, and Hard costs respectively. The loan terms are:

- Interest Rate: 4%
- Term: 10 Years
- Amort. Period: 30 years

The proceeds from this loan will be drawn in Years 0, Year 1, and Year 2, respectively. In Year 1, the draw will be applied to the Land Acquisition. In Year 1, the draw will be applied to the Soft Costs and in Year 2, the draw will apply to the Hard Costs. At the beginning of Year 3, CDP will refinance the Construction Loan with a Permanent Loan. In order to secure the construction loan, the lender will require a substantial down payment of 30 which CDP will raise and fund with investors' capital.

Permanent Loan Financing

CDP will place a permanent loan on the property in the refinancing event at the start of Year 3. This permanent will be based on the present value of the deal (Year 3 NOI divided by the current cap rate). The terms of the permanent loan are:

- LTV: 65%
- Interest Rate: 4%
- Term: 10 years
- Amort. Period: 30 Years

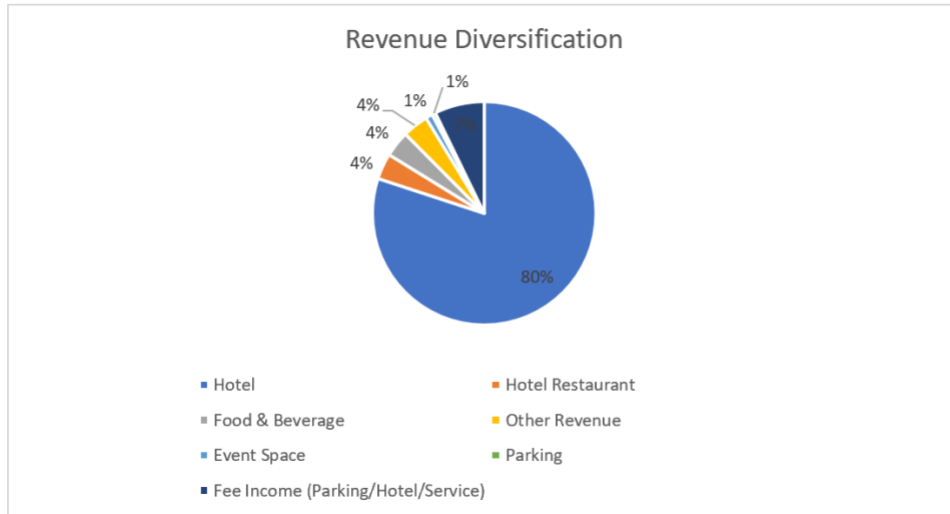
This permanent loan will have payments of \$2.1 million annually and will provide an unleveraged return of 8% and leveraged return of 17%.

Equity

The Acquisition Development Loan/ Permanent loan requires a 35% equity down payment to close the loan. To satisfy this requirement CDP will raise 33% of the equity from private, Limited Partner (LP) investors. CDP will contribute from its own operation the remaining five-percent equity required.

Profit Center Diversification

The Leimert House is a mixed-used project that presents revenue diversification from three prominent profit centers - the hotel, cultural center, and retail spaces. These are supported by ancillary revenue generators in fee income (hotel fees) and parking income.



Returns

City of Los Angeles:

Through its Annual Fiscal Benefit analysis, CDP projects the City of Los Angeles to earn \$112,500 annually from property taxes. Additionally, Los Angeles will earn \$949,053 annually from Transient Occupancy Oriented Taxes on the retail and hotel entities.

Limited Partner Returns:

The Limited Partner investors will receive an annual 8% Preferred Return (i.e. Discount Rate) on their principal investment. The eight percent preferred return will be distributed at a quarterly frequency at two percent per quarter starting in Year 3.

General Partner Returns:

The General Partner/Sponsor, CDP, will not receive their distribution until the LP investors receive their eight percent preferred return. Once the entire LP investor's preferred return requirement is satisfied, the surplus will be distributed pari passu with the LPs receiving 60% and the GP receiving 40% of surplus proceeds.

Developer Fee:

CDP will receive a developer fee equating to 5% of the totality of Hard Costs and Site Costs.

Risks

CDP has identified three financial feasibility risks:

1. Finding financial partners (investors and lenders) to support the deal;
2. The market not rebounding by 2024 from the COVID-19 pandemic;
3. Community buy-in for the hotel use.

Ways to Offset Costs / Creative Financing

The ability to use key money, or franchisor agreements, or a Black Franchisor from NABHOOD, or an independent boutique owner, and receive a great return in year 11. Due to stigma and an increase in risk for projects located in South Los Angeles, we realize cap and loan rates are higher, which is why we've decided on the following to mitigate those risks.

1. The Leimert House can turn a profit of/valued at \$35.66 million.
2. TIF loans are a feasible and realistic option
3. We can leverage usage of our parking garage with Metro
4. We continued the usage and didn't inhibit what has always occurred in/along Degnan Blvd, which includes the enjoyment of retail space, drum circle, poetry, art, music, and a safe place to simply be.
5. The local museum (Museum of African American Art)/art gallery has a home, and the cultural center will be used to showcase Black America – art, artifacts, textiles, and love, as it always has.

Additional Loan Sources / Funding Sources

1. National Endowment for Humanities
2. Mayor of Los Angeles Cultural Art Center Grants
3. CBDG Real Estate Block Grants
4. Real Estate Investment Trust (REIT)
5. Private Investment
6. Crowdfunding
7. Company Stocks
8. Syndication / Sponsorship

Additional Alternatives (If Needed)

Mezzanine financing by which the operator lends the owner part of the funds required to undertake the development. Such financial incentives will assist the owner in funding the hotel's development.

If funding (or the cost of fundraising) is not a key consideration, then an arrangement by which the base and incentive fees are adjusted to more closely align the parties will have the same financial impact over the term of the relationship.

The main benefit of such key financial provisions and the alternatives discussed above (as opposed to a simple adjustment in base/incentive fees) is that they soften the financial burden by allowing funds to the hotel owner during the period that the hotel is being developed (and will not be cash generative).

Feasibility

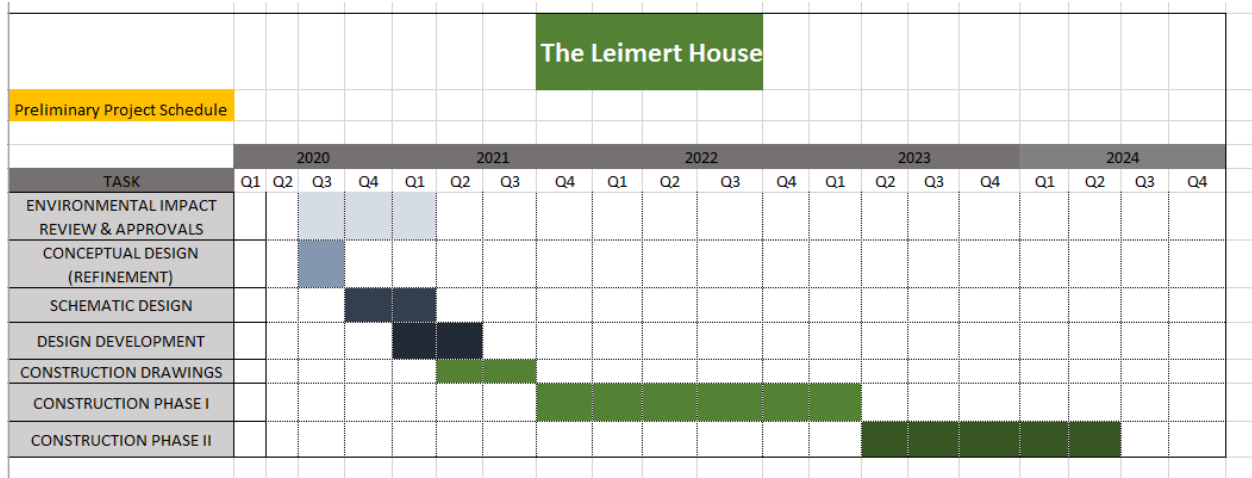
We may also have the ability to use TIF (and EIFD) loans due to the land being owned by the city and our plans that include usage that provides revenue to the city via hotel room tax, sales tax, and community and public benefit.

Ability to Sell

Due to market geographic, with the closest accommodations are motels or inns, hotels span a 4-8 miles away but are located near LAX, Downtown Los Angeles, or neighboring Culver City; an additional location being adjacent to USC.

Our hotel bears the ability to leverage Key Money from franchisors as well as independent hotel groups, based on the above facts, and the cultural and unique environment that makes Leimert Park special to The City of Los Angeles, but also as a symbol of Black America.

Construction



Our construction timeline assumes that the city would be motivated to move forward with the land acquisition fairly quickly, which would allow us to begin the working on the EIR and entitlements as early as the 3rd quarter of 2020. Once schematic design, design development, and construction drawings are completed by Q4 2021, the construction phase is estimated to take roughly 33 months.

Construction/Project Management

- Risk Evaluation and Mitigation: Consistently evaluating risks to prevent costs overruns, delays, and change orders;
- KPI Tracking: Setting and adhering to performance-based milestones
- Site Safety and Cleanliness: Protocol evaluation to keep the project injury-free and distraction-free;
- Cloud-Based Software: Leverage technology to promote and sustain a collaborative work environment for all key stakeholders and field team throughout the entire project lifecycle;
- Material Tracking: Minimizing material waste and tracking its use and delivery.

Leasing

This timeline would put the delivery well into 2024, which allows time for the current economic disaster to recovery. Based on our conversations with, Amy Horwath, a Hotel Analyst from Ernst & Young, the hotel industry is currently expected to recover by 2023.

In anticipation of this, CDP will work to find a qualified hotel operator to ensure a smooth transition. Ideally, this operator would be engaged by Q4 2021 so that we can work together to program the hotel amenities and interior design.

Regarding the restaurant, the ideal tenant would be an all-day operator that can serve breakfast, lunch, and dinner. The space is also large enough to support a full-size bar. Although this area might not be attractive enough to support a luxury restaurant at first glance, we believe that with all of the new market-rate housing that is planned along Crenshaw, the 150-key hotel, which will ideally utilize this restaurant for room service, and the cultural center, which will need catering for events, this will be an attractive setting for an established, high-end restaurateur, such as Harold and Belles.

MARKETING STRATEGY

Conscientious Development Partners has approached the “Leimert House” development as a collaborative effort between local business owners of The Village, community stakeholders, and political leaders that have supported the community with engagement and funding, with a single unified voice to represent groups so that the overall message can be heard, and *collaboration and compromise can be identified*.

Keeping to the vision of activating Leimert Park, *the residents’ investment, is also our investment*. We have a shared and vested interest in making retail streets, more inviting, walkable, creating landscaping along sidewalks, improving light fixtures, and types of lighting and using funds that The City of Los Angeles, neighborhood councils, and historical district has access to, that we would lobby for, for the benefit of the entire community.

We want to *remove all barriers that prohibit locals* from walking from their homes to Leimert Park Village. Urban Land Institutes describes this as “leveraging interest in community ownership well: The active and informed involvement of a diverse group of constituents is a strong foundation with which to protect and invest in the cultural integrity of Leimert Park Village as it works toward a new level of prosperity. There are many buildings that are empty or used for storage, that could be repositioned for activities, merchandise, or services that will benefit the community, the business owner, and ultimately, draw more interest and revenue to Leimert Park. After speaking with commercial property owners and discussing the overall vision of Leimert Park and sharing with them how these improvements will benefit them with an increase in market demand, they understood how this development could have a great impact on them. It is even possible that they would receive more rental income than they have in recent years.”

With a walkable and bikeable landscape, the desire to move from shop to shop will increase dramatically, and the desire to stay longer, and share this experience with friends and family will also increase. This is seen in other areas, such as Downtown LA where the Japanese Museum, the adjoining galleries, and art installation are a weaving pattern that allow users to conveniently travel from space to space.

As some of the most affluent African American neighborhoods in the United States, the areas surrounding Leimert Park will most likely be a magnet to other similarly situated ethnic populations interested in opportunities to experience greater diversity. The hope is for CDP’s Leimert House development, to be duplicatable throughout the city, California, and our Country. It is meant to highlight and preserve the strengths of Leimert Park and the culture and heritage of African Americans in the city.

Meeting and Tourism Statistics

Using the Convention Center and Tourism Industry as a catalyst, we will invest in marketing and promoting Leimert Park to business and leisure travelers. In addition, we will seek to have large events that draw the African American community, such as The Pan African Film Festival, whose accommodations will activate the full use of the property.

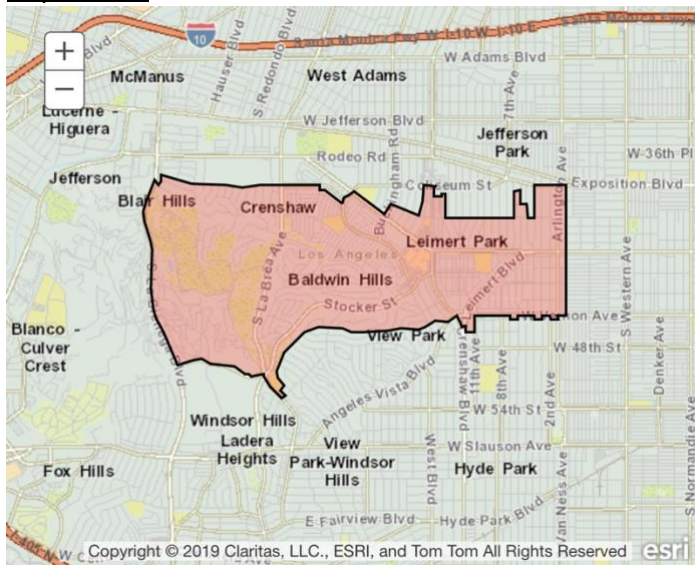
We will also seek to partner with meeting planners, event planners, and business organizations that have Diversity & Inclusion departments, Sorority & Fraternity organizations, and Business Professionals (Real Estate, Investors, Engineers, etc.). Our marketing director will build relationships with The Convention Center, Mayor's Office for Tourism and Sister Cities, NFL teams, Soccer Teams, and USC, so that The Leimert House is front of mind as a hotel that meets the needs and surpasses the expectations of any organization looking to enjoy beautiful Los Angeles, in Leimert Park.

Hospitality Industry and African American Travel

Mandala Research, a leading market research company that specializes in broad specialties, including multicultural markets, reported that African American Travel is a \$63 Billion-dollar industry. In less than A decade, the industry has increased over \$25 billion dollars in travel spending, nationally. A survey of 1,700 African Americans was taken, and the researcher learned that the majority of travel were to areas of cultural enrichment.

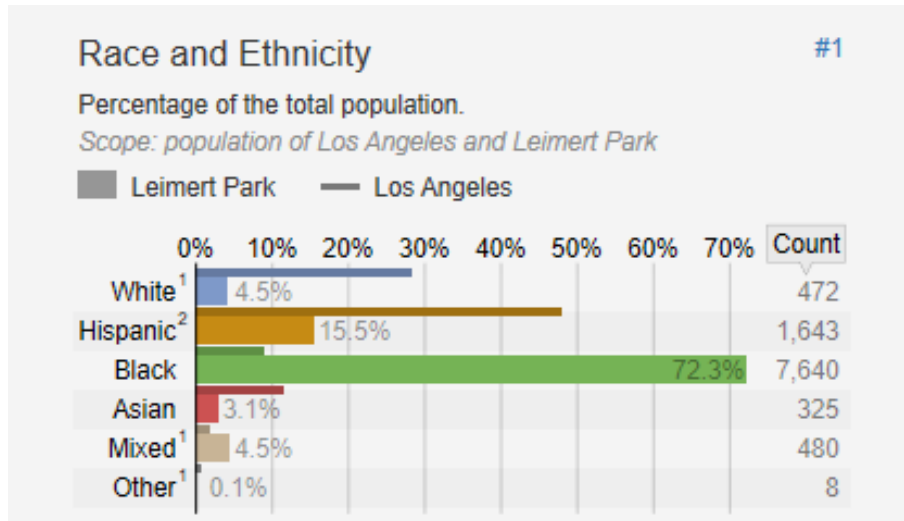
Additionally, the reason that African American's travel were to attend family reunions in destination markets. The Leimert House will enter a trillion-dollar Hospitality industry while bringing an immense amount of cultural enlightenment and hospitality services to the area.

Population



According to the Statistical Atlas, Leimert's population consists of roughly 72.3% African Americans, 15.5 Latinos, 4.5% White, 3.1% Asian, and 4.5% categorized as others. It is estimated that ten percent of residents are new to Leimert Park's population every year. The other 90% are people who were already living in Leimert Park. Amongst this population, 54.8% are women and 45.2% are men.

Race and Ethnicity



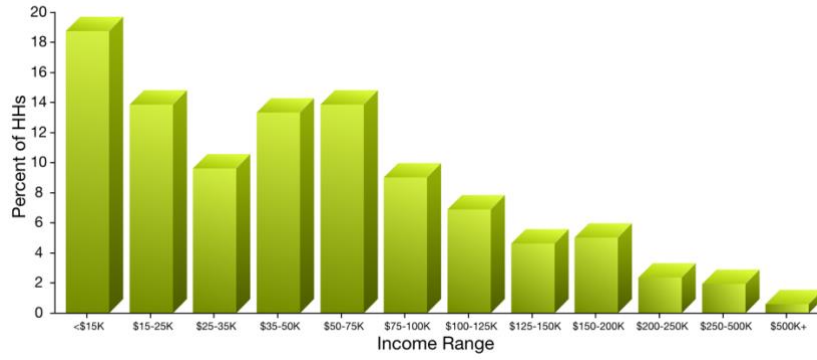
Data collected on point2home, states that there are about 11,374 people populating the city. Amongst this population, 5,141 (54.8%) are women and 6,233 (45.2%) are men.



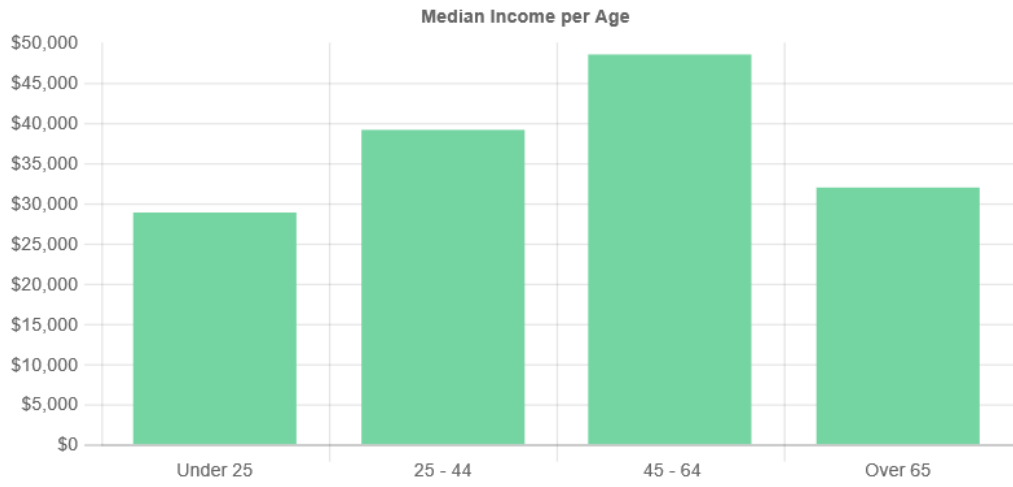
Income

Leimert Park and the immediate surrounding communities of Baldwin Hills, Windsor Hills, West Adams, and Ladera Heights, have long time residents from the 1940s – 50s and families who have come after, and stayed, during the exits of many to suburbs further away, and others who were foreclosed on in the 2007-2008 financial crisis. The income in the area is reflective of the devastation that occurred after 2008.

In 2018, the average income in Leimert park is \$61,302.51. The median household income is projected to be \$40,838 in 2020. The population in Leimert park is doing well with about 80% of the population living above the Poverty level.



Currently, the major of discretionary income of wealthy families living in Baldwin Hills and Ladera Heights is being spent outside of this community in areas like Downtown LA, Beverly Hills, Culver City, and Hollywood.



<https://www.point2homes.com/US/Neighborhood/CA/Los-Angeles/Leimert-Park-Demographics.html>

According to a ULI report, Leimert Park statistics don't portray the entire affluence of the neighborhood. With an estimated median household income of \$53,714 in 2015, the larger neighborhood of Leimert Park is about average in the city of Los Angeles. But "average" only tells part of the story: with African American enclaves like View Park-Windsor Hills, Ladera Heights and Baldwin Hills nearby, there are significant numbers of residents of considerable economic and social mobility living in proximity to the study area. For instance, Ladera Heights (71% African American) has an estimated median household income of \$111,920 and View Park-Windsor Hills (86.5% African American) has an *estimated median household income of \$108,877*.

In addition, an increase in various types of housing developments located in the neighboring blocks, showcase what will be an increased need to support the regular activities of the community, the social events that include friends, colleagues, and family, as well as business conferences. A 111-unit modular property located between the mall and the Leimert Station,

and a 60-unit development at the station without parking, are new additions in development to support the mixture of Spanish style triplexes, single family residences, and podium apartments that are nearby.

Vision Theatre Renovation

In 2000, The City of Los Angeles purchased an Art Deco Building built in 1931 by Howard Hughes for the emerging Leimert Park neighborhood. The City is nearing the renovations which include a state-of-the-art theatre facility with seating for 750-people and youth programming. After the final phase of its multimillion-dollar renovation, Vision Theatre is scheduled to reopen in 2021.

Pricing /Placing

The Leimert's house is one of a kind in the area and compliments future development., in an industry that defines hotel class as upscale, upper upscale, and luxury, The Leimert House creates a timeless, upscale experience which showcases quality craftsmanship and fine taste, without being on a trend of the moment. With a rooftop view and city views, The Leimert House is the perfect place to unwind or celebrate, watch the sunrise or sunset, and enjoy the cultural sites of Leimert Park Village, Baldwin Hills Mall, #Destination Crenshaw, 15 minutes to LAX, minutes to Culver City, Ladera Heights, Playa Del Rey, Venice Beach and Marina Del Rey; and of course Downtown Los Angeles featuring LA Live and Staples Center.

There's an extremely high demand for hotels as a 2015 report from the Tourism and Convention Board estimated that \$5 billion dollars was lost in events the convention center didn't host because there were not enough rooms nearby to accommodate attendees. Furthermore, the City of Los Angeles has recently set a goal of 8,000 hotel rooms to be developed within walking distance of the Convention Center by 2020. This goal has not yet been realized, and it's an opportune time for CDP and its partners to highlight additional parts of the city, that can be used for meeting space, or accommodations, with easy access by train to Downtown Los Angeles conventions or travel to LAX.

Closest "Comparable" Locations

Four motels and motor inns are located within a 2-mile radius, and several more within a slightly broader radius, but have not been used by tourists, local families for their family reunions, or meeting/conference space. Even with upgrades to their business model, and a remodel of fixtures, these motels will not impede on business at The Leimert House.

Given that there is limited product in the area, it can be argued that there is a gap in the market which a development like Leimert House could fill.

Best Inn Motel



This class C property (motel) has a value at renovation of \$177k/per room and an asking price of \$4,100,000. Located on a .2 acre lot, with over 6,300 square feet of space, which include 22 guestrooms and a managers apartment. It is located in the trendy West Adams area, but it would not be the truest competition or comparable to our hotel, amenities, and overall vibe of the Leimert Park community (and our hospitality building, The Leimert House).



<https://www.loopnet.com/Listing/4701-W-Adams-Blvd-Los-Angeles-CA/19470940/>

Market Analysis Comparing Nearby Hotels

Name	Average rates	Average Sqft	Value Per Sqft
Mayumi	\$ 219.00	200	\$ 1.10
Culver Hotel	\$ 227.00	250	\$ 0.91
Krimpton Hotel Wilshire	\$ 224.00	280	\$ 0.80
Avalon Hotel Beverly Hills	\$ 205.00	300	\$ 0.68
The Leimerts House	\$ 200.00	325	\$ 0.61

Rates reflected above are taken during the pandemic, not during normal times of operation.

CDP performed a market study comparing the nearest comparable hotels to The Leimert's House. Our goal was to determine which hotel gives the consumer a larger bang for their buck, assuming all other things are equal.

Mayumi - West of Leimert park near Culver City

Culver Hotel – West of Leimert park near Downtown Culver City

Krimpton Hotel Wilshire – North of Leimert Park Near Mid-Wilshire

Avalon Hotel Beverly Hills – North West of Leimert Park & west of Krimpton Hotel

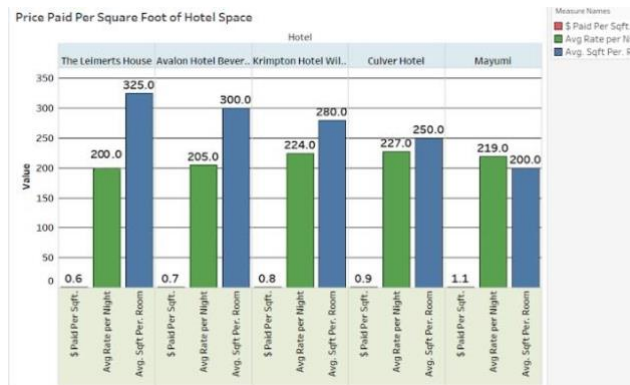
Parameters

- Average rate per night
- Average Square foot offered per standard room

Findings

In all scenarios, Leimert House offered more hotel space for a lower cost. Based on our financial model, Leimert House consumer's paid \$0.61 cents per square foot with an average of \$200 per night and 325 square feet per room. The Leimert's House difference in square feet gives it the upper hand and savings of 10 cents per square foot when compared to the Avalon Hotel Beverly Hills. The savings only grow when compared to the value given by the other Hotels that were compared in this study.

Given that the rates shown are offered during the times of COVID, we believe that our average daily rate at \$200 is well-priced for the market.



Comparable Hotel for Sale:



There is a comparable **proposed** hotel located on Olympic Blvd, that is currently vacant. It is a six floor, 143-bed hotel. Sale price under \$22million, \$148k/per room, and rooftop pool. Rooms range from 235- 285 square feet, with 15 different variations, including penthouse with views, and direct access to the rooftop pool. It will also feature two restaurants and a bar. This is a former office building with nearly 80k square feet of usable space on a .28 acre lot.

<https://www.loopnet.com/Listing/124-E-Olympic-Blvd-Los-Angeles-CA/17225587/>

Hotel Renovation Entering the Market



A proposed building located on Olympic Blvd in Pico Union, has plans for a 200-key hotel. Sitting on 1.12 acres with an FAR of 125k square ft, it is offered at \$24 million. It is five stories and priced at \$120,000 per room.

<https://www.loopnet.com/Listing/1543-W-Olympic-Blvd-Los-Angeles-CA/19849201/>

Design Plan

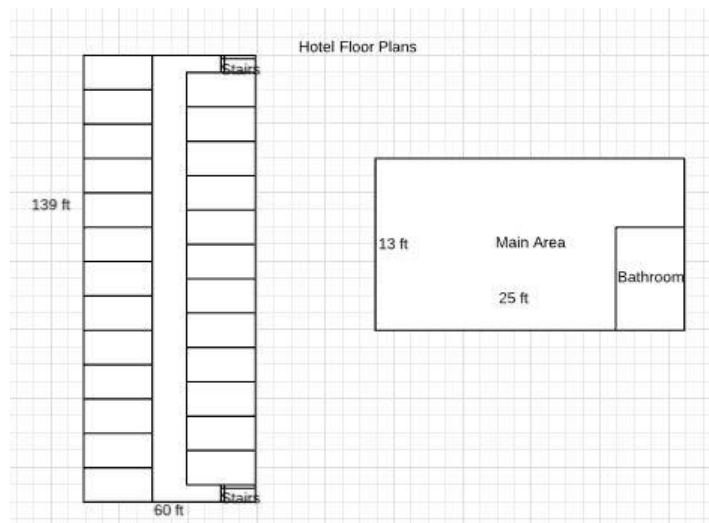


A: Hotel Lobby **B:** Hotel Rooms **C:** Cultural Center **D:** Restaurant **E:** Library **F:** Parking

Hotel

The Leimert's House hotel has 150 rooms and is 6 stories High at 72ft tall. The hotel rooms building has a footprint of 10,140 square feet with measurements of 169 ft x 60 ft. Every Floor will consist of 25 rooms. The rooms have a footprint of 325 square feet with measurements of 13ft x 25ft. These measurements allow a hall space of 10ft in between the room doors. In addition, these measurements allow for an emergency staircase on both sides of the building and elevator lobby on one side.

The hotel lobby is very simple with a footprint of 2,500 square feet with measurements of 50 x 50. The hotel lobby is accompanied by a front roundabout drive up entrance that conveniently accommodates guests at the front or grants them access to the underground parking lot. The hotel lobby will feature a larger than normal 15 ft ceiling.



Restaurant

The hotel restaurant is located on the bottom left corner as you can see in the image above. The restaurant has a footprint of 5,000 square feet with measurements of 50 ft x 100 ft. The restaurant is closer to the heart of Leimert Park village, where visitors to both the village and our development will be able to enjoy breakfast, lunch, or dinner.

Library

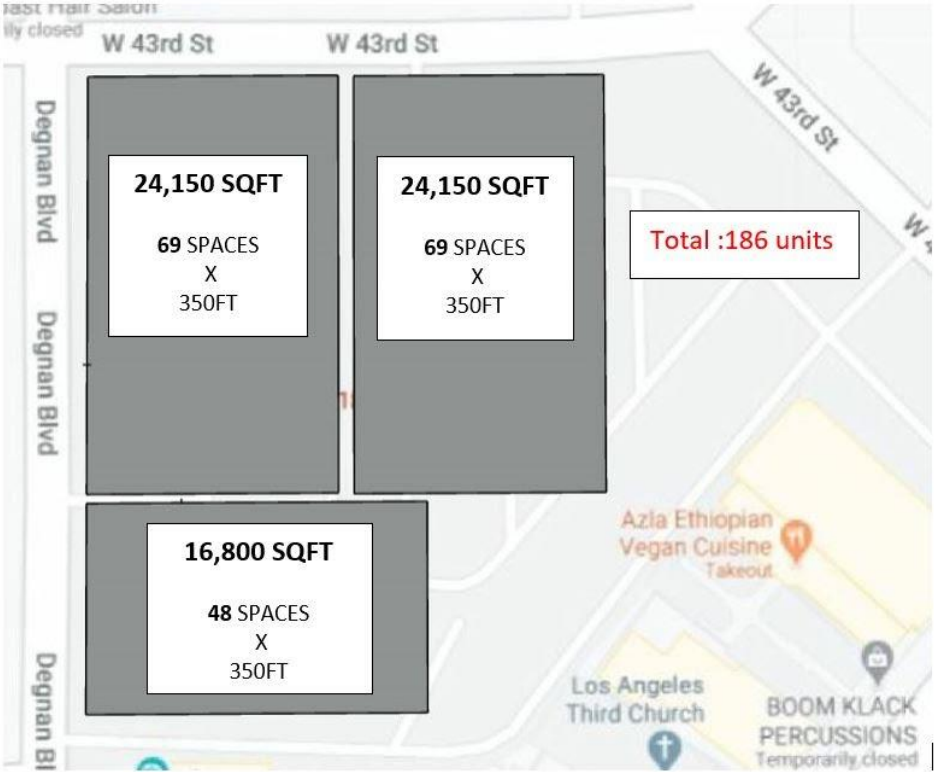
The hotel library has a footprint of 880 square feet offering a more abstract triangular design with a base of 40 ft and height of 44 ft. The library is located towards the bottom center of the development in the image above to give a sense of privacy, calmness, and comfort.

Cultural Center

The Cultural Center has a footprint of 10,000 square feet with measurements of 100 ft x 100 ft. The Cultural center will be located on the north west portion of the image above that will complement the open space and visitors of Leimert Park Village. The Cultural Center will be

designed so that the inside can be configured based on the events, conferences, and exhibits that will be held there.

Underground Parking



Our underground parking lot will consist of three sections outlined above to show the feasibility of the space needed. Our parking units will all measure at 350 square feet per unit. Two of the lots are identical in size measuring at 24,150 square feet with measurements of 120ft by 200ft. The two identical lots will have room for 69 parking units. Additionally, there will be a third lot with a square footage of 16,800 with measurements of 168 ft by 100ft allowing 48 parking units. In total, the three add up to 186 parking units.

Program Features

	Hotel Lobby	Hotel	Cultural Center	Restaurant Space	Library	Parking
Building Area (sq. ft.)	2,500	50,400	10,000	5,000	880	Underground
Units		150 rooms				
Parking Spaces		75	111	20		
Comments		325 sq. ft. rooms each				Based on requirements for each use

Potential Partnerships

- Metro - BID & TOD/TOC for parking; #DestinationCrenahaw
- City of Los Angeles - Councilmember Herb Wesson
- Community - Neighborhood Council, RAW
- Chamber of Commerce
- Business Owners
- Convention Center
- Tourism
- University of Southern California
- Sorority & Fraternities
- Banks with Community Reinvestment Act programs
- New Market Tax Credits.
- California Competes Tax Credit—Go Biz.
- Enhanced Infrastructure Financing District

Exhibit A: Land Purchase Static Pro Forma

STATIC PRO FORMA		
Purchase Price	9,000,000	
Revenue		
	Annual	
Hotel	\$7,908,775	
Food & Beverage	\$370,483	
Other Revenue	\$369,524	
Event Space	\$100,000	
Parking	\$50,000	
Fee Income (Parking/Hotel/Service)	\$711,790	
Potential Gross Revenue	\$9,510,572	
Vacancy	\$0	
Effective Gross Income	\$9,510,572	
Operating Expenses		
	Annual	
Ground Lease		
Personnel	(\$1,977,194)	
General & Administrative	(\$150,000)	
Marketing	(\$675,622)	
Turnover & Make-Ready	(\$200,000)	
Insurance	(\$400,000)	
Utilities	(\$120,000)	
Contract Services (i.e. Landscaping)	(\$300,000)	
Tenant Improvements	(\$200,000)	
Repairs & Maintenance	(\$500,000)	
Capital Expense Reserves	(\$750,000)	
Management Fee	(\$285,317)	
Property Taxes	(\$112,500)	
Total Operating Expenses	(\$5,670,633)	
NOI	\$3,839,939	
Loan Information		
Loan to Value Ratio	65%	
Loan Amount	\$33,119,412	
Loan Term	10 Years	
Amortization Period	30 Years	
Interest Rate	4%	
Loan Fees	1%	
DSCR	1.3x	
Debt Yield	8%	
Tax Rate	1.25%	
Annual Vacancy Rate	5%	
Cap Rate	8%	
Annual Revenue Growth	2.5%	
Annual Expense Growth	2%	
Management Fee	3%	
Purchase Expenses	0%	
Sale Expenses	4%	
Discount Rate	8%	
Residual Land Value		
Residual Land Value	-\$13,976,161.69	
Payment	\$190,854.12	
Debt Yield	\$47,999,240.76	
Sources & Uses		
GP Equity	\$2,755,535.10	5%
LP Equity	\$19,288,746	33%
Permanent Loan	\$35,821,956	62%
Total	\$57,866,237	100%

Exhibit C: Restaurant Dynamic Pro Forma

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Hotel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retail / Restaurant/Mini Lease	\$1,500,000	\$1,337,500	\$1,200,988	\$1,063,036	\$1,232,719	\$1,207,112	\$1,730,540	\$1,702,029	\$1,827,604	\$1,827,604	\$1,291,294	\$1,291,277
Food & Beverage - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Event Space	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Potential Gross Income	\$1,500,000	\$1,337,500	\$1,200,988	\$1,063,036	\$1,232,719	\$1,207,112	\$1,730,540	\$1,702,029	\$1,827,604	\$1,827,604	\$1,291,294	\$1,291,277
Vacancy	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Effective Gross Income	\$1,500,000	\$1,337,500.00	\$1,200,987.50	\$1,063,035.94	\$1,232,719.94	\$1,207,112.32	\$1,730,540.13	\$1,702,028.83	\$1,827,604.35	\$1,827,604.35	\$1,291,294.45	\$1,291,276.82
Ground lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Personal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General & Administrative	(\$200,000)	(\$204,000)	(\$208,080)	(\$212,242)	(\$216,486)	(\$220,816)	(\$225,232)	(\$229,737)	(\$234,332)	(\$239,019)	(\$243,799)	(\$248,679)
Marketing	(\$100,000)	(\$102,000)	(\$104,040)	(\$106,121)	(\$108,243)	(\$110,408)	(\$112,616)	(\$114,869)	(\$117,166)	(\$119,509)	(\$121,899)	(\$124,337)
Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contract Services (i.e. Landscaping)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Center & Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repair & Maintenance	(\$500,000)	(\$510,000)	(\$520,000)	(\$530,004)	(\$540,000)	(\$550,000)	(\$560,000)	(\$570,000)	(\$580,000)	(\$590,000)	(\$600,000)	(\$610,000)
Capital Expense Reserves	(\$46,000)	(\$46,125)	(\$46,278)	(\$46,460)	(\$46,672)	(\$46,913)	(\$47,186)	(\$47,491)	(\$47,828)	(\$48,199)	(\$48,604)	(\$49,044)
Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	(\$945,000)	(\$962,125)	(\$979,598)	(\$997,426)	(\$1,015,617)	(\$1,034,178)	(\$1,053,116)	(\$1,072,439)	(\$1,092,156)	(\$1,112,273)	(\$1,132,799)	(\$1,153,727)
NOI	\$0	\$0	(\$303,661)	(\$717,390)	(\$740,102)	(\$762,994)	(\$786,424)	(\$810,389)	(\$834,849)	(\$859,849)	(\$885,402)	(\$911,527)
Land Purchase / Project Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sale Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Soft Costs	(\$1,733,044)	(\$3,412,440)	(\$3,803,661)	(\$4,197,909)	(\$4,602,102)	(\$5,016,294)	(\$5,440,424)	(\$5,874,589)	(\$6,318,849)	(\$6,773,249)	(\$7,237,799)	(\$7,712,527)
Unleveraged Internal Rate of Return (IRR) Assuming 10 Years	15%											
Principal Paid for Construction Loan for First Two Years	2,898,310											
Construction Loan to Permanent Loan Conversion												
Permanent Loan Conversion in Year 3												
Leveraged IRR in Year 3	28%											
Leveraged NPV	9,137,374											
General Partner (GP) Returns	\$155,830											
Limited Partner (LP) Returns												

Unleveraged Cash Flow
 Leveraged Cash Flow
 Sale
 Permanent Loan Payoff
 Net Proceeds

Exhibit D: Ground Lease - Static Pro Forma

Revenue	
	Annual
Hotel	\$8,169,800
Food & Beverage	\$389,659
Other Revenue	\$370,483
Event Space	\$100,000
Parking	\$50,000
Fee Income (Parking/Hotel/Service)	\$735,282
Potential Gross Income	\$9,815,224
Vacancy	\$0
Effective Gross Income	\$9,815,224

Operating Expenses	
	Annual
Ground Lease	(\$540,000)
Personnel	(\$2,042,450)
General & Administrative	(\$75,000)
Marketing	(\$675,622)
Turnover & Make-Ready	(\$20,000)
Insurance	(\$400,000)
Utilities	(\$120,000)
Contract Services (i.e. Landscaping)	(\$300,000)
Tenant Improvement	(\$200,000)
Repairs & Maintenance	(\$500,000)
Capital Expense Reserves	(\$750,000)
Management Fee	(\$294,457)
Property Taxes	(\$112,500)

Total Operating Expenses	(\$6,030,029)
---------------------------------	----------------------

NOI	\$3,785,195
------------	--------------------

Loan Information	
Loan to Value Ratio	65%
Loan Amount	\$25,662,182
Loan Term	10 Years
Amortization Period	30 Years
Interest Rate	4%
Loan Fees	1%
DSCR	1.3x
Debt Yield	8%

Tax Rate	1.25%
Annual Vacancy Rate	5%
Cap Rate	8%
Annual Revenue Growth	2.5%
Annual Expense Growth	2%
Management Fee	3%
Purchase Expenses	3%
Sale Expenses	6%
Discount Rate	8%

Residual Land Value	
Residual Land Value	-\$15,511,756.49

Payment	\$190,854.12
Debt Yield	\$47,314,941.63

Sources & Uses		%
GP Equity	\$2,189,633.52	5%
LP Equity	\$15,327,435	33%
Permanent Loan	\$28,465,236	62%
Total	\$45,982,304	100%

Links/Resources

Restaurant

<https://haroldandbelles.com/>

Los Angeles Convention Center White Paper

<https://www.lacclink.com/assets/doc/The-Future-of-the-LACC-White-Paper.pdf>

Urban Land Institute (ULI) report for Leimert Park

http://ridley-thomas.lacounty.gov/wp-content/uploads/2015/12/20151209_LeimertParkVillageTAP_WEB.pdf

C1.5 - Use Regulations

[http://library.amlegal.com/nxt/gateway.dll/California/lapz/municipalcodechapteriplanningandzoningco/chapterigeneralprovisionsandzoning/article2specificplanning-zoningcomprehen/sec12135c15limitedcommercialzone?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:lapz_ca\\$anc=JD_12.13.5](http://library.amlegal.com/nxt/gateway.dll/California/lapz/municipalcodechapteriplanningandzoningco/chapterigeneralprovisionsandzoning/article2specificplanning-zoningcomprehen/sec12135c15limitedcommercialzone?f=templates$fn=default.htm$3.0$vid=amlegal:lapz_ca$anc=JD_12.13.5)

Green Code

<https://www.ladbs.org/services/green-building-sustainability>

https://www.ladbs.org/docs/default-source/publications/misc-publications/ev-charger-rebate-program.pdf?sfvrsn=faf2fe53_8

Still a robust industry: Hotel groups are still acquiring additional locations in 2020. Radisson Hotel Groups and many other franchisors and REITS are bullish.

<https://www.hotelnewsresource.com/article111585.html>

Hotel Development Agreement

<https://www.escondido.org/Data/Sites/1/media/pdfs/Hotel/AmendedDDA.pdf>

Parking regs :

[http://library.amlegal.com/nxt/gateway.dll/California/lapz/municipalcodechapteriplanningandzoningco/chapterigeneralprovisionsandzoning/article2specificplanning-zoningcomprehen/sec12135c15limitedcommercialzone?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:lapz_ca\\$anc=JD_12.13.5](http://library.amlegal.com/nxt/gateway.dll/California/lapz/municipalcodechapteriplanningandzoningco/chapterigeneralprovisionsandzoning/article2specificplanning-zoningcomprehen/sec12135c15limitedcommercialzone?f=templates$fn=default.htm$3.0$vid=amlegal:lapz_ca$anc=JD_12.13.5)

<https://up.codes/s/occupant-load>

https://www.reddit.com/r/CommercialRealEstate/comments/cuw1q1/how_to_calculate_the_value_of_a_parking_lot/

<https://www.parkingtoday.com/articledetails.php?id=1507&t=how-appraisers-value-parki>

[https://library.municode.com/ca/los angeles county/codes/code of ordinances?nodeId=TIT22PLZ O_DIV6DEST_CH22.112PA_22.112.070REPASP](https://library.municode.com/ca/los%20angeles%20county/codes/code%20of%20ordinances?nodeId=TIT22PLZ_O_DIV6DEST_CH22.112PA_22.112.070REPASP)

Demographics

<https://www.point2homes.com/US/Neighborhood/CA/Los-Angeles/Leimert-Park-Demographics.html>

Convention Statistics

<https://www.ibisworld.com/united-states/market-research-reports/convention-visitor-bureaus-industry/>

<https://www.statista.com/topics/1413/exhibitions-convention-and-meetings/>

Key Money

<https://www.nortonrosefulbright.com/en/knowledge/publications/cf5acc30/hotels-and-leisure-key-money>

Cost of a Hotel

Upscale is \$27 million

<https://www.fool.com/millionacres/real-estate-investing/commercial-real-estate/how-much-does-it-cost-build-hotel/>

<https://www.fixr.com/costs/build-hotel>