



**FOR IMMEDIATE RELEASE**

**CONTACT:** Carrie Gilbreth  
310-927-4024

## **Downtown Renaissance Drives Multi-Billion Dollar Business Boon for Los Angeles**

*A groundbreaking study details how Downtown Los Angeles' building revival produces vast economic benefits region-wide*

---

**Los Angeles** (February 16, 2006) – An authoritative new study on the Downtown Los Angeles renaissance shows huge growth in jobs, housing and business activity that is providing an economic stimulus for the entire region.

The economic report prepared for the Downtown Center Business Improvement District (DCBID) provides a first-of-its-kind look into the economic impacts of the unprecedented level of construction taking place Downtown.

Since 1999, nearly 7,000 residential units and 32 commercial structures and public facilities have been rehabilitated or built new from the ground up in Downtown. An additional 100 projects are under construction or at the permitting or planning stages. The study found that more than \$12 billion will be invested in construction alone, creating nearly \$26 billion in business activity.

“This economic impact study provided us with information that, until now, could only be estimated – and it not only confirmed, but exceeded our expectations for the revitalization of Downtown and the impact it’s having on the City and County of Los Angeles,” said Carol E. Schatz, President and Chief Executive Officer of the Downtown Center Business Improvement District.

Among the significant findings:

- All Downtown Renaissance construction activity will generate one-time impacts of
  - 174,000 jobs
  - \$7 billion in wages and salaries
  - \$25.9 billion in business revenues
  - \$169 million in one-time tax and fee revenues

As tenants quickly fill the new residential and commercial space downtown the spending and purchases will generate economic and tax revenue impacts throughout the City and the rest of Los Angeles County, impacts that will recur year after year.

- The construction of the Downtown renaissance will generate \$86 million in one time tax revenue for the City of Los Angeles.
- The ongoing economic impact of the Downtown renaissance will generate \$41 million in annual tax revenue for the City of Los Angeles once all the new space is fully occupied.

These economic characteristics include:

- \$2.3 billion plus in annual income of downtown's new residents; and
- \$2.7 billion plus in revenues earned by downtown's new firms.

The report also found that the Downtown Los Angeles visitor industry is quite extensive:

- 12 million visitors (combined day and overnight) in 2005, of which 5.78 million visitors, or 48%, live outside Los Angeles County.
- The number of visitors was up by about 30% over 2003.
- An average of 1.23 days downtown per visitor, or nearly 14.7 million annual visitor days in total.
- An estimated total of nearly \$1.24 billion in direct economic impact, which in turn created \$28.66 million in annual lodging and retail sales tax revenues for the City of Los Angeles.
- Downtown visitor spending supported an estimated 13,200 jobs in the downtown area.

“Jobs and housing are among our most pressing needs in Los Angeles,” said Schatz. “The revitalization of Downtown is helping to provide those resources for our community and is creating a windfall in government tax receipts. The \$10.5 million in revenues attributable to the Downtown renaissance projects completed as of December 2005 could buy the city 100 police officers or 220 police cars or 20 standard fire engines **today.**”

To view the complete Downtown Renaissance Economic Impact Study, log on to [www.downtownla.com](http://www.downtownla.com).

***About the Downtown Center Business Improvement District:***

***The Downtown Center Business Improvement District (DCBID) is a coalition of nearly 480 property owners united in their commitment to enhance the quality of life in Downtown Los Angeles. The organization helps the 65-block central business district achieve its full potential as a great place to live, work and play.***

###