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AEG Head Says He Has Big Plans for Area Around L.A. Live

By Eric Richardson

DOWNTOWN LOS ANGELES — In the midst of construction on a \$2.5 billion sports and entertainment complex, some surprises are worse than others. AEG CEO Tim Leiweke's big surprise was the economy. "We kind of knew there was a correction coming," he said today, "but this is not a correction. This is a life-altering adjustment."

That isn't keeping Leiweke and AEG from moving ahead. "We have spent the last few months already on phase two and trying to dream about the next piece of that district that we need to build out." That could mean up to a billion dollars in additional development around the L.A. Live complex.

Leiweke was at the Music Center today, where the Los Angeles Headquarters Association presented him with its annual Spirit of Los Angeles award. It was the 48th Annual Awards Luncheon for the association, which represents businesses based in Los Angeles.



"I think the fact that we started the hotel probably makes people give us awards in this economy," Leiweke told the audience, "but we believe that our best days are still in front of us. We believe that there is much more for us to do as a company worldwide. We also believe that there's much more for us to do as a company in Los Angeles."

A major piece of that next phase is a second hotel for L.A. Live, slated to rise across Olympic from the rest of the complex. "We're working on it," Leiweke said. "There's not a day that goes by that Ted Tanner or myself or our crew isn't focused on the next phase."

A groundbreaking date for that hotel has yet to be set, and Leiweke said that it remains a struggle to find development partners and financing. "The economy means that we've got to find brave spirits and there's a lot less of those right now," he said, "but this too shall pass."

"We have a saying in our office that the bankers are sometimes harder to find than Bin Laden. We've got to wait for them to come out of their caves. I haven't seen them yet."

Once that second hotel does get built, it is going to need an operator. "Hard Rock, Hyatt and W are all sniffing down there," Leiweke said. "Any of those three would be fantastic."