



BOARD OF LOS ANGELES DEPARTMENT OF CONVENTION AND TOURISM DEVELOPMENT COMMISSIONERS

Commissioners: Jon F. Vein, President; Ray Bidenost, Vice President;
Jeremy Bernard; Stella T. Maloyan; Otto Padron

Members of the public who wish to speak during the meeting must submit a "Request to Speak" form to the Board Secretary prior to the commencement of the public comments for each agenda item of interest. Comments by the public on matters not identified on the agenda, but within the subject matter jurisdiction of the Commission, will be heard only during the item designated as "Public Comment." Public speaking will be limited to two minutes per speaker, unless the presiding officer grants some other amount of time before the commencement of the public comment.

Regular Meeting
Wednesday, January 20, 2016
9:00 a.m. – 10:30 a.m.
Los Angeles Convention Center
1201 S. Figueroa Street, L.A., CA 90015
Executive Board Room

1. CALL TO ORDER / ROLL CALL

2. PUBLIC COMMENT

3. ACTION ITEMS:

- a. Approval of the meeting minutes from January 8, 2016
- b. NBA 2018 – Board Report # 16-001

4. DISCUSSION ITEMS:

- a. AEG November Employee of the Month – Brad Gessner, AEG
- b. Expansion & Futurization Update – Bud Ovrom, CTD
 - i. Overview – Bud Ovrom, CTD
 - ii. Hotel RFI Update – Samuel Hughes, EWDD
- c. CIP Update – Tom Fields, CTD
- d. 2014-15 Discretionary Incentive Fee Goal Results – Diana Mangioglu, CTD

5. ADJOURNMENT

AGENDA FORECAST / SPECIAL TOPICS:

- February 3, 2016
 - AEG Monthly Update – December – Brad Gessner, AEG
 - LATCB Monthly Update – December – Darren Green, LATCB

Materials related to an item on this agenda submitted to the Board of Los Angeles Convention and Tourism development after distribution of the agenda packet are available for public inspection in the Executive Office of the Los Angeles Convention Center, 1201 S. Figueroa Street, Los Angeles, CA 90015, during normal business hours.

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DRAFT
**BOARD OF LOS ANGELES CONVENTION
AND TOURISM DEVELOPMENT COMMISSION**

Special Meeting Minutes
January 8, 2016
9:00 a.m.

The Board of Los Angeles Convention and Tourism Development Commission (Board) convened a special meeting on Friday, January 8, 2016 at 9:00 a.m. at the Los Angeles Convention Center (LACC), located at 1201 S. Figueroa Street, Los Angeles, CA 90015, in the Executive Board Room.

PRESENT:

President Jon F. Vein
Vice President Ray Bidenost
Commissioner Jeremy Bernard (arrived at 9:04 am)

ABSENT:

Commissioner Stella T. Maloyan
Commissioner Otto Padron

PRESENTERS:

Brad Gessner, AEG
Keith Hilsgen, AEG
Darren Green, LATCB
Bud Ovrom, CTD
Miguel Santana, CAO
Korin Crawford, Office of the CAO

Item 1. Call to Order / Roll Call

President Vein called the meeting to order at 9:03 am.

TAKEN OUT OF ORDER

Item 4a. AEG Monthly Update - November

Mr. Brad Gessner presented the update for November and noted that month of November has been the most profitable thus far, with \$4.1 million, before A&I and CIP. He also noted that the reserve is at \$6.4 million, \$1.5 million above budget.

TAKEN OUT OF ORDER

Item 3a. Approval of Meeting Minutes from December 2, 2015

UNANIMOUSLY APPROVED

TAKEN OUT OF ORDER

Item 4b. LATCB Monthly Update - November

Mr. Darren Green presented the update through November and noted that LATCB has been successful in booking stackable business, with booking for future years progress strong. He also noted that 2016 is expected to be the busiest year based on number of Citywides in 15 years. 2017 has a lower number of events but a larger number of TRN.

Item 2. Public Comment

Mr. Herman spoke on the topic of treatment of the homelessness and accessibility to the area.

Item 4c. Expansion and Futurization Update

Mr. Bud Ovrom had nothing to report and introduced Miguel Santana, CAO. Mr. Santana provided an overview of a P3 (public-private partnership) and discussed options that would allow the convention center to thrive and not be pitted against other City needs. He noted that the next step would be to determine the level of interest, if any. Mr. Santana introduced Korin Crawford who presented an overview of the methodology and findings of the CAO report to Council (CF#14-1383) regarding the P3 financing options for the LACC expansion project.

Discussion regarding the subject commenced, President Vein and Vice President Bidenost requested that the current project plan, or a modified version of the plan, be continued while the P3 option is being considered.

Jack Humphreville and Mr. Herman made public comments regarding item 4c.


ADJOURNMENT

The meeting was adjourned at 10:35 a.m.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: January 20, 2016

To: Board of Los Angeles Convention & Tourism Development Commissioners

From: Robert R. "Bud" Ovrom, Executive Director 
Department of Convention and Tourism Development

Subject: **NBA ALL-STAR WEEKEND DISCOUNT, REPORT #16-001**

RECOMMENDATION:

That the Commissioners for the Board of Los Angeles Convention and Tourism Development (Board) approve a rental discount for the National Basketball Association All-Star Weekend (2018 NBA Event) for the 2018 Fiscal Year, in the amount of \$561,183 in rental revenue, authorized per Administrative Code Section 8.149.1 (a)(C)(3), which enables the Board to approve discounts for events that present an exceptional opportunity to generate extraordinary revenue or a significant number of visitors.

DISCUSSION:

The City has a Discount Policy that enables the Los Angeles Tourism and Convention Board (LATCB) to offer discounts on rental rates for citywide conventions and tradeshow as an incentive to book events at the Los Angeles Convention Center. The Discount Policy was formally codified into the Los Angeles Administrative Code (Code) on June 9, 2014 upon adoption by the Mayor and Council of the new governance ordinance for the Department of Convention and Tourism Development (CTD). The proposed discount amount is \$561,183. The anticipated Transient Occupancy Tax (TOT) revenue generated is \$696,574.

The Code also enables the Board to have direct authority for approving discounts for events that satisfy the following exceptional circumstances:

- (1) industry-wide and travel association events;
- (2) multi-year licenses; and
- (3) events that present an exceptional opportunity to generate extraordinary revenue or a significant number of visitors.

The 2018 NBA Event satisfies the third circumstance by furthering the City's goals of generating out of town guests, while substantially benefiting the local economy and supporting the hotel industry. Other factors to consider in identifying such events include the level of national and international publicity generated, whether the event is heavily

sought after by other venues, and the economic impact and revenues generated by the event.

According to the LATCB, the NBA has the greatest international footprint of the four major United States sports leagues. The NBA's offices and fan base is located throughout the globe, including a dozen countries and four continents. The current anticipated attendance is at least 17,000 which has been its minimum attendance count since 2011. Conservatively, the 2018 event is anticipated to draw 18,000 room nights. The City's definition for a citywide is an event that generates 3,000 room nights with 1,500 room nights on peak and utilizes no fewer than three hotels. The 2018 NBA Event far exceeds the City's factors for defining a citywide. The anticipated economic impact generated by this event is \$38.6 million.

Given the potential to generate significant revenue and a strong economic impact, the proposed discount request for the 2018 NBA All-Star Weekend is recommended for approval per Administrative Code Section 8.149.1 (a)(C)(3).

RRO:DM

EMPLOYEE OF THE MONTH – November 2015



Gilbert Arellano
Electrician

CIP UPDATE



FY 2015-16 CIP UPDATE - SUMMARY

PLANNING AND CONTRACTING STAGE

Solar	Visual Interaction Displays
Two-Pole Sign Upgrade	Security Ramp Gates
South Hall Floor Remediation	Two-way Radio Upgrade
Dimming Control System	

FY 2015-16 CIP UPDATE - SUMMARY



IN PROGRESS

Access Control

Roof Replacement*

Industrial Pump Package Replacement

Escalator and Elevator Repair/Modernization

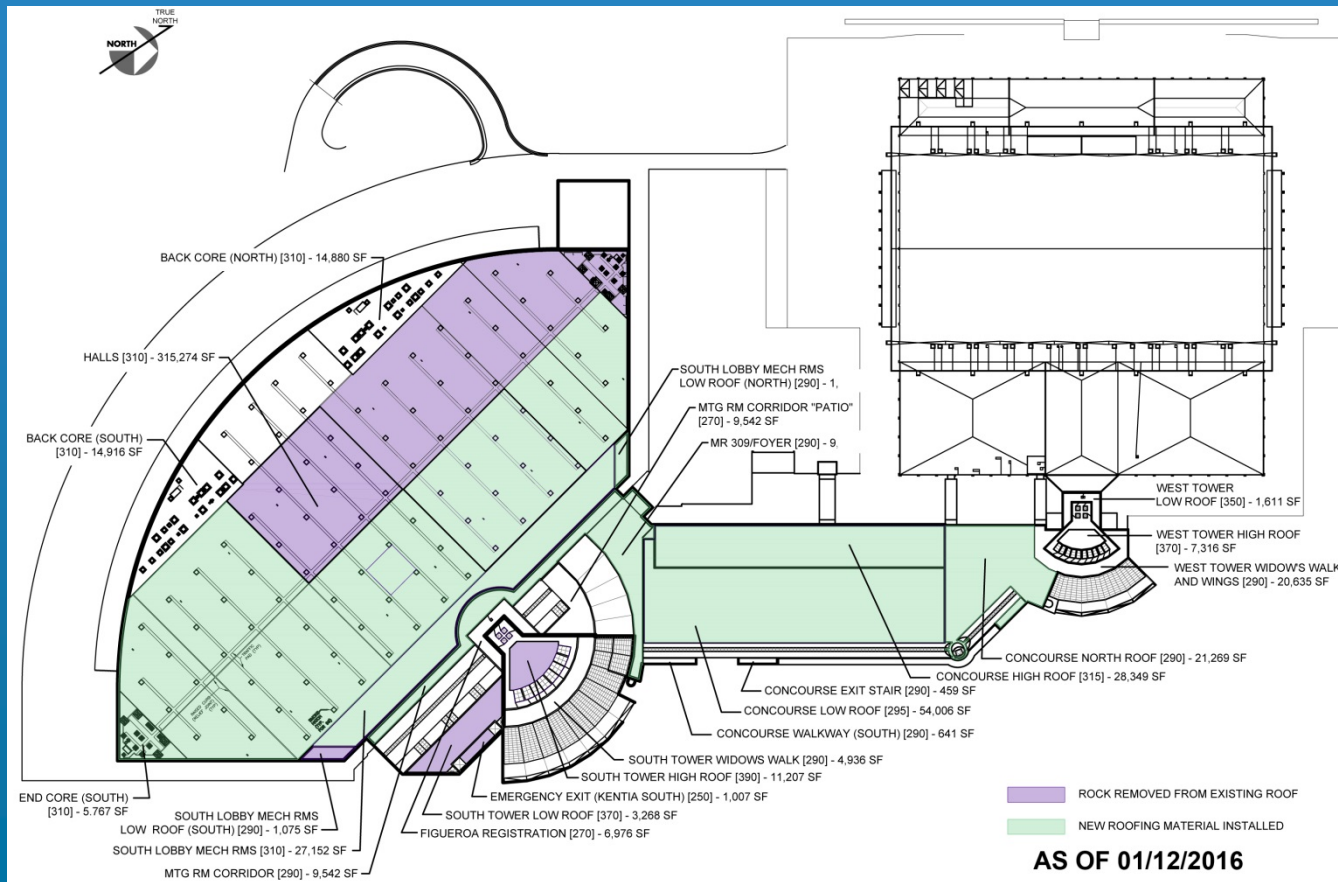
Compactor Replacement

Urinal Replacement

HVAC System for IDF



ROOF REPLACEMENT PROGRESS



FY 2015-16 CIP UPDATE - SUMMARY



COMPLETED

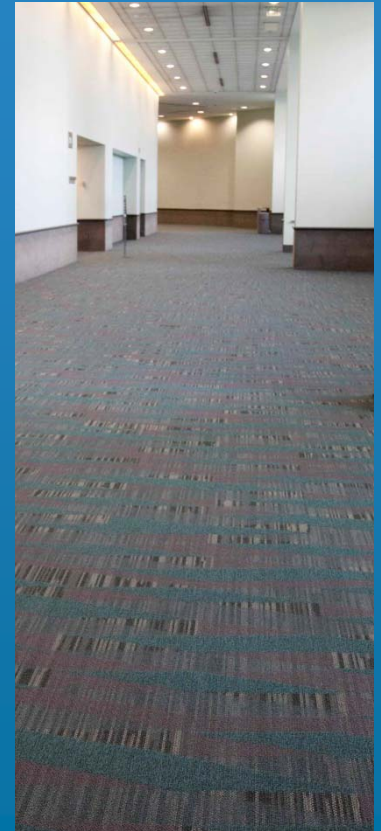
Carpet Replacement*

Cooling Tower Pump Package Replacement*

Graphic Command Control Computer Upgrade

Toilet Upgrade

Xeriscaping



CARPET REPLACEMENT

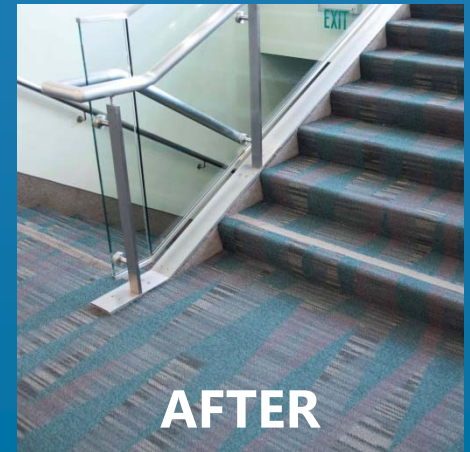
COMPLETED



23,009 SQUARE FEET OF CARPET REPLACED

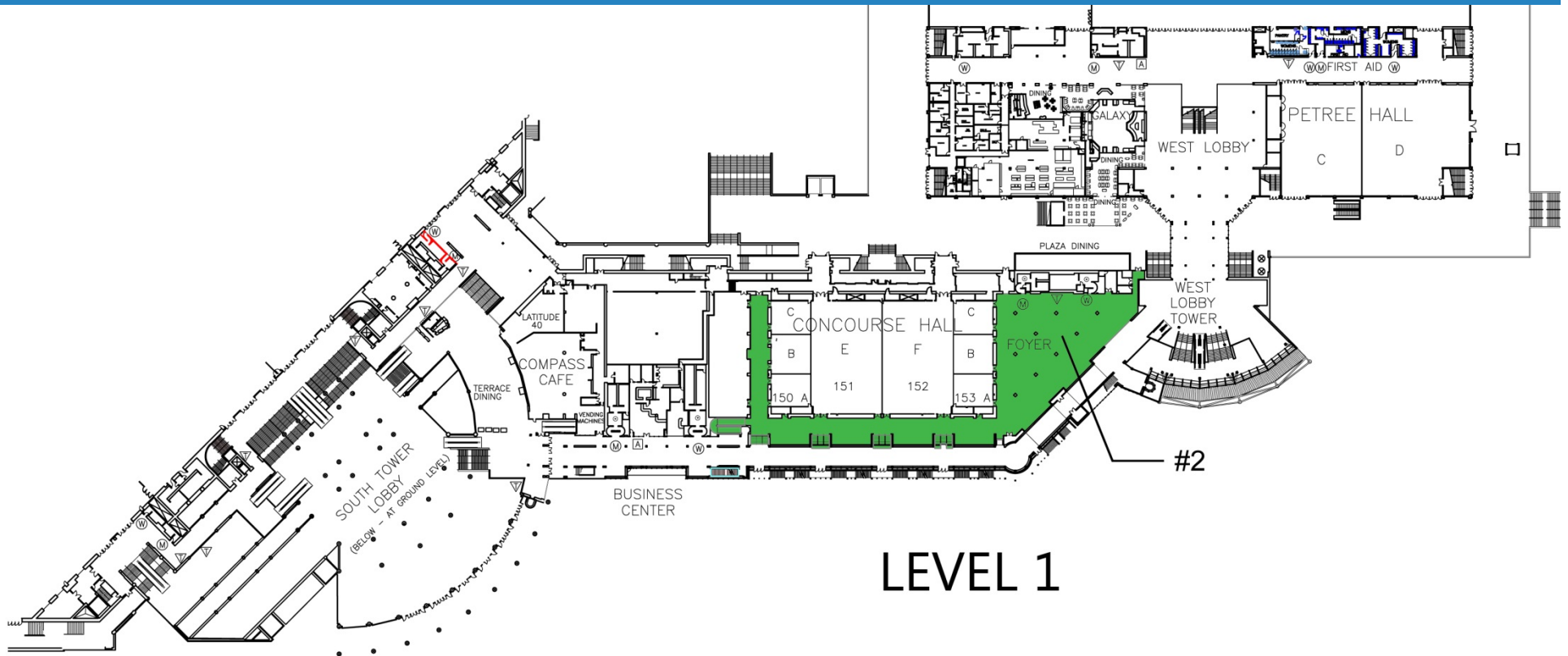


BEFORE



AFTER

CARPET REPLACEMENT LOCATION



LEVEL 1

COOLING TOWER PUMP PACKAGE

COMPLETED

- Damaged, outdated and corroded equipment replaced
- Increased reliability
- Variable frequency drive:
 - Energy savings
 - Reduced equipment maintenance
 - Increases equipment life expectancy



