

# 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 <u>prior</u> 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, June 1, 2016
9:00 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 regular meeting minutes from May 18, 2016
- 4. PRESENTATIONS:
  - a. AEG Monthly Update April Brad Gessner, AEG
  - b. LATCB Monthly Update April Kathy McAdams, LATCB
    - i. Client Services Laine Haynes-Smith, LATCB
- 5. DISCUSSION ITEMS:
  - a. Expansion & Futurization Update Bud Ovrom, CTD
    - i. Overview Bud Ovrom, CTD
- 6. ADJOURNMENT

#### AGENDA FORECAST / SPECIAL TOPICS:

June 15, 2016 - Expansion & Futurization Update – CTD

**DBFOM Update - CAO** 

- On-site Hotel RFP Update - CTD

CIP Update – CTD

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

Regular Meeting Minutes May 18, 2016 9:00 a.m.

The Board of Los Angeles Convention and Tourism Development Commission (Board) convened a meeting on Wednesday, May 18, 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 Commissioner Jeremy Bernard (arrived 9:04 am) Commissioner Stella T. Maloyan

#### ABSENT:

Vice President Ray Bidenost Commissioner Otto Padron

#### PRESENTERS:

Ben Ceja, CAO Korin Crawford, CAO Tom Fields, CTD Charles Johnson, Johnson Consulting Michael Lockwood, Populous Steve Morton, HOK

#### Item 1. Call to Order / Roll Call

President Vein called the meeting to order at 9:02 am.

#### Item 2. Public Comment

None

#### TAKEN OUT OF ORDER

#### 4b. Economic Impact Report

Charles Johnson presented the Economic Impact report, an analysis of the impact of all events at the Los Angeles Convention Center (LACC), including Citywide events. Mr. Johnson noted that the industry standard is that convention centers operate at a deficit, LACC does not.

President Vein requested net TOT in any future presentations or a footnote added that the TOT presented is gross data. President Vein also requested that debt service projected as a result of expansion be compared to expected tax revenue.

#### Item 3a. Approval of Regular Meeting Minutes from May 4, 2016

UNANIMOUSLY APPROVED

#### Item 3b. Approval of Special Meeting Minutes from May 4, 2016

## **UNANIMOUSLY APPROVED**

#### TAKEN OUT OF ORDER

#### Item 4ai. Expansion & Futurization Update Overview

Tom Fields presented an overview of the presentations to follow.

#### TAKEN OUT OF ORDER

#### Item 4aii. DBFOM Update

Ben Ceja introduced Korin Crawford who presented the DBFOM update. Mr. Crawford stated that the Business Case component of the DBFOM was a feasibility study which consisted of market sounding, alternative design study, and a financial feasibility analysis. Mr. Crawford reported on the series of stakeholder workshops recently conducted and valuable information gathered during the workshops. Mr. Crawford introduced Steve Morton, HOK, who presented the three DBFOM preliminary design schemes.

President Vein requested the AEG easements be noted in the designs. President Vein also requested the refined plans be presented to the CTD Board for input prior to being presented to Economic Develop Committee, and that a construction schedule be provided to the Board.

#### TAKEN OUT OF ORDER

#### Item 4aiii. Populous Design Review

Michael Lockwood, Populous, presented the preferred Populous design options which included a comparison of the three design schemes and the results from the stakeholder workshops. The recommended design, Option 2.0, can be completed on budget and on time.

# Item 3c. CTD Design Review Recommendation for Populous Designs – Board Report #16-007

CTD recommended Option 2 be approved as the preferred Populous design.

#### **UNANIMOUSLY APPROVED**

#### **ADJOURNMENT**

The meeting was adjourned at 10:25 a.m.

# Los Angeles Convention Center Monthly Status Report April 2016

**Brad Gessner** 





# **EMPLOYEE OF THE MONTH – APRIL 2016**



Stephanie Ulloa Guest Services Representative

# LACC APRIL 2016 EVENTS

<u>DATE</u>	<u>EVENT</u>	ATTENDANCE
Apr 6	City of LA Seismic Retrofit Resource Fair	2,000
Apr 8 - 10	Sikh Dharma of Los Angeles	24,000
Apr 9 - 11	2016 SCVA Girls Jr. National Qualifier	
Apr 15 - 17	2016 SCVA Girls Jr. National Qualifier	
	2016 ARRS Los Angeles – Annual Meeting	6,600
Apr 21	Naturalization	13,400
Apr 23	AutoCon 2016	5,000
Apr 22 – 24	El Sembrador Ministries	13,500
Apr 22 - 23	KJLH Radio	6,500
Apr 25 – 29	LA County Dept. of HR Testing	3,500
Apr 27 – 29	Your Best Pathway to Health Free Clinic	12,000

TOTAL: 110,500

# LACC APRIL 2016 FILMING AND PHOTO EVENTS

<u>Date</u>	<u>Name</u>	<u>Location</u>	<u>Amount</u>
APR 1 - 7	Westworld	West Lobby/Kentia South	\$90,190
APR 12	Nissan	Garage	\$5,480
APR 8	Rizzoli and Isles	Bond Lot/West Garage	\$6,200
APR 18	Imperial Woodpecker	Bond	\$4,500
APR 18 - 20	Allstate	Kentia	\$11,460
APR 26 - 27	Roadies	West Lobby/Concourse Plaza	\$32,670
APR 27	Barry	Bond Street	\$3,500

TOTAL FILMING: \$154,000

(APRIL 2015 - \$117,995)

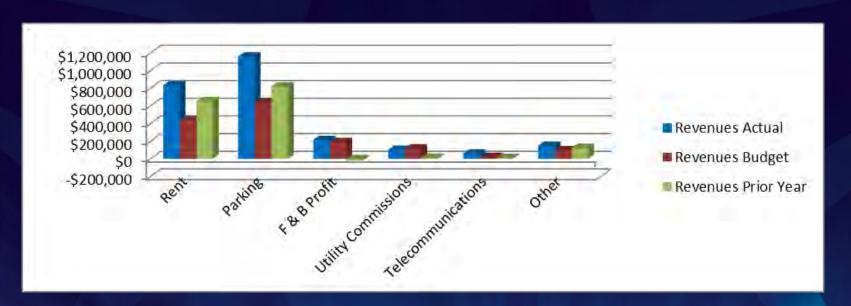
# LACC APRIL 2016 FINANCIALS

## **Operating Profit:**

- \$683K (before approved A & I and Capital Projects)
- \$981K favorable to budget and \$808K above prior year

## Revenues:

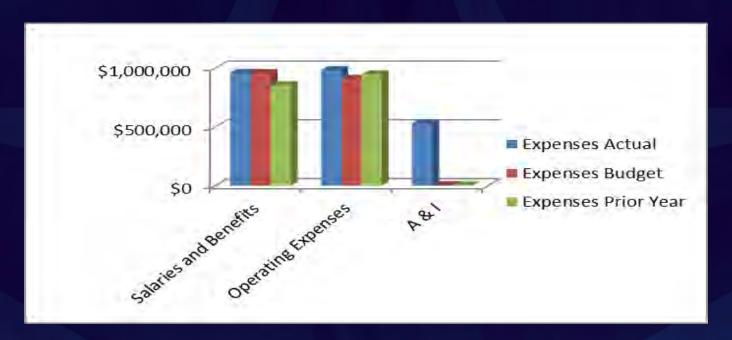
- \$2.5 Million
- \$1.0 million favorable to budget and \$913K above prior year



# **LACC APRIL 2016 FINANCIALS**

## **Expenses:**

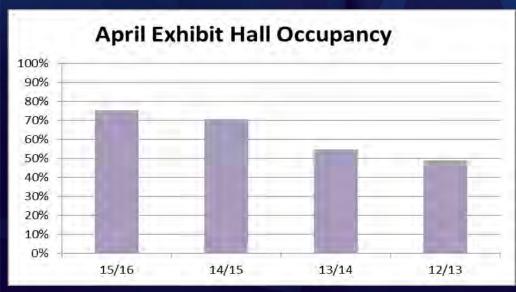
- \$1.8 Million for April (excluding A & I projects)
- \$77K above budget; \$103K above prior year



# A & I projects and Capital:

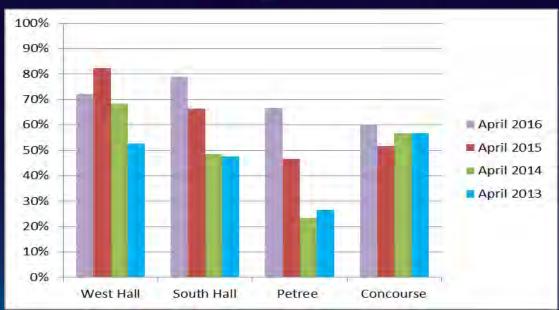
- Lighting Project
- Fire Door repairs
- Chiller Repairs
- Urinal valves

# **APRIL OCCUPANCY**



# **April Occupancy:**

2016 - 75% 2015 - 71% 2014 - 55% 2013 - 49%



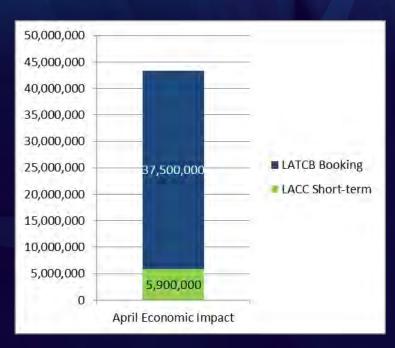
# YTD Occupancy



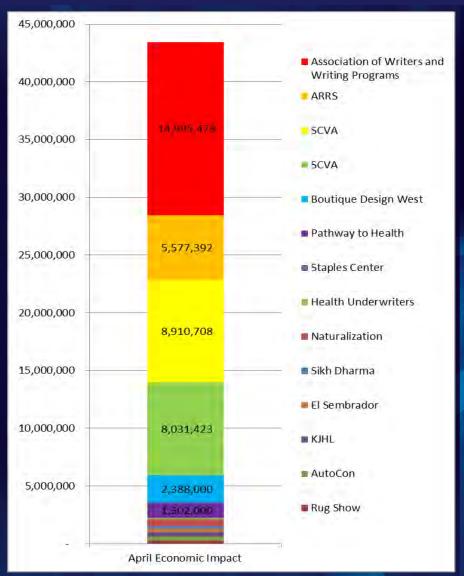
PricewaterhouseCoopers report on Convention Center occupancy states:

It has been recognized industry-wide that the "practical" maximum exhibit hall occupancy rate is approximately 70 percent and the "efficient" range is considered to be approximately 50 to 60 percent. Occupancy levels less than 50 percent generally suggest the existence of marketable opportunities or open dates, while an occupancy rate above 60 percent increases the potential for lost business or "turn-aways."

# **LACC April 2016 Economic Impact**



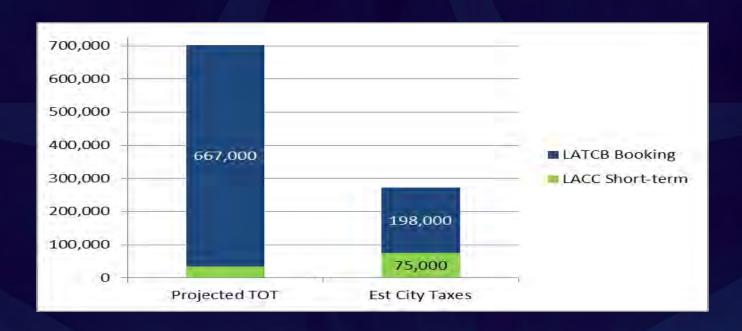
April Economic Impact of \$43.4 Million



# LACC April 2016 TOT and City of LA Taxes

\$702K in estimated TOT Revenue

\$272K in estimated City of LA Tax Revenue



# KASKADE EDM CONCERT - SATURDAY, MAY 7, 2016



# **KASKADE SECURITY**

# **Private Security:**

- Private Security Officers 261
- Private Security Supervisors
   16
- Private Security Managers
- Private Security Motorcycle Patrols 4

# LAPD:

- Police Officers 30
- Police Sergeants6
- Police Lieutenant

# KASKADE MEDICAL MEASURES

•	Emergency Medical Technicians	24
•	Medical Transport Paramedics	6
•	Emergency Room Based Registered Nurses	4
•	Medical Transports	3
•	Emergency Room Based Physicians	1
•	Medical Manager	1
•	Medical Dispatch	1

# **KASKADE FINANCIAL SUMMARY**

• Rent \$80,000

• F&B \$165,800

• Parking \$55,000

• Electrical \$51,000

• Event Billing \$35,073

• Telecommunications \$10,000

Total Revenues \$396,873



# **CTD Board of Commissioners Meeting**

June 1, 2016



# Citywide Convention Sales YTD FY 15/16 Production

Lead Production	Leads Actual
FY 15/16 Goal	220
FY 15/16 YTD	197
FY 14/15 STLY	196

Booked Room Nights Produced	RNs Actual
FY 15/16 Goal	351,000
FY 15/16 YTD	393,928
FY 14/15 STLY	240,667

# **Sales Pipeline- Future Years**

- YTD 15/16 118 Prospects, representing 1,481,264 room nights
- STLY 14/15 156 Prospects, representing 2,077,095 room nights



# Citywide Convention Sales- May 2016 Bookings 83,759 TRNs





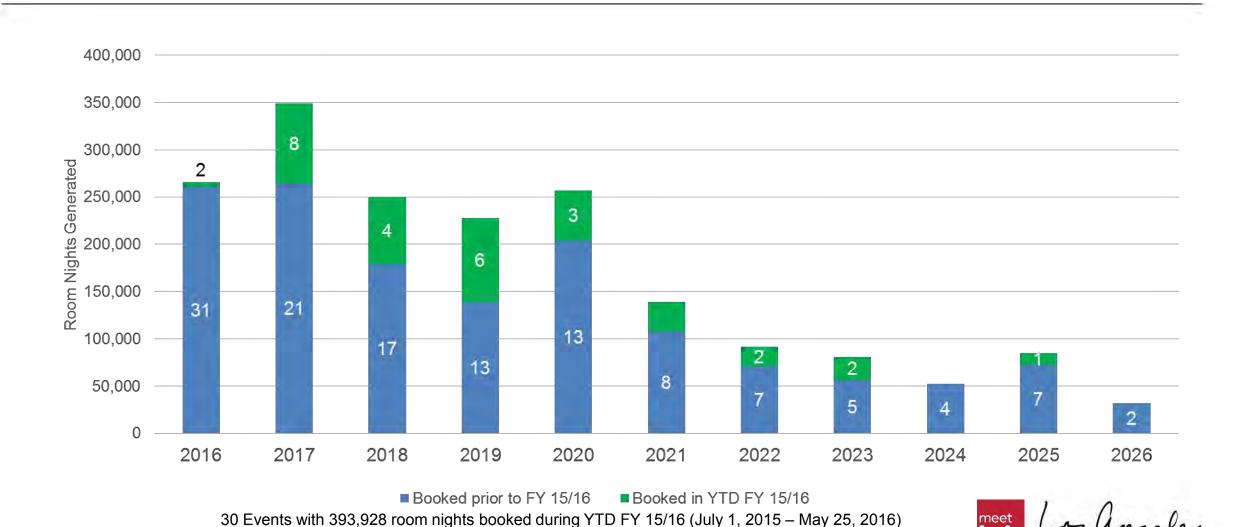




Society for Information Display May 2017 6,500 TRNs Conference on Alzheimer's Disease July 2019 8,766 TRNs LA Marathon March 2019, 2020 and 2021 13,275 TRNs E3 Expo June 2020 and 2021 55,218 TRNs



# Citywide Convention Sales Booked Room Nights 2016 to 2026 Calendar Year Arrival Date



# Super Bowl 2021 Announcement held on May 24th

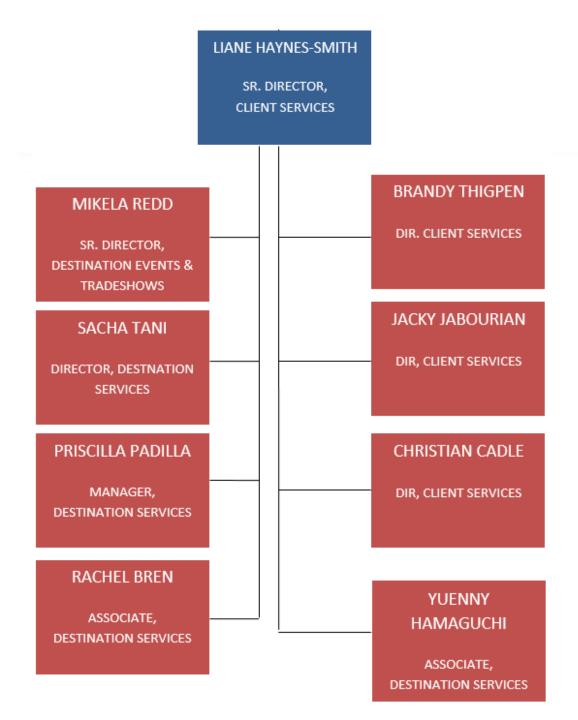


Bid Committee: Chairman **Casey Wasserman**; **Ernest Wooden**, Los Angeles Tourism and Convention Board; **Kathy Schloessman**, Los Angeles Sports & Entertainment Commission; Connor Swarbrick, Wasserman Media Group; Bob Graziano, J.P. Morgan; Renata Simri, LA84 Foundation; Michelle Kerrick, Deloitte; and Kevin Demoff, Los Angeles Rams

# 2021 Super Bowl in Los Angeles:

- ➤ L.A. bid committee had less than six weeks to prepare for NFL Owners' vote
- ➤ Up to 100,000 hotel room nights (60,000 guaranteed)
- ➤ Largest event since the 1984 World Olympics





Los Angeles Tourism & Convention Board

Client Services Team



# Client Services Core Objectives

- 1. Increase the number of Hotels & Member partners attending Trade Shows & Sales Missions
- 2. Keen focus on delivering personalized customer care
- 3. Maintain strong ties and exchange best practices with the Los Angeles Convention Center, AEG and Hotel Partners
- 4. Continue to develop the potential of the Show Your Badge program





# Show Your Badge Program Update



- ➤ Show Your Badge 3.0
- ➤ 31 new Food & Beverage, Activities & Shopping venues
- > First edition to be funded through vendor ad placement
- ➤ Show Your Badge lives on the B2B website on the articles pages

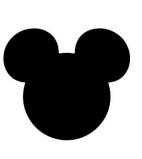
http://www.discoverlosangeles.com/meetla/blog/show-your-badge-offers



# Client Services Citywide Convention Pre-Promotion Travel January-June 2016

2017 Upcoming Citywide Conventions	Travel Date	City	Client Services Director
National Soccer Coaches Association of America	January	Baltimore	Jacky Jabourian
National Hockey League All Star Game	January	Nashville	Brandy Thigpen
Optical Fiber and Communication Expo	March	Anaheim	Brandy Thigpen
National Science Teachers Association NSTA	April	Nashville	Jacky Jabourian
Microsoft Convergence (Envision)	April	New Orleans	Brandy Thigpen
American Association of Neurological Surgeons	May	Chicago	Christian Cadle
American Society of Cataract and Refractive Surgery	May	New Orleans	Jacky Jabourian
Society for Science & the Public Intel ISEF	May	Phoenix	Brandy Thigpen
NAFSA, Association of International Educators	June	Denver	Jacky Jabourian







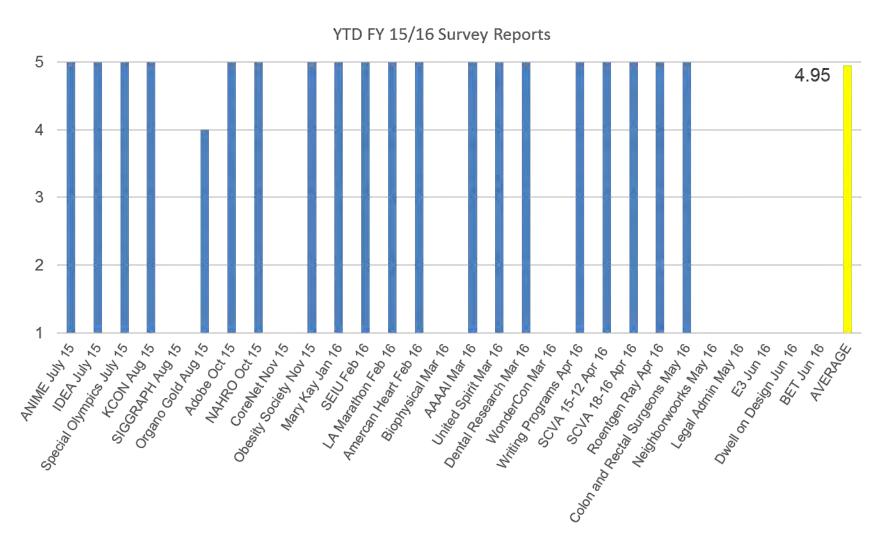








# YTD FY 15/16 Citywide Convention- Post Convention Scores Client Services Satisfaction Rating



YTD FY 15/16

20 Surveys Completed

29 Total Conventions

Average Score: 4.95

FY 14/15

**15** Surveys Completed

25 Total Conventions

Average Score: 4.46



#### **CITY OF LOS ANGELES**

#### INTER-DEPARTMENTAL CORRESPONDENCE

**DATE:** May 27, 2016

**TO:** Board of Los Angeles Convention and Tourism Development Commissioners

FROM: Robert R. "Bud" Ovrom. Executive Director

Los Angeles Department of Convention and Tourism Development

SUBJECT: PROGRESS REPORT ON THE LOS ANGELES CONVENTION CENTER

**EXPANSION AND FUTURIZATION PROJECT** 

#### 1. Populous Conceptual Design Refinement – Conventional Financing Path

At your meeting on May 18, the Board officially endorsed Design Option No. 2 as the Board's **preferred alternative**, which was also the consensus favorite of our stakeholders meetings. Design Option No. 2 has the 1,000 room headquarters hotel at Chick Hearn Court and the iconic Conference Center and Ballroom on the Figueroa frontage. Gilbert Lindsay Plaza would be enlarged and shifted to the north to provide a grand pedestrian connection to LA Live. The construction budget is still at \$350,000,000 and the construction duration is reduced from 40-48 months in Design Option No. 1 (design competition version) to 20-24 months.

All three of the conceptual design options require the cooperation of our AEG/LA Live partners. AEG leases parking below West Hall for the Staples Center. That parking would be temporarily disrupted during construction, but would be fully replaced upon completion. Staples Center also has easements across the Los Angeles Convention Center (LACC) land for vehicle access, passenger drop-off, and other purposes. The access and drop-off would be enhanced in the new design. Frankly, today it looks more like a back-of-house alley! In the new design, it would be an integral part of the Gilbert Lindsay Plaza expansion and the "LA Ring," which would wrap around Staples Center and provide attractive and pedestrian-friendly access to Staples Center, the new hotel, the Convention Center, the ballroom/conference center, the new retail development on Figueroa, LA Live, Chick Hearn Court, and the Microsoft Theater. This new "LA Ring" design feature would become a dramatic focal point for the entire Sports and Entertainment District.

If for some reason we are not able to proceed with this preferred Conceptual Design option, the third option, with the hotel on Figueroa frontage and the ballroom on Chick Hearn Court, remains equally viable - - and also stays within the same budget and construction schedule.

On May 25, Michael Lockwood of Populous, made a presentation of the Preferred Alternative design to the City Council's Economic Development Committee (EDC). A copy of that presentation is attached. No committee action was asked for or taken - - it was just an informational update. The full CLA/CAO report on the Dual Paths will go to the EDC on June 28.

CTD Board of Commissioners May 27, 2016 Page 2 of 2

#### 2. CAO - Arup - DBFOM - HOK Path

The CAO/Arup team also made a progress report to the CTD Board on May 18.

We had expected the CAO/Arup team to return to the Board on June 1 for a vote on the DBFOM Preferred Alternative design, similar to what was done with Populous. At our regular weekly meeting on May 25, the team told us they are still working on how best to present their approach to the Board. They have asked not to be on the June 1 agenda. Perhaps the team will return to the Board on June 15.

The challenge is that they are not designing specific alternatives, the way Populous did with their Options 1, 2, and 3. Arup's architect, HOK, is drawing broader possibilities -- "this is an example of what could be done if you tore down West Hall" or "this is an example of what could be done if you demolished the Venice Parking structure." The HOK designs are not prescriptive; they are intended to be illustrative of what a private developer could do.

If the City goes with the Populous/Conventional path, the contractor will have to build the design the City approved. If the City goes with the DBFOM path, the developer will be given those HOK examples of what could be done, but the developer will have the liberty to come back with plans/proposals which are totally consistent with those suggestions or with plans/proposals which are totally different. So, what is it the CTD would "vote" on at this stage? Once a developer is chosen under the DBFOM path, the City would work with the developer to finalize a design that the City would ultimately approve, but that could be another year or more down the road.

Pursuant to our staff meeting this week, the CAO/Arup team will give some thought to what input the CTD Board could give at this stage and be prepared to discuss that with you at the meeting on June 15. Time is getting tight - - the joint CAO/CLA report needs to be done by June 21 in order to be on the EDC agenda for June 28. In December 2013, the CAO was instructed to develop a financing plan for the LACC expansion, and to explore alternative financing such as a Public Private Partnership (P3), but the real crunch on any such assignment always comes in the last month!

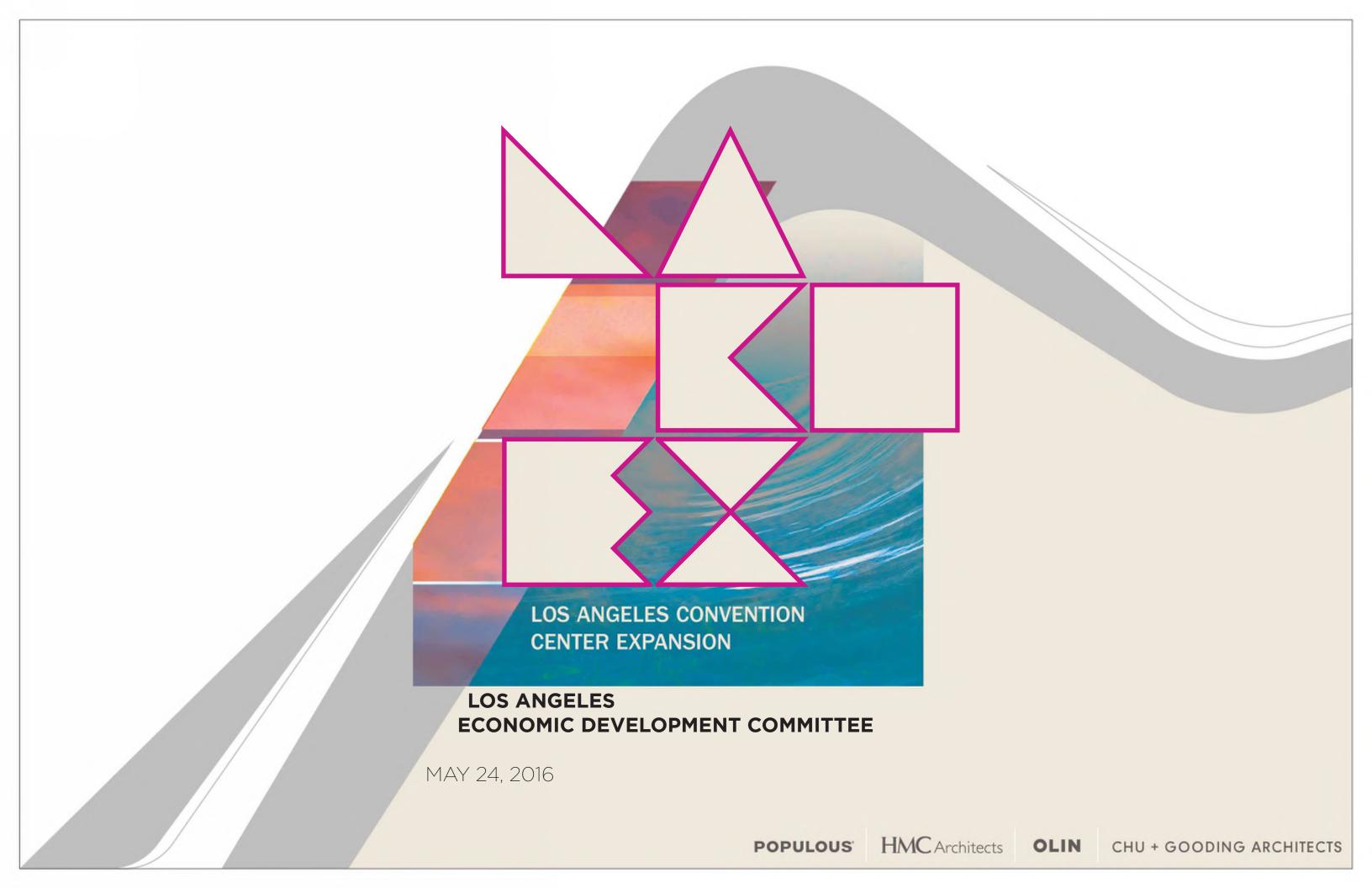
#### 3. On-site Headquarters Hotel

We continue to answer questions and provide information to possible hotel developers and operators for the 1,000 room on-site hotel. We hope to be able to go out with an actual Request for Proposal (RFP) in July. The hotel component is provided for on either the conventional or DBFOM path. Although interest in the hotel remains very high at this time, it is still essential to move forward with the RFP as soon as possible!

RRO:cv Exec. Ref. No. 16-061

Attachment

cc: LACC Expansion Project routing



# LACC PROJECT PROCESS [0.0]

HMC Architects OLIN

[1.0]	STAKEHOLDER INPUT
[2.0]	DESIRED EXPERIENCE
[3.0]	CONSTRUCTION PHASING & DURATION
[4.0]	PREFERRED OPTION
Γ <b>5</b> .01	DESIGN DEVELOPMENT

CHU + GOODING ARCHITECTS

MAY 24, 2016

# STAKEHOLDER INPUT

# [1.0]

STAKEHOLDER MEETINGS - APRIL 20, 26-27

# **HOTELIERS**

IF CHICK HEARN IS CLOSED. GIL LINDSAY PLAZA IS THE PREFERRED LOCATION

# IF CHICK HEARN COURT REMAINS OPEN, EITHER SITE WORKS

THE CONVENTION CENTER BENEFITS FROM AN OPEN CHICK HEARN COURT

# **CLIENT ADVISORY**

# CONTIGUOUS HALL UNANIMOUSLY PREFERRED

COVERED EXTERIOR SELLABLE SPACE IS A POSITIVE

DO NOT CLOSE CHICK HEARN COURT

RECOMMEND NARROWING OF CHICK HEARN COURT

**HOTEL ON GLP IS A NEGATIVE** 

# **BALLROOM ON GLP IS BETTER FOR MULTI-SHOW DAYS**

MULTIPURPOSE SPACE IS LESS DESIREABLE THAN A DEDICATED BALLROOM

LOCATE MORE MEETING ROOMS ADJACENT TO EXHIBIT HALLS BUS DROP-OFF SHOULD BE ON BOTH SIDES OF PICO

# SERVICE CONTRACTORS

# **CONTIGUOUS HALL UNANIMOUSLY PREFERRED**

PREFERRED CENTRALLY LOCATED BALLROOM ABOVE EXHIBIT HALL. BUT OK WITH CURRENT OPTIONS ELEVATED OUTDOOR EVENT SPACE MUST BE COVERED USABLE OUTDOOR PLAZA DESIRED (LIKE ANAHEIM) MAXIMIZE FLEXIBILITY OF LOBBY SPACE (NOT LIKE SOUTH LOBBY) RELOCATE BUS DROP-OFF TO SIDE OR BACK OF BUILDING (LIKE ANAHEIM)

MAJOR CONCERN WITH HOTEL ON GLP - VIEW BLOCKAGE/ **BRANDING ISSUES** 

**BALLROOM NEEDS ADDRESS ON FIGEROA** 

# **COMMUNITY**

## SERVICE FOR HOTEL ON GLP AN ISSUE

TED TANNER WITH AEG RECOMMENDED MOVING STAPLES SERVICE RAMP AND COOLING TOWERS

**GILBERT LINDSAY PLAZA IS NOT GOING AWAY, IT IS ACTUALLY GETTING LARGER** 

RESPECT GILBERT LINDSAY WITH EXPANSION - PERHAPS NAME THE NEW BALLROOM ON FIGEROA THE GILBERT LINDSAY BALLROOM

GROUND LEVEL MEETING ROOMS CAN BE UTILIZED AS COMMUNITY ROOMS. ACCESSIBLE FROM THE PLAZA

MAY 24, 2016

**HMC** Architects

OLIN

# DESIRED EXPERIENCE





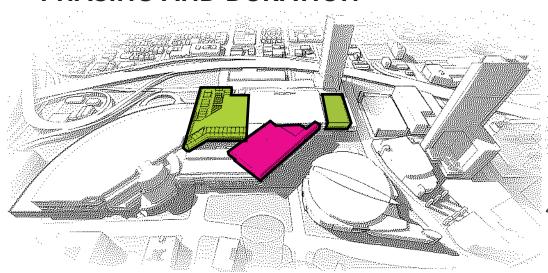


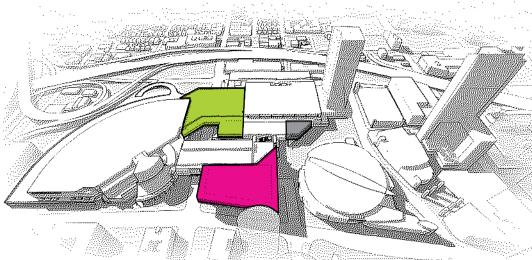
POPULOUS HMC Architects OLIN CHU + GOODING ARCHITECTS

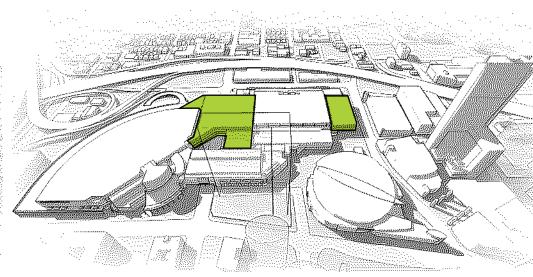
# CONSTRUCTION PHASING & DURATION

[3.0]

PHASING AND DURATION







# **OPTION 01**

**PHASE 01 MONTHS** 

20-24

**PHASE 02 MONTHS** 

20-24

\*FOR BUSINESS CONTINUITY, PHASE 01 MUST BE BUILT BEFORE PHASE 02

40-48

**OPTION 02** 

**PHASE 01 MONTHS** 

20-24

**PHASE 02 MONTHS** 

20-24

\*BUSINESS CONTINUITY - NO NET SPACE WILL BE LOST

\*SHOULD BE BUILT SIMULTANEOUSLY

\*COULD BE BUILT BY DIFFERENT CM'S

20-24

OPTION 03
NET SELLABLE INCREASE
20-24

\*BUSINESS CONTINUITY - NO NET SPACE WILL BE LOST \*SHOULD BE BUILT SIMULTANEOUSLY

TOTAL DURATION MOS

20-24

POPULOUS HMC Architects

[4.0]

**GILBERT LINDSAY BALLROOM** 

NET EXHIBIT HALL

181,000

EXTERIOR EXHIBIT

40,000

DEMO NET MEETING

-21,000

NET MEETING ROOM

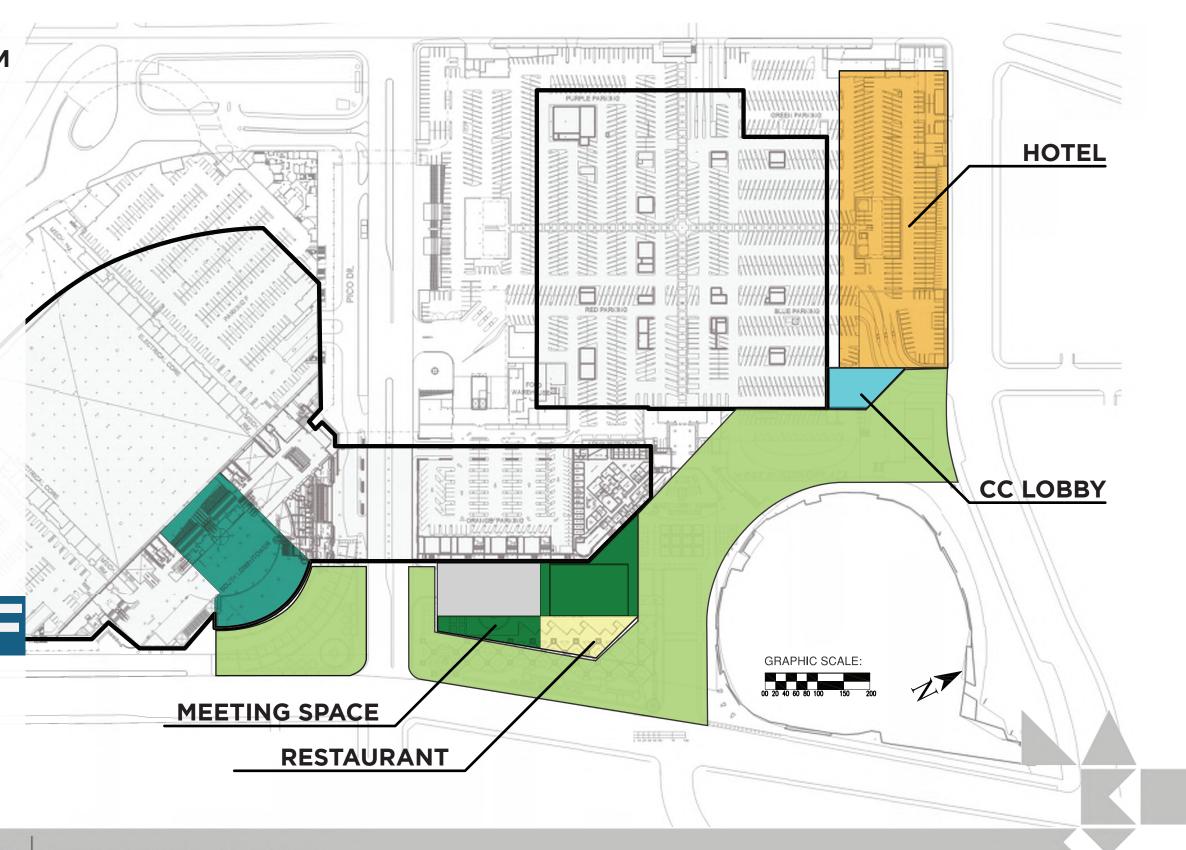
99,000

NET BALLROOM

70,000

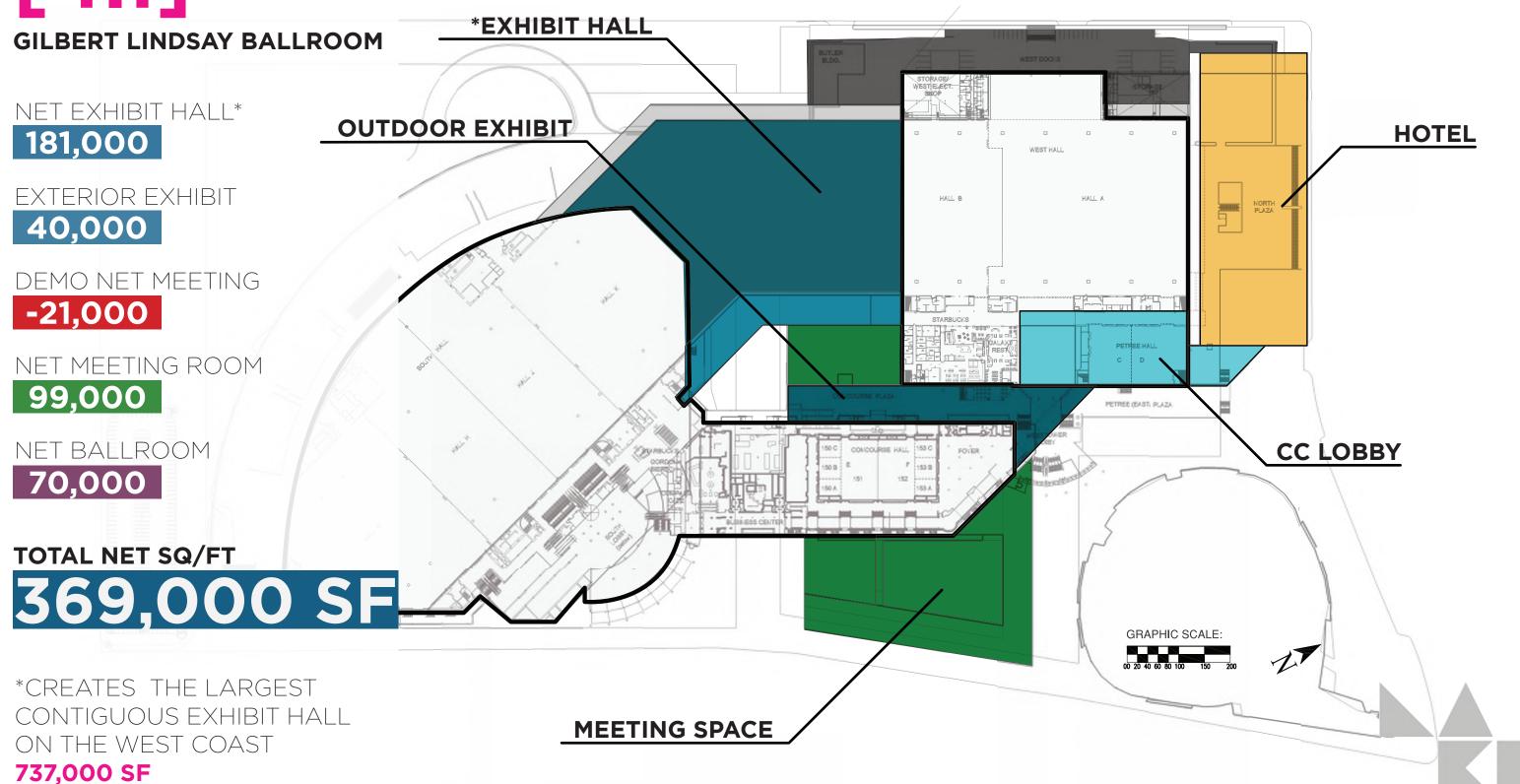
**TOTAL NET SQ/FT** 

369,000 SF



# PREFERRED OPTION

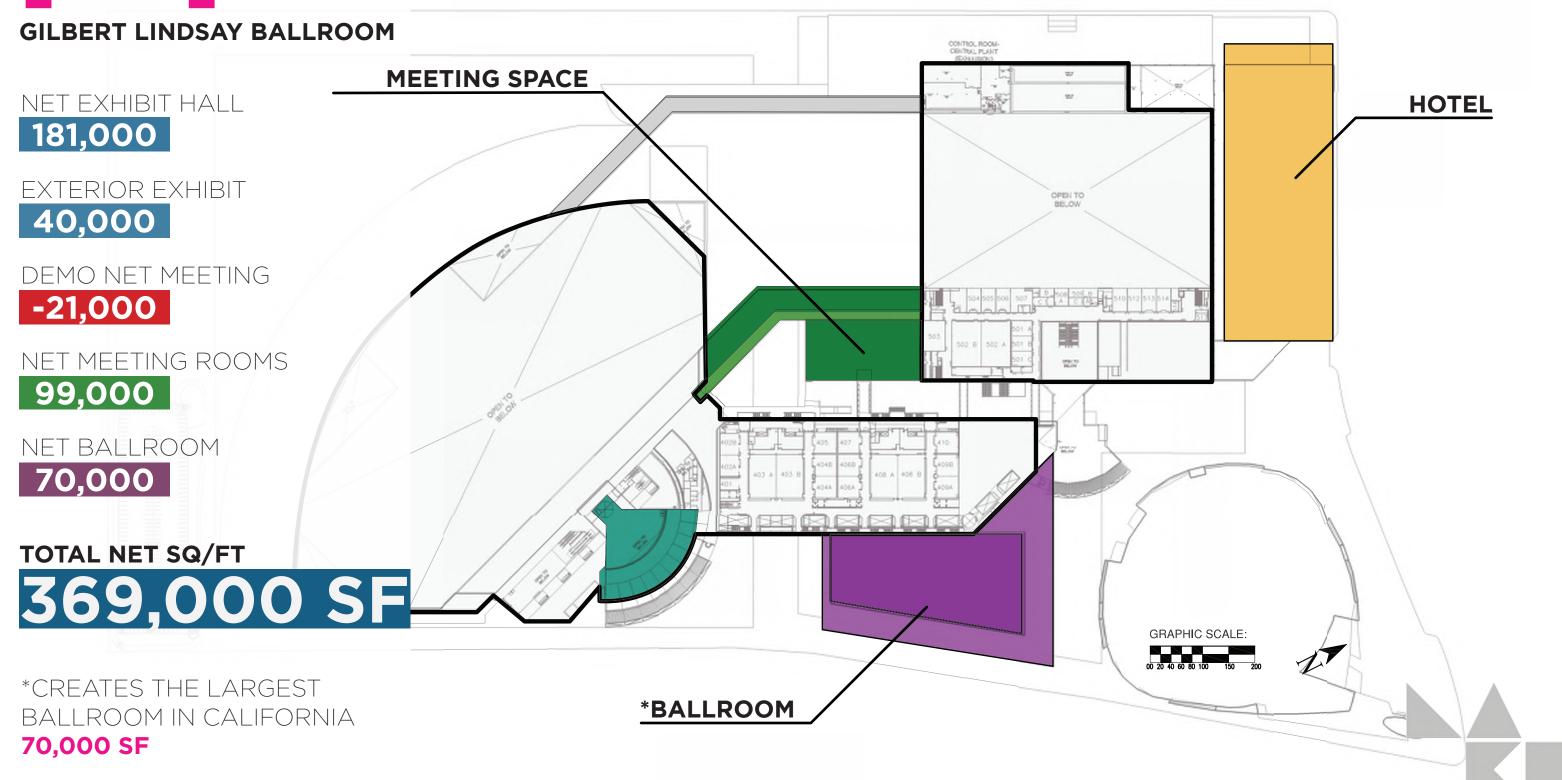
[4.1]



CHU + GOODING ARCHITECTS

# PREFERRED OPTION

[4.2]



CHU + GOODING ARCHITECTS

[4.3]

**GILBERT LINDSAY BALLROOM** 

NET EXHIBIT HALL

181,000

EXTERIOR EXHIBIT

40,000

DEMO NET MEETING

-21,000

NET MEETING ROOM

99,000

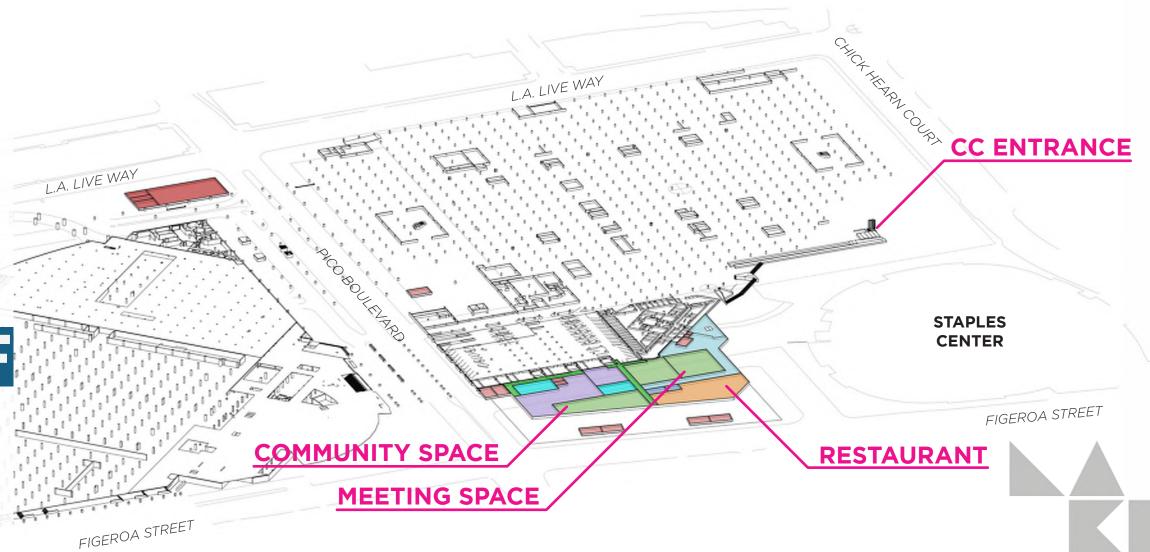
NET BALLROOM

70,000

**POPULOUS** 

**TOTAL NET SQ/FT** 

369,000 SF



**HMC** Architects

OLIN

[4.4]

**GILBERT LINDSAY BALLROOM** 

NET EXHIBIT HALL\* 181,000

EXTERIOR EXHIBIT

40,000

DEMO NET MEETING

-21,000

NET MEETING ROOM

99,000

NET BALLROOM

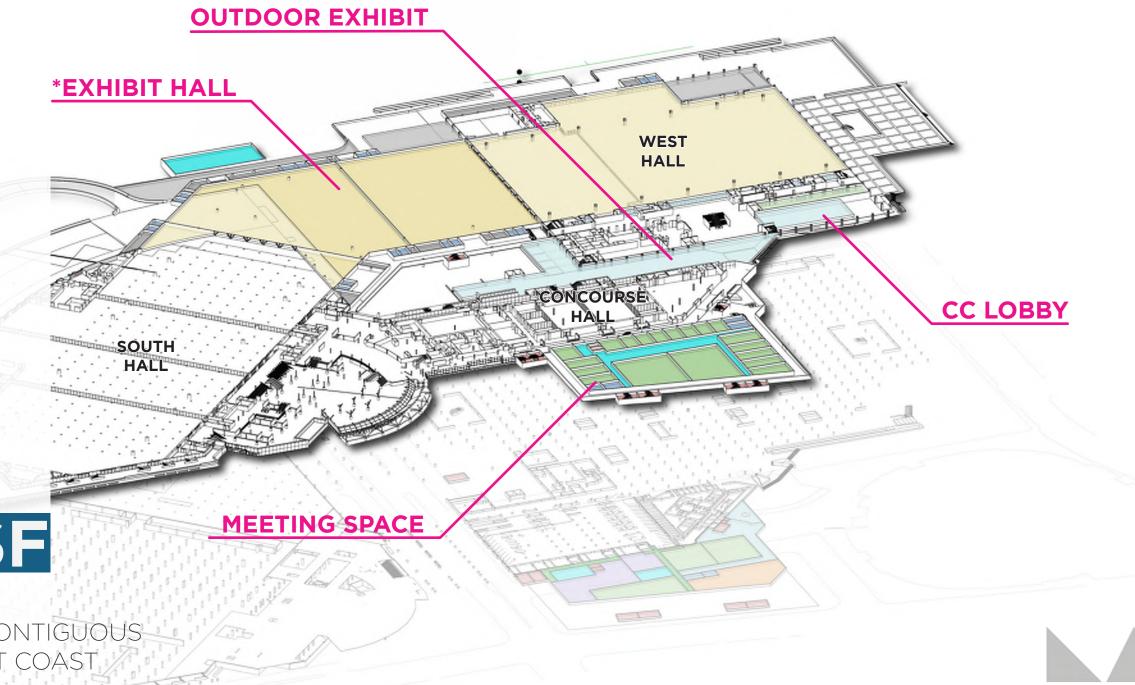
70,000

**TOTAL NET SQ/FT** 

369,000 SF

\*CREATES THE LARGEST CONTIGUOUS EXHIBIT HALL ON THE WEST COAST

737,000 SF



PREFERRED OPTION

[4.5]

**GILBERT LINDSAY BALLROOM** 

NET EXHIBIT HALL
181,000

EXTERIOR EXHIBIT

40,000

DEMO NET MEETING

-21,000

NET MEETING ROOMS

99,000

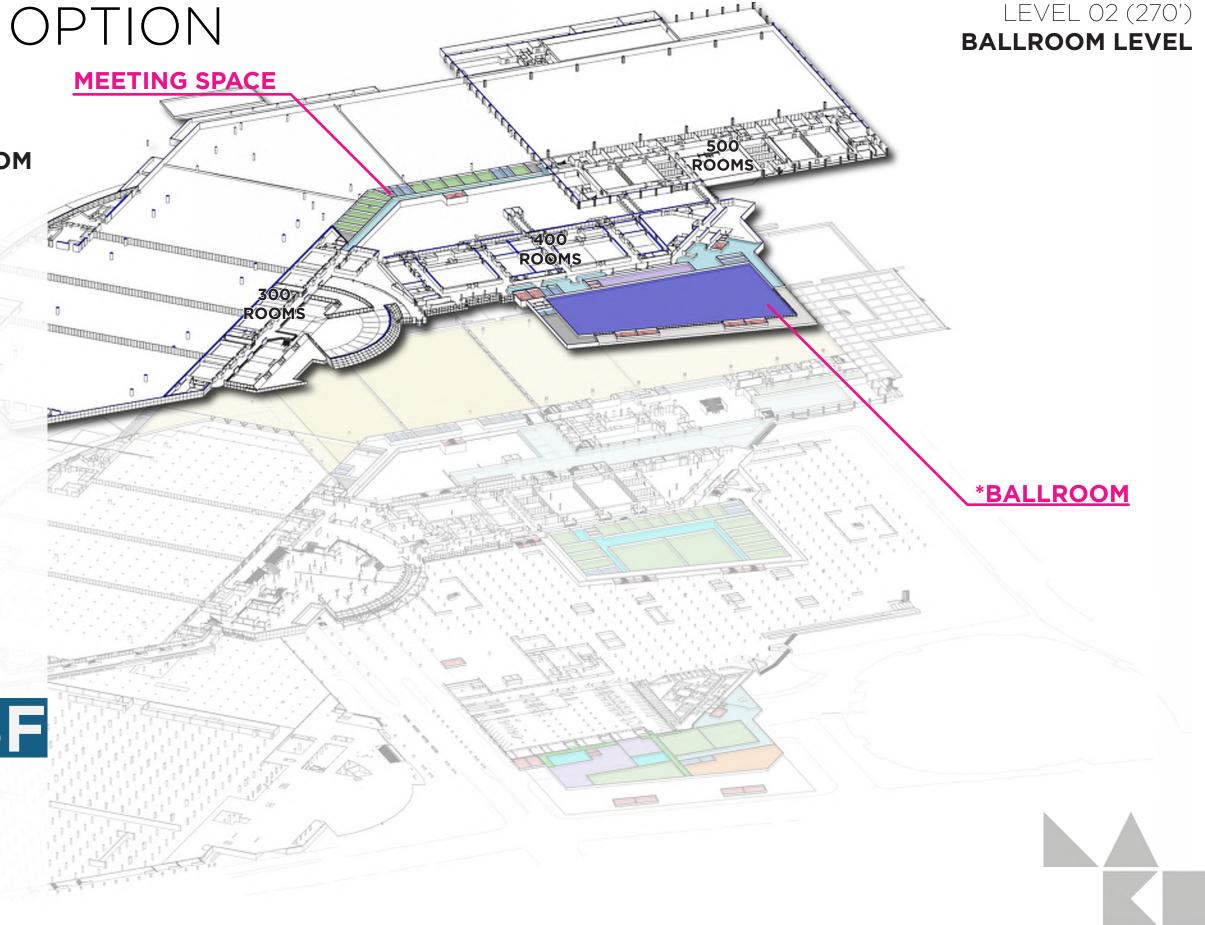
NET BALLROOM

70,000

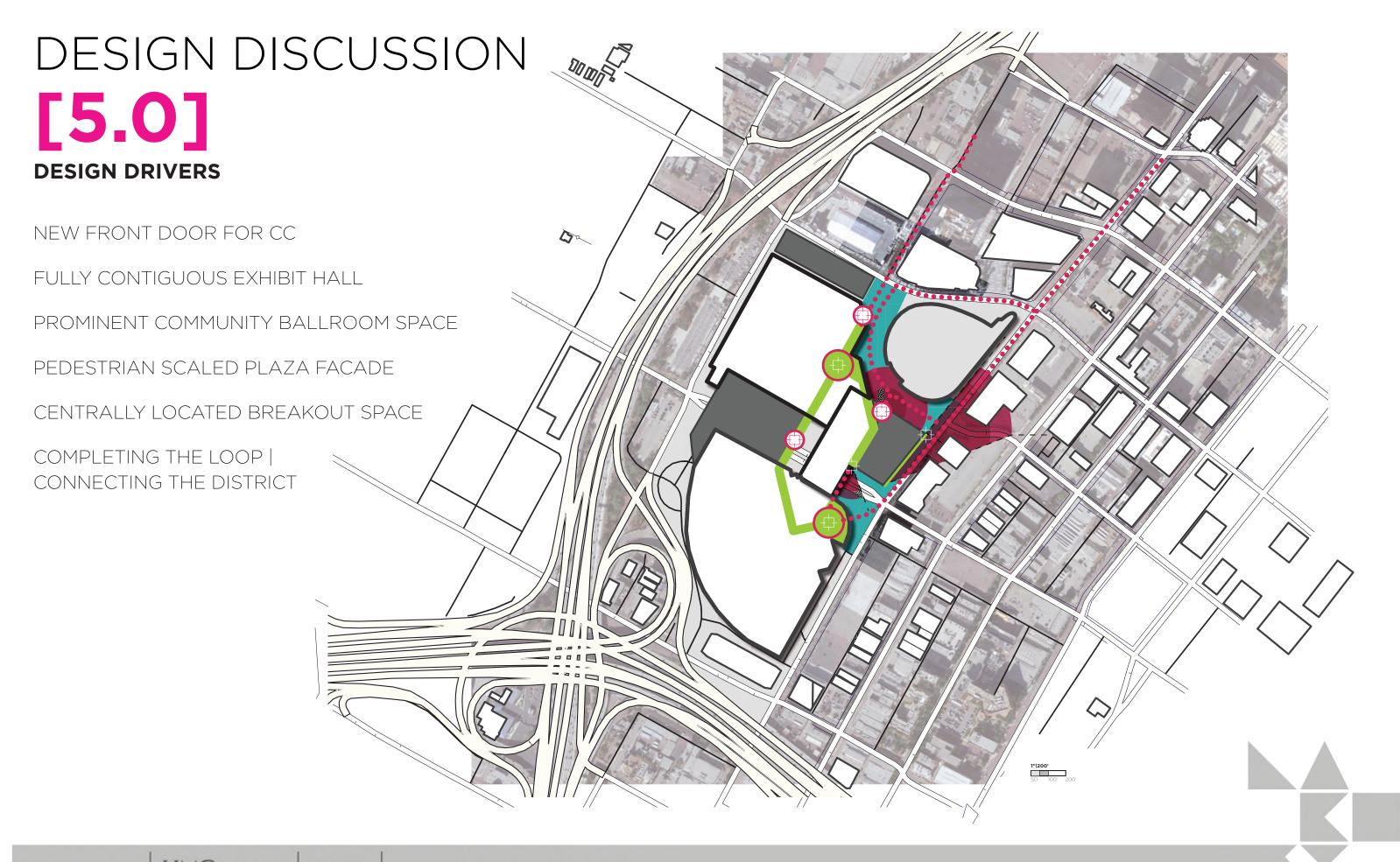
**TOTAL NET SQ/FT** 

369,000 SF

\*CREATES THE LARGEST BALLROOM IN CALIFORNIA **70,000 SF** 



POPULOUS HMC Architects



POPULOUS' HMC Architects OLIN CHU + GOODING ARCHITECTS MAY 24, 2016

