



## **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

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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, July 6, 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. FY 16-17 Election of Officers
- b. Approval of the regular meeting minutes from June 15, 2016
- c. LACTB Appendix E – Board Report #16-006

### **4. PRESENTATIONS:**

- a. Neighborhood Council representatives on any Neighborhood Council Resolution or Community Impact Statement filed with the City Clerk which relate to any agenda item listed or being considered on this agenda for Board of Los Angeles Department of Convention and Tourism Development
- b. AEG Monthly Update – May – Brad Gessner, AEG
- c. LATCB Monthly Update – May – Darren Green, LATCB
- d. CIP Update – Tom Fields, CTD
- e. LATCB Budget update – Diana Mangioglu, CTD

### **5. DISCUSSION ITEMS:**

- a. Expansion & Futurization Update – Bud Ovrom, CTD
    - i. Overview – Bud Ovrom, CTD
- The Committee may recess to closed session pursuant to Government Code Sections 54956.9(d)(2), 54956.9(e)(2), and 54956.9(e)(5), in order to confer with legal counsel regarding significant exposure to litigation based on: facts and circumstances in relation to the matter referenced hereinabove and a statement threatening litigation in relation to the matter referenced hereinabove.

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.



## **BOARD OF LOS ANGELES DEPARTMENT OF CONVENTION AND TOURISM DEVELOPMENT COMMISSIONERS**

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### **6. ADJOURNMENT**

#### **AGENDA FORECAST / SPECIAL TOPICS:**

- |               |   |
|---------------|---|
| July 20, 2016 | - Expansion & Futurization Update – CTD |
|               | - On-site Hotel RFP Update – CTD        |

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**As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities.**

**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.

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

Date: July 1, 2016

To: Board of Los Angeles Department of Convention and Tourism  
Development Commissioners

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



Subject: **PROPOSED 2016-17 APPENDIX E OF THE MANAGEMENT  
AGREEMENT BETWEEN THE CONVENTION TOURISM  
DEVELOPMENT DEPARTMENT AND THE LOS ANGELES TOURISM  
AND CONVENTION BOARD – REPORT 16-008**

**SUMMARY**

The Los Angeles Tourism and Convention Board ("LATCB") provides a variety of services, including marketing the City of Los Angeles as a premiere tourist destination and booking citywide events at the Los Angeles Convention Center ("LACC"). The Convention and Tourism Development ("CTD") Department administers the LATCB Agreement ("Agreement"). The Agreement includes a five and one-half year term, of January 1, 2015 to June 30, 2020. Appendix E of the Agreement, however, is updated annually. Attachment I of this report is the Proposed Appendix E for 2016-17 for discussion by the Board of Los Angeles Department of CTD Commissioners ("Board").

**DETAIL**

The primary goal of the City's engagement with the LATCB is to grow the local economy by promoting the City as referenced above and in more detail in Appendix E. As such, the Agreement outlines four core objectives to assist with achieving that goal, and Appendix E identifies the performance metrics that align with each core objective to help the City evaluate how well these objectives are being met. The objectives and metric categories for tracking performance, developed in collaboration with the CTD and the LATCB, have not changed from last year, however the performance goals have been re-evaluated and updated for Fiscal Year 2016-17.

In addition, there is a separate category for market data. As distinguished from performance metrics, market data provides the City with a comprehensive set of external convention and tourism industry data that informs policymakers on the performance of tourism as an economic driver. LATCB maintains a division of

professional researchers dedicated to collecting and reporting tourism to ensure LA stays competitive. This data, although not specifically related to LATCB's performance is considered important and directly relevant to the four objectives identified in the Agreement and thus continues to be tracked and monitored by the CTD Department.

Finally, the current process for tracking performance metrics includes quarterly reports developed and submitted by the LATCB, the information from which is tracked and analyzed by the CTD Department and offered to the Board for review. Attachment II of this report is the 2015-16 third quarter Performance Metrics Status Update. The metrics in bold are also submitted to and tracked by the Mayor's Office of Budget, Innovation and Excellence.

## **RECOMMENDATION**

That the Board approve the Proposed 2016-17 Appendix E of the Agreement between the CTD Department and LATCB.

*RO: dm*

*Ref: 16-008*

## **ATTACHMENTS**



## **APPENDIX E**

### **Services to be Provided by Contractor In Contract Year FY2016 – 2017**

The primary goal of the City of Los Angeles' engagement with the Los Angeles Tourism and Convention Board (LATCB) is to grow the local economy by promoting the City as a site for citywide conventions, business meetings, major tradeshows and as a destination for leisure travel. LATCB will endeavor to achieve this goal by executing the services and deliverables described below that align with the four core objectives identified in Section 3(a) of the Agreement. Performance metrics that align with each core objective will help the City to evaluate how well these objectives are being met. The City recognizes that LATCB's ability to meet annual performance goals can be impacted both positively and negatively by broader economic trends and factors. As such, the City will take this into consideration when assessing LATCB's performance in order to properly attribute accomplishments due to their efforts.

To achieve these objectives optimally the City recognizes and encourages LATCB to leverage these contract funds with other sources of funding to drive hotel stays yielding increased TOT revenues and visitor spending that benefits the City's General Fund and the Los Angeles economy.

### **OBJECTIVE 1**

**Increase the number of people visiting Los Angeles as both a convention and tourist destination in order to increase the economic benefits derived from out-of-town visitors to the City**

Services and Deliverables Related to Objective 1:

- a. Promote the City of Los Angeles and its facilities and attractions as a desirable location for association and corporate meetings, conventions and major trade shows. Efforts shall include but not be limited to, representing the City in domestic and international convention and tourism industry associations; attending industry trade shows, customer events, and sales missions; and advertising in key industry trade publications
- b. Solicit sales leads for such conventions, meetings and trade shows to be held in the City of Los Angeles with an emphasis on using the Los Angeles Convention Center (LACC) and City of Los Angeles hotels
- c. Book citywide conventions and assisted convention center events at LACC for future years that will produce room nights at hotels within the City of Los Angeles
- d. Provide customary client services to citywide conventions at the LACC

- e. Develop and execute a sales and marketing plan for booking events at the LACC that focuses on leveraging the LACC's strengths and opportunities, mitigating the LACC's weakness and challenges, and provides specific strategies and tactics for addressing them
- f. Use best efforts to promote the geographic and cultural diversity of the City to drive overnight stays with additional focus on areas of the City that may have been overlooked by traditional tourism efforts with the intent of spreading the economic benefits of tourism throughout the City
- g. Promote Los Angeles in the media. Apprise the CTD Board of major destination advertising and tourism media campaigns, funded by non-TOT funds during the early stages of creative development. Collaborate with City to ensure that media campaigns compliment City's effort to brand itself. Support the City's branding effort if requested to do so. Any specific dollar amounts for such an effort will be determined during the budget process from TOT funds.
- h. Assist the City as requested with efforts related to the expansion and modernization of the Convention Center. Assistance may include, but is not limited to, providing design input and attending design meetings, providing data as requested, which may involve the use of third party consultants, and visiting other convention centers to evaluate competitive designs.
- i. Report to City officials on plans to market Los Angeles to visitors
- j. Maintain close communications and collaboration with CTD and AEG Facilities staff regarding proprietary customer information, proprietary sales strategies, conversion rates and other data.
- k. Provide the City with a comprehensive collection of convention and tourism industry data that will inform policymakers on the performance of tourism as an economic driver. Data may include research compiled or acquired with non-TOT funds. Research includes, but is not limited to, drivers of decision making for meeting planners and data on competitive centers.



I. Metrics for Objective 1:

<b>Objective 1 Performance Metrics</b>	<b>Frequency of Reporting</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Forecast*</b>	<b>FY 2017 Goal*</b>
<b>CITYWIDE / CENTER EVENTS</b>					
1.1 Number of Citywide/Center Events Sales Leads (combined)	Month	210	224	220	220
1.2 Number of Citywide/Center Events Booked for future years (track separately)	Month	26	38	34	35
1.3 Number of Room Nights Booked for future years	Month	212,059	356,087	400,000	390,000
1.4 Number of Citywide/Center Events Hosted (track separately)	Month	23	25	29	34
1.5 Reported Number of Delegates from Hosted Citywide/Center Event (track separately)	Quarter	290,418	330,645	448,464	569,700
1.6 Total Number of Room Nights from Hosted Citywide/Center Events (track separately)	Quarter	157,458	186,025	229,776	371,039
1.7 Total Visitors to Los Angeles County	Annual	42.6 million	44.7 million	TBD	TBD
<b>Objective 1 Market Data</b> Source: Tourism Economics Estimates (FY)	<b>Frequency of Reporting</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Goal</b>
1.a Total Overnight Domestic Visitors	Annual	22.5 million	23.1 million	TBD	TBD
1.b Total International Visitors	Annual	6.3 million	6.6 million	TBD	TBD
1.c Total Day Visitors (FY)	Annual	13.8 million	15.0 million	TBD	TBD

\*Note: TBD expected August 1, 2016

## **OBJECTIVE 2**

**Measure the economic impact from citywide conventions and the tourism and hospitality sector**

Services and Deliverables Related to Objective 2:

- a. Report on economic impact of citywide conventions and provide detail on methodology for calculating economic impact
- b. Produce audits on hotel room nights consumed by conventions
- c. Provide data on economic impact of tourism and hospitality industry

d. Metrics for Objective 2:

Objective 2 Performance Metrics	Frequency of Reporting	FY 2014 Actual	FY 2015 Actual	FY 2016 Forecast*	FY 2017 Goal*
<b>ECONOMIC IMPACT OF CITYWIDE / CENTER EVENTS</b> Sources: Tourism Economics/PKF/LATCB					
2.1 TOT from Hosted Citywide/Center Events 14% (track separately) Source: Hotel Audits	Quarterly	\$4.7 million	\$5.7 million	TBD	N/A
2.2 TOT revenue for the City Source: City of Los Angeles	Monthly	\$184.7 million	\$202.9 million	\$225.1 million	\$246.6 million
<b>L.A. COUNTY LODGING PERFORMANCE</b> Source: STR					
2.3 Hotel Room Night Demand (Sold)	Monthly	27.6 million	28.2 million	TBD	TBD
2.4 Hotel Occupancy Rates	Monthly	78.2%	79.0%	TBD	TBD
2.5 Average Daily Rates	Monthly	\$141.26	\$151.79	TBD	TBD
2.6 Revenue Per Available Room	Monthly	\$110.47	\$120.31	TBD	TBD
2.7 Jobs from Leisure and Hospitality Sector (Fiscal Year Average) Source: CA EDD	Monthly	452,700	475,917	TBD	N/A
Objective 2 Market Data	Frequency of Reporting	FY 2014 Actual	FY 2015 Actual	FY 2016 Goal	FY 2017 Goal
2.a Local Business Sales based on direct spending from Citywide/ Center Events (track separately)	Annually	\$132.1 million	184.3 million	TBD	N/A
2.b Local Tax Revenue based on total economic impact from Citywide/Center Events (track separately)	Annually	\$12.1 million	\$16.0 million	TBD	N/A
2.c Fulltime Equivalent (FTE) Jobs based on total economic impact from Citywide/Center Events (track separately)	Annually	1,420	2,360	TBD	N/A
<b>ECONOMIC IMPACT – LA COUNTY</b> Source: Tourism Economics <b>CALENDAR YEAR</b>					
		CY 2013	CY 2014	CY 2015	CY 2016
2.d Visitor Direct Spending	Annual	\$18.36 billion	\$19.61 billion	\$20.57 billion	N/A
2.e Visitor Indirect/Induced Spending	Annual	\$9.95 billion	\$10.58 billion	\$11.06 billion	N/A
2.f Local Tax Revenue from LA County Visitors	Annual	\$1.27 billion	\$1.38 billion	\$1.46 billion	N/A
2.g Overnight Visitor Average Trip Spend in LA County (Marketing//Planning Resource)	Annual	\$614	633	TBD	N/A

### **OBJECTIVE 3**

**Facilitate and track engagement with those visiting Los Angeles for both conventions and leisure travel to enhance the visitor experience with the intent of encouraging repeat visitation and longer stays**

Services and Deliverables Related to Objective 3:

- a. Survey citywide clients to obtain feedback on specific aspects of the client experience at the LACC (e.g., event services, security, facility condition, food and beverage service, LAX, participating hotels, and other related venues and service providers)
- b. Host and facilitate Customer Advisory Boards as requested by the CTD to obtain feedback from current and potential clients on long-term strategic issues such as designs for the expansion and modernization of the facility, industry trends and client needs
- c. Enhance the visitor experience through an integrated network of visitor centers, digital kiosks, visitor guides, visitors maps (digital or print) providing convenient and relevant destination information and resources
- d. Maintain web site and social media platforms to engage potential visitors to Los Angeles in a manner that compliments the City's efforts to brand itself (non-TOT funding). Provide web analytics to CTD in accordance with the Agreement.
- e. Leverage emerging technology in providing compelling information to LA's visitors
- f. Collaborate with the City to find new options and venues that would expand outreach to LA's visitors
- g. Report on visitor perceptions/satisfaction levels (conducted with non-TOT funding) to inform the City as to how it may improve the visitor experience in the City with the goal of getting visitors to stay longer and return
- h. Maintain and publish L.A. Tourism Calendar of Events
- i. Metrics for Objective 3:

<b>Objective 3 Performance Metrics</b>	<b>Frequency of Reporting</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Forecast</b>	<b>2017 Goal</b>
3.1 Overall Host City Rating Citywide Client Satisfaction: (5-point scale)	Quarterly	N/A	4.3	4.2	4.0
3.2 Overall LACC Rating Citywide Client Satisfaction: (5-point scale)	Quarterly	N/A	4.0	3.9	4.0
3.3 Overall Client Services Rating Citywide Client Satisfaction: (5-point scale)	Quarterly	N/A	4.4	5.0	4.0

3.4 Number of Visitor Impressions at Visitor Centers, Kiosks and Publications (Track Separately)	Quarterly	1.1 million	0.67 million	1.01 million	1.01 million
3.5 Number of Visits to Discover Los Angeles web site	Quarterly	9.0 million	11.4 million	12.5 million	12.5 million
3.6 Social Media Activity (Facebook, Twitter and Instagram followers)	Quarterly	3.0 million	3.2 million	3.5 million	3.6 million
<b>Objective 3 Market Data</b>	<b>Frequency of Reporting</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Forecast</b>	<b>FY 2017 Goal</b>
3.a Visitor Satisfaction Ratings from Visitor Profile Study Source: Destination Analysts 2013 (Funded by non-TOT resources)	Every 3 years or when conducted	49.2% very satisfied 46.8% satisfied	N/A	N/A	N/A
3.b Average Length of Stay of Overnight Visitors (Marketing/Planning Resource)	<b>Annually</b>	4.4 nights	4.2 nights	TBD	N/A
3.c Percent of Repeat Visitors from Visitor Profile Study Source: Destination Analyst 2013 (Funding by non-TOT resources)	Every 3 years or when conducted	74%	N/A	N/A	N/A

#### **OBJECTIVE 4**

**Effectively leverage TOT funds, with other sources of funds, to promote conventions and tourism to maximize the yield from the City's investment**

Services and Deliverables Related to Objective 4:

- a. Use best efforts to develop other sources of revenue, such as memberships and sponsorships, to support the promotion of tourism in Los Angeles
- b. Use best efforts in booking the City's convention facilities to maximize total revenues for the LACC facility with the priority of booking quality business that drives hotel room nights and spending from out-of-town visitors that stimulates the local economy and generates TOT to the City of Los Angeles
- c. Generate earned media to create awareness and excitement among potential visitors
- d. Submit TOT-funded budget for review by CTD Board and inclusion in the Mayor's proposed budget

- e. Deliver audited financial statements within 120 days after close of fiscal year
- f. Regularly update CTD Board on metrics and sales activity
- g. Submit monthly financial reports to CTD on use of all sources of funds
- h. Metrics for Objective 4:

<b>Objective 4 Performance Metrics</b>	<b>Frequency of Reporting</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Forecast*</b>	<b>FY 2017 Goal*</b>
4.1 Percent of Citywide Rental Income from Citywides Retained After Discounts Source: LACC Operator	Quarterly	18.3%	12.6%	TBD LACC#	TBD LACC#
4.2 Non-TOT Funds	Quarterly	\$21.8 million	\$28.3 million	\$31.7 million	\$34.0 million
4.3 Total Paid Advertising Value from multiple funding sources	Annual	\$5.9 million	\$6.9 million	\$6.6 million	\$9.6 million
4.4 Total Earned Media Value from multiple funding sources	Annual	\$36 million	\$40 million	\$60 million	\$70 million
<b>Objective 4 Market Data</b>	<b>Frequency of Reporting</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Forecast</b>	<b>FY 2017 Goal</b>
4.a Rental Income Retained from Citywides Source: LACC Operator	Quarterly	\$850,619	\$655,674	N/A LACC #	N/A LACC #

\*Note: Estimate based on YTD 5/31/16

CTD Approval: \_\_\_\_\_  
Signature Title

LATCB Approval: \_\_\_\_\_  
Signature Title

Date: \_\_\_\_\_

# Los Angeles Convention Center Monthly Status Report May 2016

Brad Gessner



## EMPLOYEE OF THE MONTH – MAY 2016



**Jesus Garcia**  
***Parking Attendant***



# LACC MAY 2016 EVENTS

<u>DATE</u>	<u>EVENT</u>	<u>ATTENDANCE</u>
MAY 1 – 3	American Society of Colon & Rectal Surgeons	10,000
MAY 2 - 6	NeighborWorks Training Institute	3,000
MAY 7	KASKADE	20,000
MAY 7-8	RuPaul's DragCon	24,000
MAY 8 - 21	County of Los Angeles Human Resources	5,500
MAY 14 -15	The Yummy California Sweets Show	1,000
MAY 14 - 15	Hombre Nuevo	15,000
May 14 – 15	AdultCon	7,000
May 18	Naturalization	13,600
May 19 – 22	Magic Grand Prix Los Angeles	12,000
May 21 - 26	Assoc. of Legal Administrators	1,700
May 21 – 22	Los Angeles Ultimate Women's Expo	16,000
May 26 – 29	The Voice	2,000
May 28 - 29	El Shaddai	9,400
May 28 – 29	Equip Vision: Mega Seminar Los Angeles	11,000

\*Citywide Events

**TOTAL: 151,200**

# LACC MAY 2016 FILMING AND PHOTO EVENTS

<u>Date</u>	<u>Name</u>	<u>Location</u>	<u>Amount</u>
MAY 4	Hand of God - Picrow	Pico and Fig Drives	\$9,480
MAY 9 - 10	Roadies	Concourse Plaza/South Garage	\$32,330
MAY 12	Goliath Picrow	Bond/South Parking	\$5,250
MAY 12 - 13	New Edition	Venice	\$7,350

**TOTAL FILMING: \$54,410**

(MAY 2015 - \$86,445)

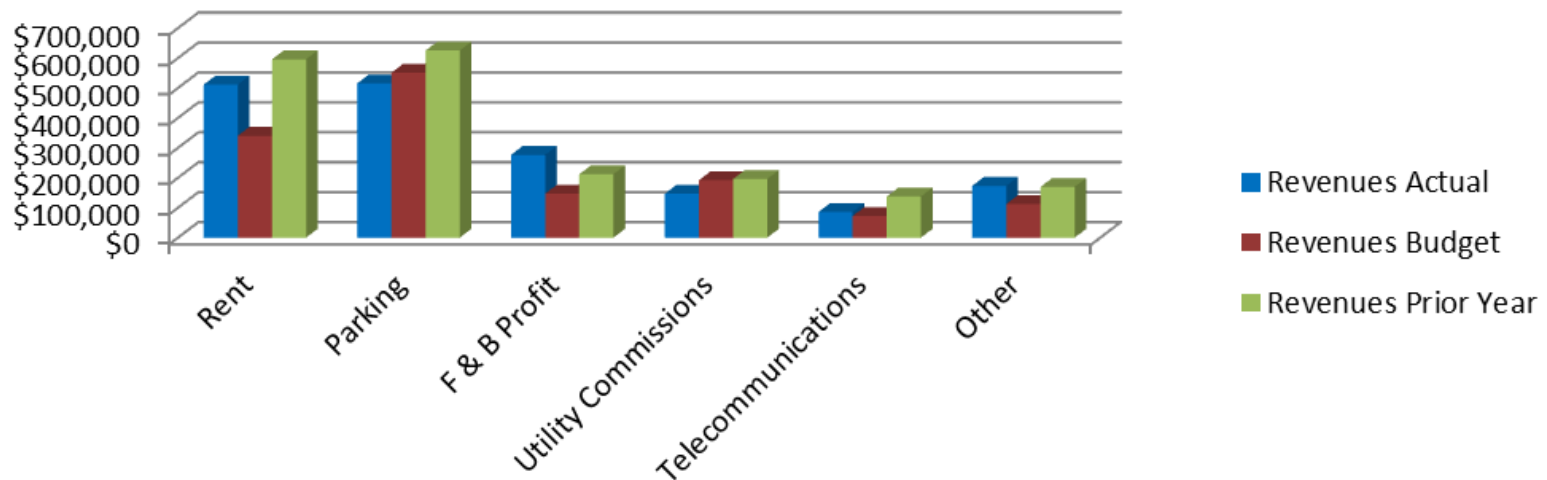
# LACC MAY 2016 FINANCIALS

## OPERATING DEFICIT:

- \$102K (before approved A & I and Capital Projects)
- \$286K favorable to budget and \$248K below prior year

## REVENUES:

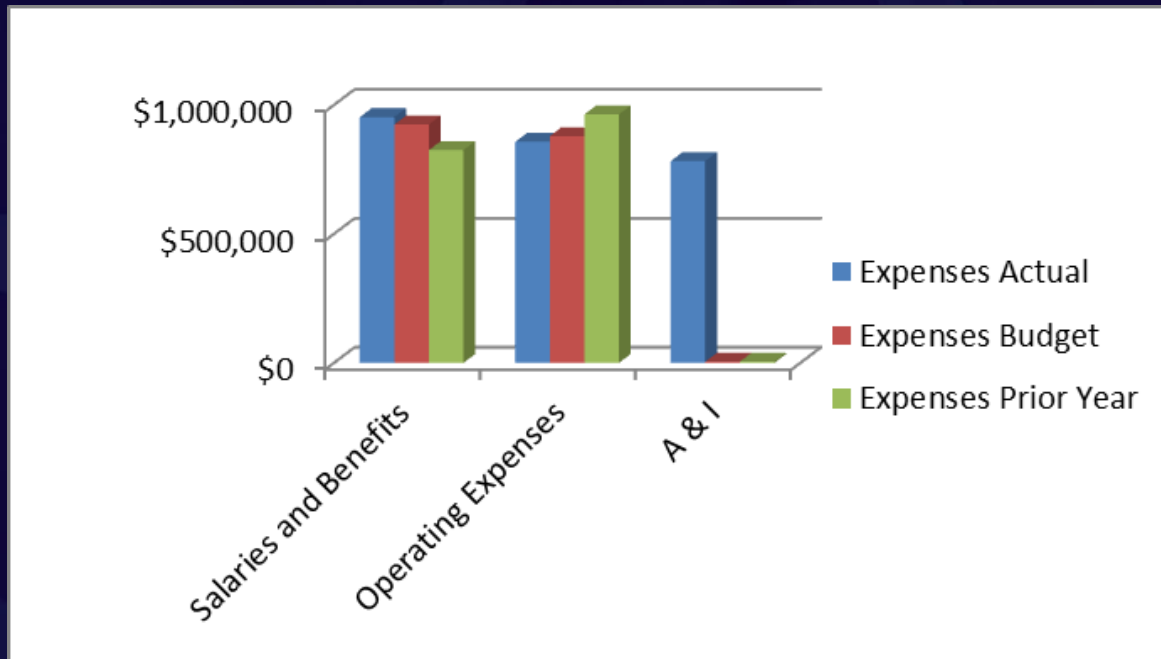
- \$1.7 Million
- \$300K favorable to budget and \$277K below prior year



# LACC MAY 2016 FINANCIALS

## EXPENSES:

- \$1.8 Million for May (excluding A & I projects)
- \$7K above budget; \$22K above prior year



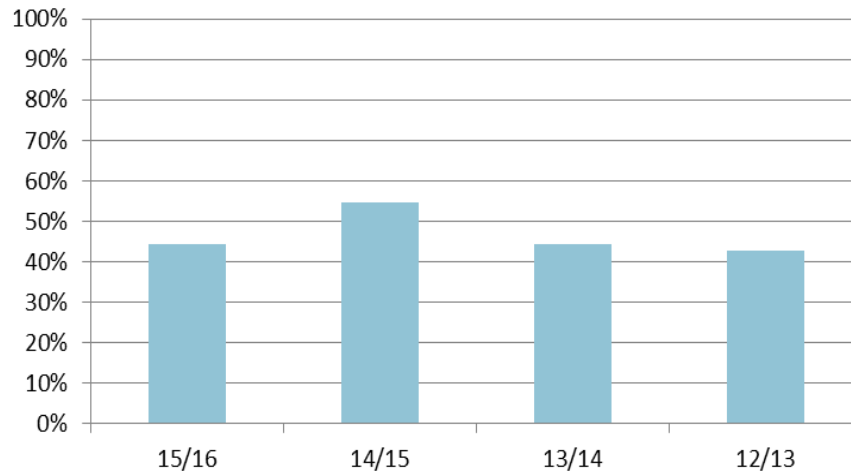
## A & I projects and Capital:

South Hall Floor Remediation  
Cooling Tower Maintenance  
Urinal valves replacement  
CCTV coverage in meeting rooms  
Radio equipment upgrades

Trash Receptacles  
Staging Equipment  
Magnetometers  
South Hall Carpet  
Meeting Room Access Control

# MAY OCCUPANCY

## May Exhibit Hall Occupancy



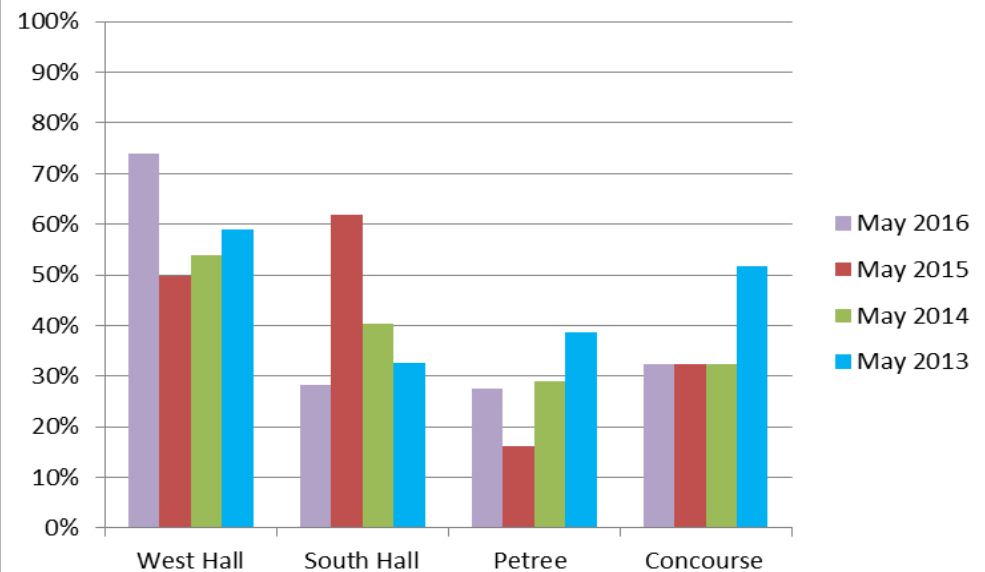
### May Occupancy:

2016 - 44%

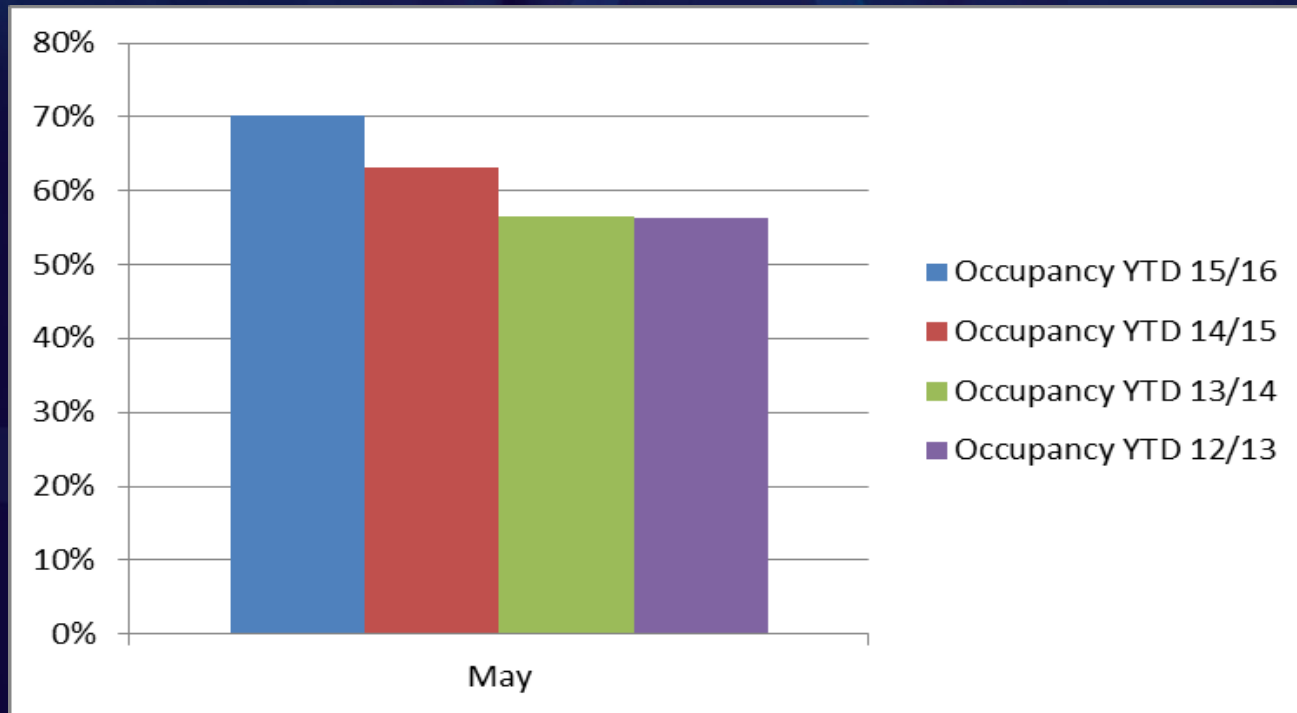
2015 - 55%

2014 - 44%

2013 - 43%



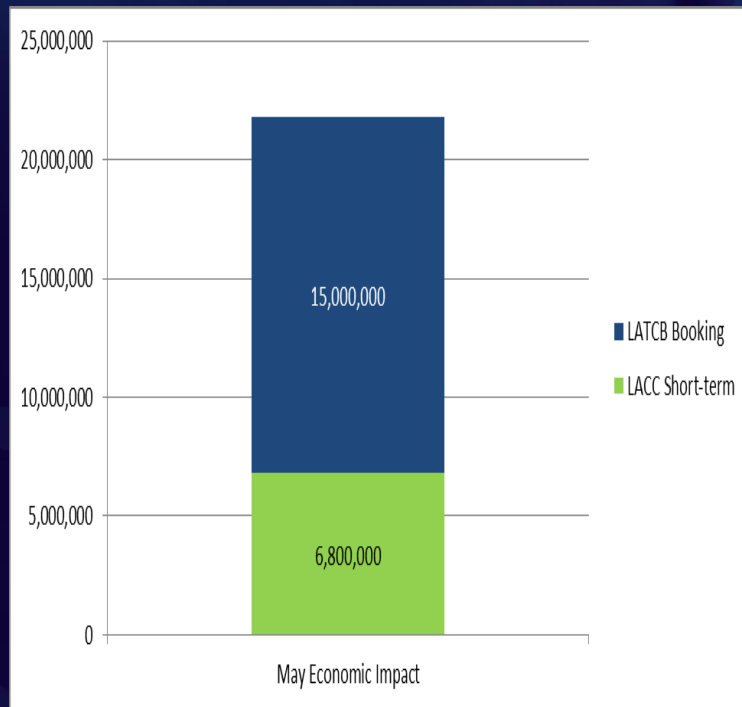
## YTD OCCUPANCY



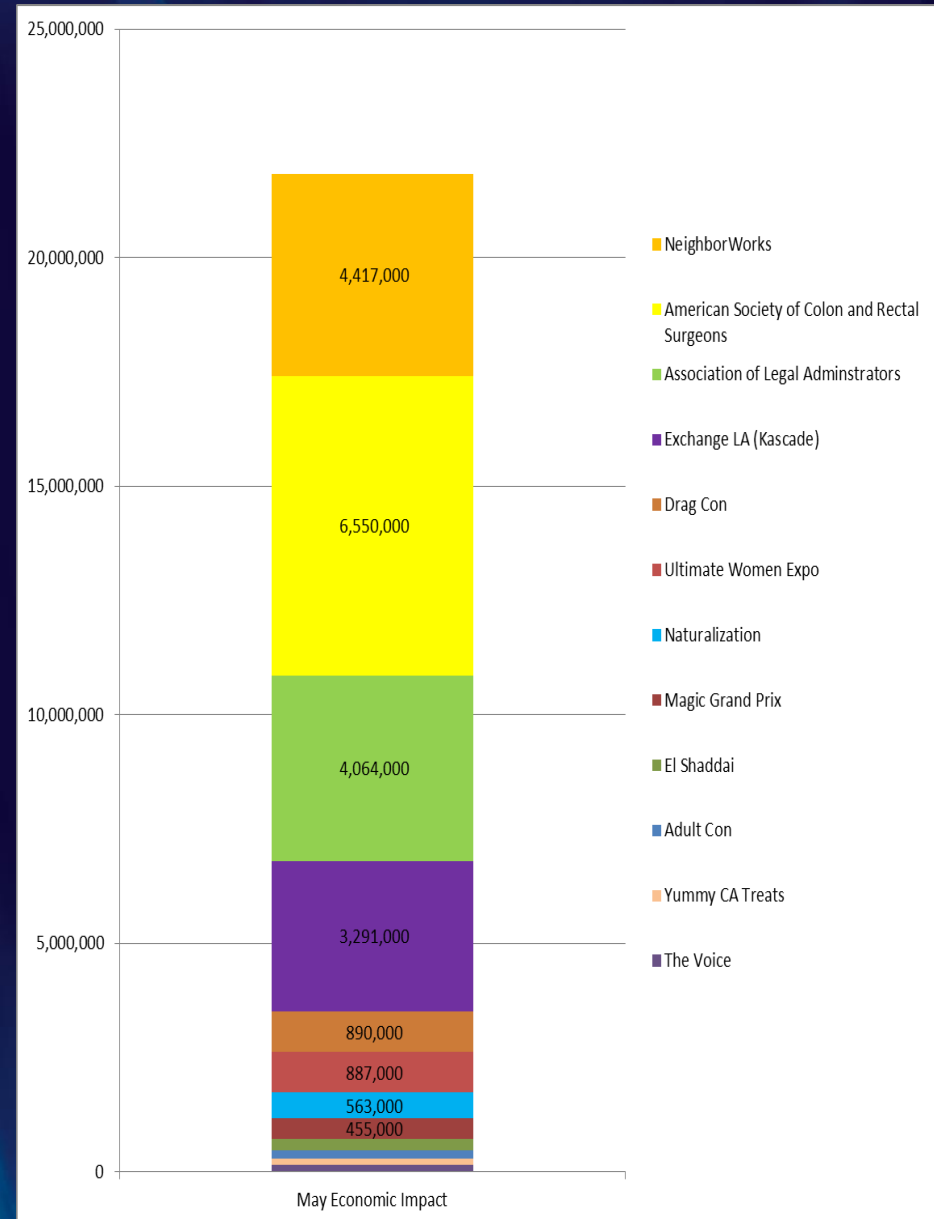
PricewaterhouseCoopers report on Convention Center occupancy states:

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 MAY 2016 ECONOMIC IMPACT



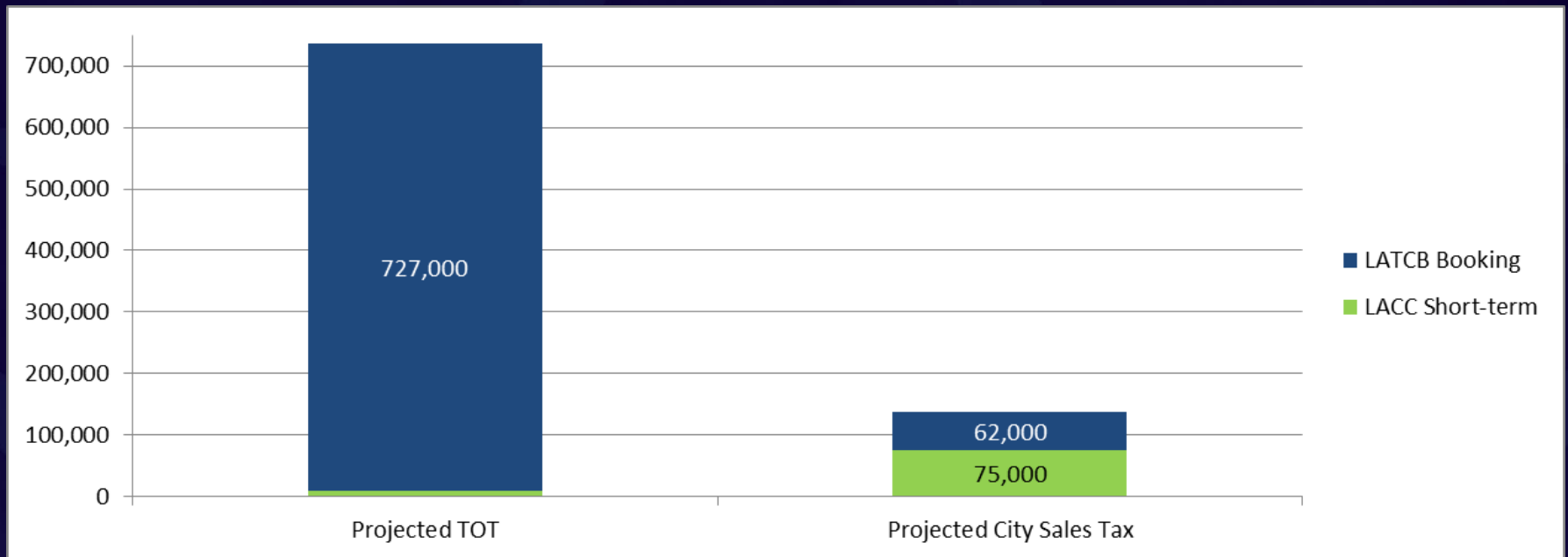
May Economic Impact of \$21.8 Million



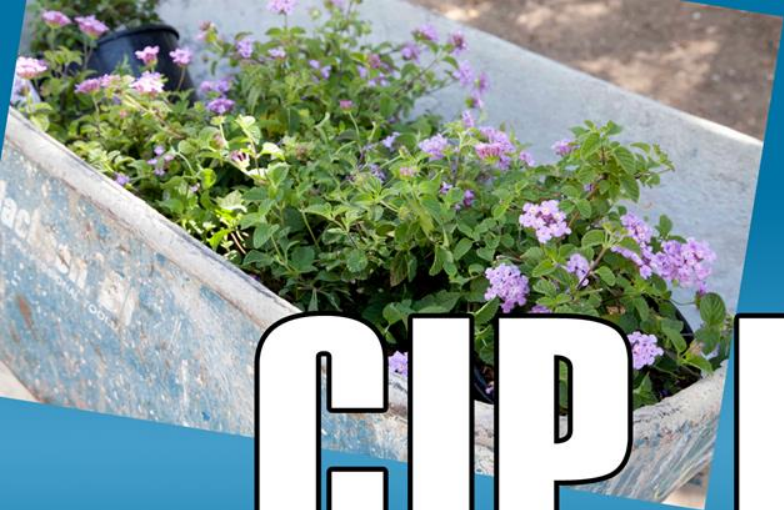


# LACC MAY 2016 TOT AND CITY OF LA TAXES

- \$736K in projected TOT Revenue
- \$137K in projected City of LA Sales Tax Revenue



# CIP UPDATE



# FY 2015-16 CIP UPDATE - SUMMARY

## PLANNING AND CONTRACTING STAGE

Solar

## IN PROGRESS

Two-Way Radio Upgrade

Dimming Control System

Two-Pole Sign Upgrade

Security Ramp Gates

# FY 2015-16 CIP UPDATE - SUMMARY

## COMPLETED

<b>Roof Replacement*</b>	HVAC System for IDF
<b>Escalator and Elevator Repair/Modernization*</b>	Industrial Pump Package Replacement
<b>Compactor Replacement*</b>	Urinal Replacement
<b>South Hall Floor Remediation*</b>	Cooling Tower Pump Package Replacement
<b>Carpet Replacement*</b>	Graphic Command Control Computer Upgrade
Access Control	Toilet Upgrade
	Xeriscaping



# ROOF REPLACEMENT

COMPLETED



525,000  
SQUARE  
FEET

- New layers insulate building and regulate temperature
- White, reflective layer offers durable protection while absorbing less heat
- Replaced leaky, patched roof that was past its useful life

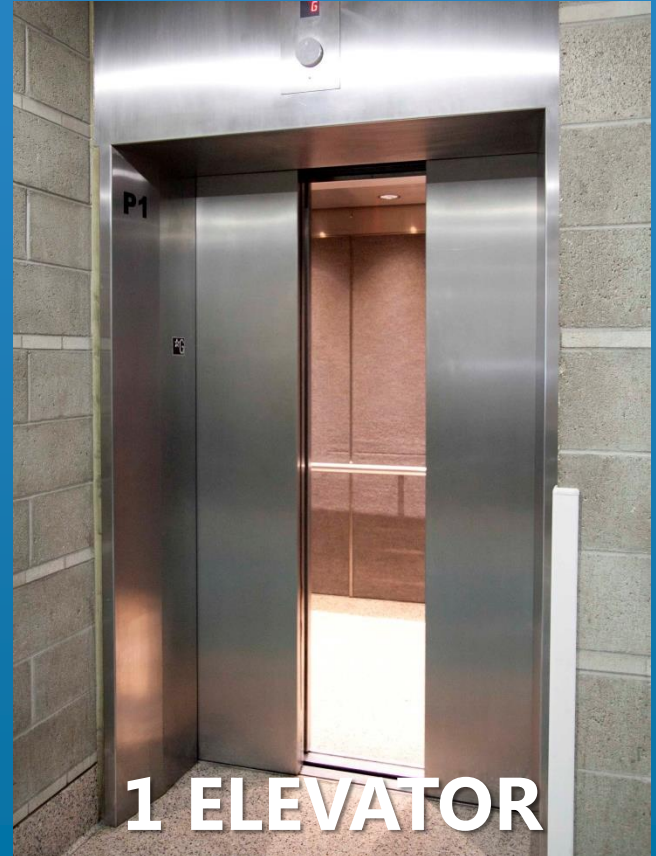
# ESCALATOR & ELEVATOR REPAIR/MODERNIZATION

**COMPLETED**



**11 ESCALATORS**

- Improved reliability and safety of equipment, leading to greater client satisfaction
- Increased efficiency
- Locations targeted are high traffic areas, essential for major shows like E3 and Anime Expo



**1 ELEVATOR**

# COMPACTOR REPLACEMENT

COMPLETED



NEW



OLD

- Increased capacity from 35 cubic yards to 40 cubic yards
- Significantly improved functionality, efficiency and cleanliness
- Restored concrete platform
- New permanent tracks will reduce damage and wear

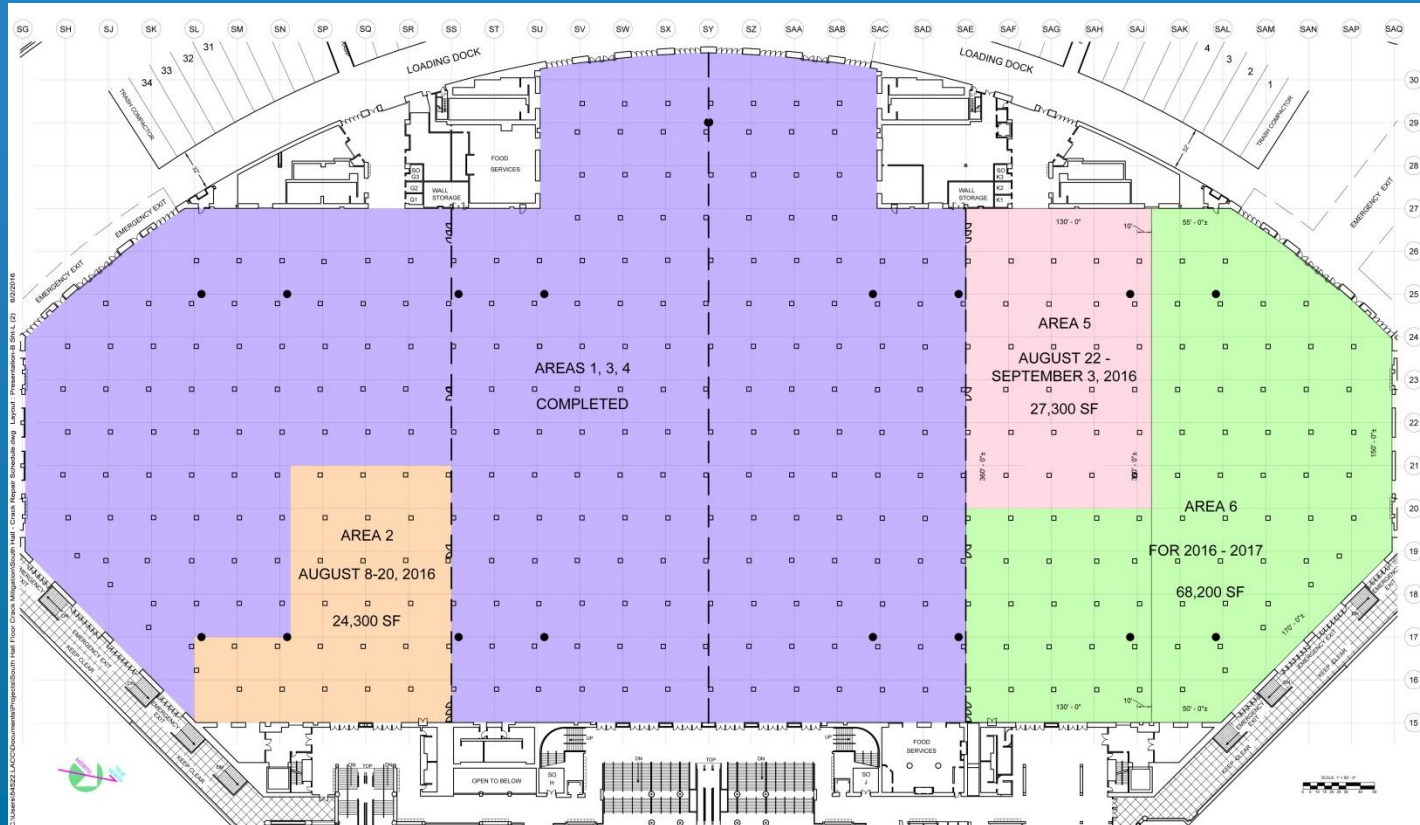


# SOUTH HALL FLOOR REMEDIATION

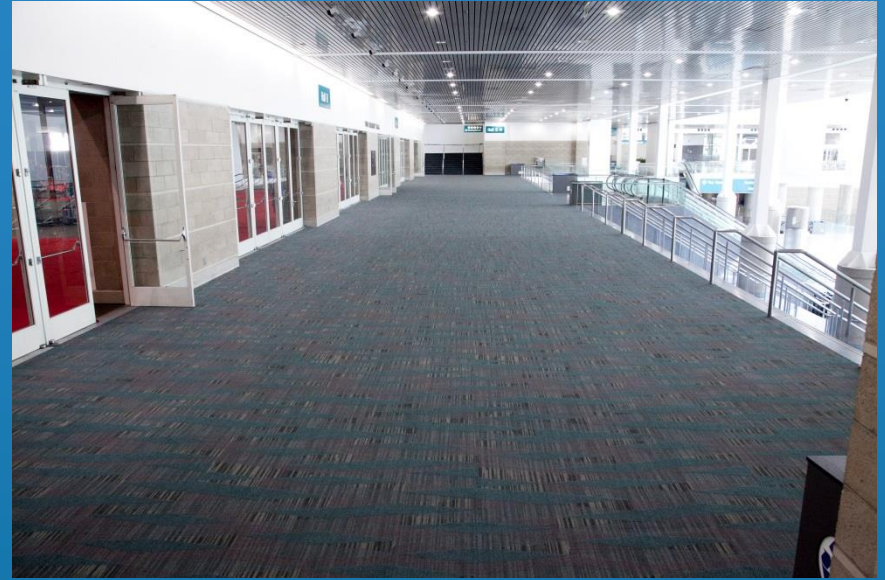
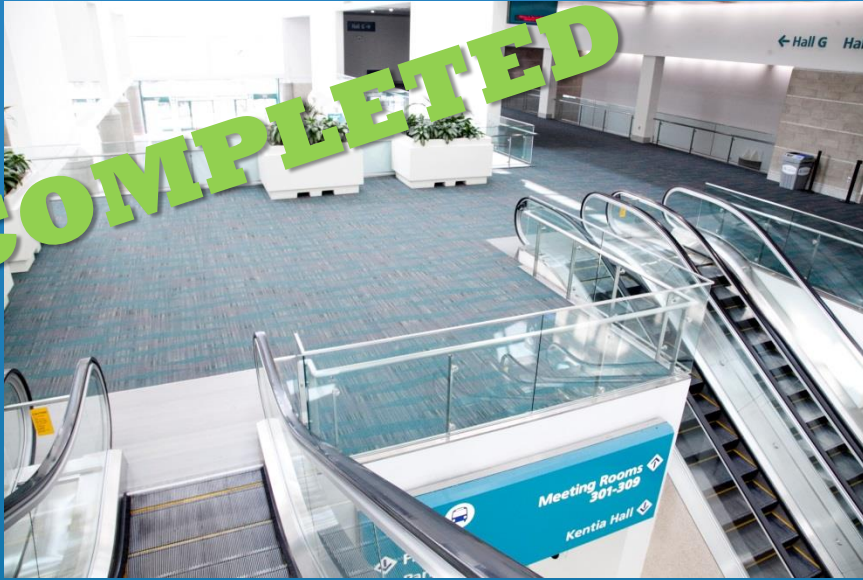


- About 63,000 square feet of flooring remediated
- Preserves structural integrity of the floor
- Prevents accumulation of dirt and particles in cracks
- Additional surplus-funded work tentatively scheduled for August

# SOUTH HALL FLOOR REMEDIATION



# CARPET REPLACEMENT PHASE II



- About 63,000 square feet of carpet replaced
- Drastically improved client/guest experience
- Removed potential trip hazards



# CTD Board of Commissioners Meeting

July 6, 2016







## Sales Update

Darren K. Green

Senior Vice President, Sales



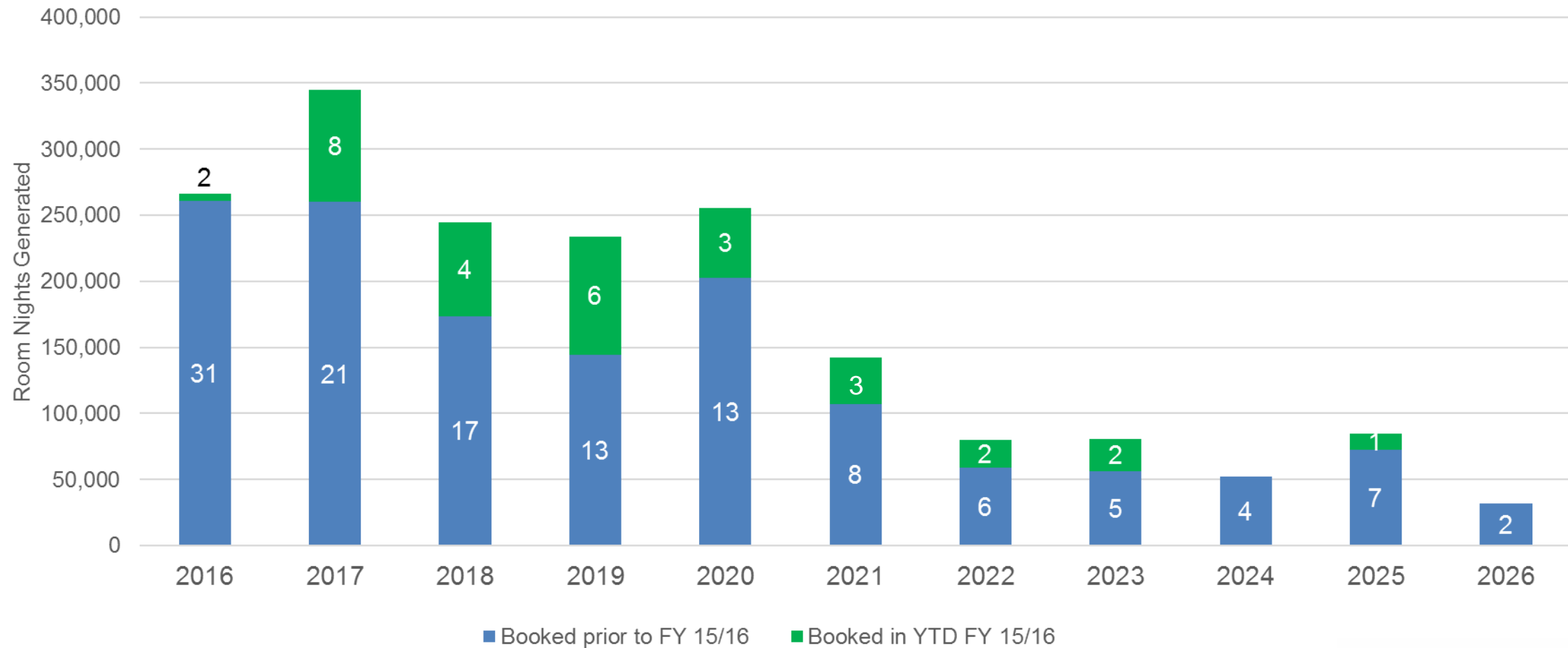
# Citywide Convention Sales YTD FY 15/16 Production

Lead Production	Leads Actual	Booked Room Nights Produced	RNs Actual
FY 15/16 Goal	220	FY 15/16 Goal	351,000
FY 15/16 YTD	<b>216</b>	FY 15/16 YTD	<b>398,504</b>
FY 14/15 STLY	220	FY 14/15 STLY	282,326

## Sales Pipeline- Future Years

- YTD 15/16 **121 Prospects**, representing **2,333,553 room nights**
- STLY 14/15 **154 Prospects**, representing **2,116,677 room nights**

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



31 Events with 398,504 room nights booked during YTD FY 15/16 (July 1, 2015 – June 24, 2016)





# Northeast GM Sales Mission

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June 6-9, 2016



New York City



Philadelphia



Washington D.C.

**9** Partners

**118** Clients

# Recent Industry Events

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International POW Wow  
June 2016 New Orleans



World Education Congress  
June 2016 Atlantic City



June 2016 Nashville



HelmsBriscoe Annual Business Conference  
June 2016 Phoenix



June 2016 Las Vegas



# Cvent Connect Recap

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- Las Vegas June 26-30
- 3,000+ Attendees
- The Exchange Appointments with Meeting Planners
- Speaking Session by Darren Green & Bryan Churchill  
“Emerging Group Business and Convention Segments”

# Upcoming Industry Events

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DMAI Annual Convention  
August 2016 Minneapolis



ASAE Annual Meeting  
August 2016 Salt Lake City



Experient E4  
August 2016 Las Vegas



August 2016 Toronto



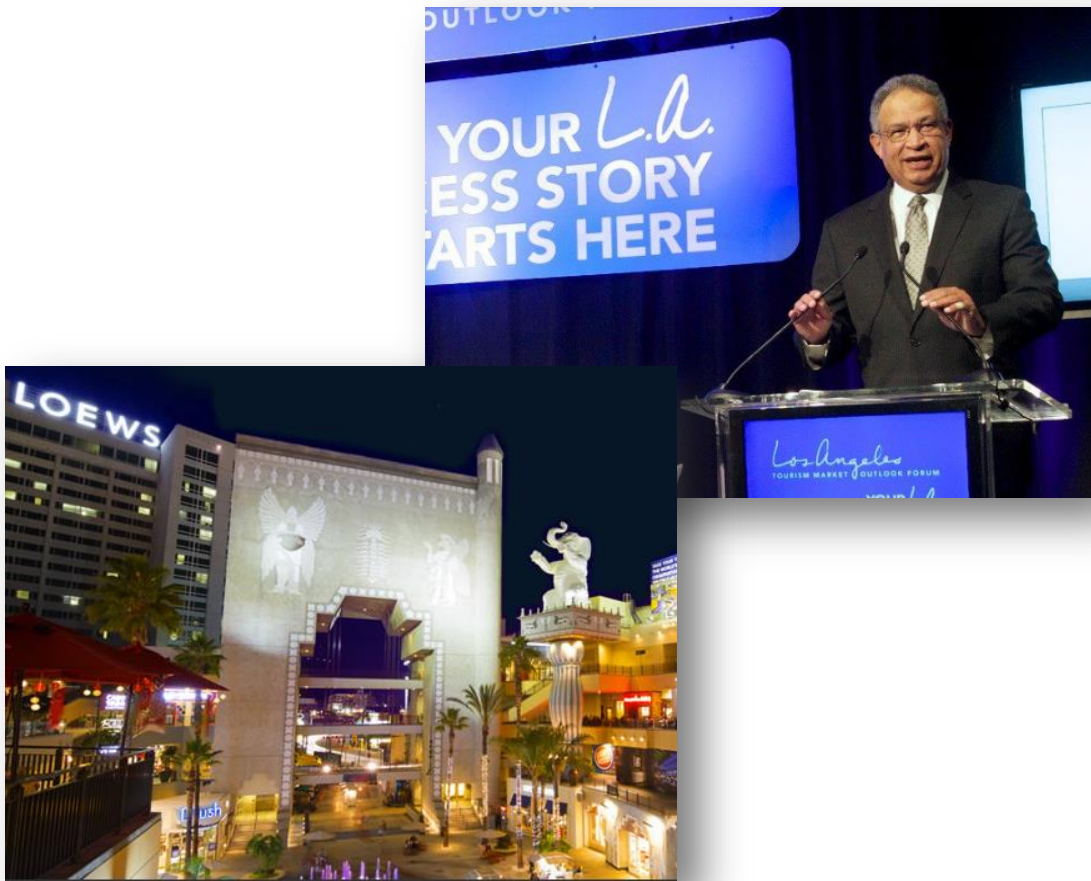
IBTM China  
September 2016 Beijing





# LATCB Market Outlook Forum

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- Latest Travel and Tourism Trends from Industry Experts
- Forward Looking to Ensure Continued Success
- Ray Dolby Ballroom at Loews Hollywood Hotel
- Thursday, August 25, 2016
- National Sales Meeting

# FY 16/17 Citywide Convention Sales Challenges

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- Commitment for Confirmed LACC Expansion with Timeline and Process
- JW Marriott L.A. LIVE Decision Not to Expand with More Rooms
- Award Shows Competing for Event Space over Numerous Sets of Dates
- Hotels Reluctance to Offer Room Blocks for Citywides in Favor of Seeking Higher Rated Self Contained Groups that can Commit to F&B Requirements



Thank you






**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

**DATE:** July 1, 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 MODERNIZATION PROJECT**

Because the City Administrative Officer's (CAO) "Los Angeles Convention Center Dual Path Report" (C.F. 14-1383) was not completed by July 21, 2016, it was not scheduled for the City Council's Economic Development Committee (EDC) on June 28 or the CTD Board meetings on June 22 and June 29 (which were therefore cancelled). These meetings will be Re-noticed when everything is ready to proceed.

**1. CAO – Arup – DBFOM – HOK Delivery Model Path**

The CAO's report is now available. Between the cover memo, the Arup Report, and the other exhibits and attachments, it is close to 400 pages. We have sent it out to all of the regular recipients of our reports. If anyone is having difficulty in downloading it, just let Adria Ybarra or Cris Villorante know and we will make sure you get it. It is also available to the public at <http://cao.lacity.org/>.

The City Council is now in Summer Recess from July 5 through July 22. I would expect the EDC to take the matter up in late July or early August. We will also reschedule the report for the CTD Board in advance of the EDC meeting. The next regular CTD Board meetings are July 20, August 3, and August 17. We will provide as much prior notice as we can before the matter is heard at one of these meetings (72-hour legal minimum notification time).

The City Council also directed the City Legislative Analyst (CLA) to provide its analysis of the Dual Path Report. We will also send that report out as soon as it is available, probably late July or early August.

**2. Conventional Delivery Model Path**

Because the CAO's report was not ready in time to be considered at your last meeting, we also cancelled the presentation by Populous. The CTD Board has had several presentations by Populous and has, in fact, selected a Preferred Alternative (with an equally viable back-up) for the Conventional Delivery Model Path. We had simply put the Conventional Path back on your Agenda for the same planned meeting on the DBFOM Path so as to give symmetry to the process and equal time to each of the Dual Paths.

Both presentations will again be put on your Agenda, whenever the matter is rescheduled after the Summer Recess.



### **3. Environmental Impact Report (EIR)**

BOE has issued a Notice to Proceed for the EIR. You can't get into the real substantive work of an EIR until you have a "Project Description," which we obviously do not have yet. But, there is lots of preparatory work on which the EIR consultant can get started. Doing so helps us make some progress during the Summer Recess.

### **4. On-site Headquarters Hotel**

Jones, Lang, and LaSalle (JLL), our consultant for the on-site hotel, has completed the draft Request for Proposal (RFP). However, we have also placed that on hold while discussions take place with AEG regarding parking lease hold interests and easements on LACC property as a result of the construction of the Staples Arena on the site of our former North Hall.

The City Attorney has placed a Closed Session on your July 6 meeting to brief you on the threat of litigation regarding these matters.

RRO:cv

Exec. Ref. No. 16-081

cc: LACC Expansion Project routing