



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, September 7, 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 August 17, 2016
- b. Policies and Protocol for Concerts – Board Report # 16-009

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 – July – Brad Gessner, AEG
- c. LATCB Monthly Update – July – Darren Green, LATCB
 - i. Outlook for FY17 – Wendy Kheel, LATCB

5. ADJOURNMENT

AGENDA FORECAST / SPECIAL TOPICS:

- September 21, 2016
- Expansion & Futurization Update
 - On-site Hotel RFP Update
 - CIP Update
 - LA 24 Contract

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.

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.

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

Regular Meeting Minutes
August 17, 2016

The Board of Los Angeles Convention and Tourism Development Commission (Board) convened a regular meeting on Wednesday, August 17, 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 Otto Padron

ABSENT:

Commissioner Jeremy Bernard
Commissioner Stella T. Maloyan

PRESENTERS:

Tom Fields, CTD
Brad Gessner, AEG
Darren Green, LATCB

Item 1. Call to Order / Roll Call

President Vein called the meeting to order at 9:01 a.m.

Item 2. Public Comment

None

Item 3a. Approval of the regular meeting minutes from July 6, 2016

UNANIMOUSLY APPROVED

Item 4a. Neighborhood Council Representatives

None

Item 4b. AEG Monthly Update – June/Year End – Brad Gessner, AEG

Mr. Brad Gessner presented the June AEG update.

Item 4c. LATCB Monthly Update – June/Year End – Darren Green, LATCB

Mr. Darren Green presented the June LATCB update.

Item 4d. CIP Update – Tom Fields, CTD

Mr. Tom Fields presented the CIP Update.

Item 5. Discussion Items

None

ADJOURNMENT

The meeting was adjourned at 10:04 a.m.

Los Angeles Convention Center Monthly Status Report JULY 2016

Brad Gessner



EMPLOYEE OF THE MONTH – JULY 2016



JeanLuc Fernandez
Security Supervisor

LACC JULY 2016 EVENTS

<u>DATE</u>	<u>EVENT</u>	<u>ATTENDANCE</u>
July 1	Anime Expo	304,799
July 5 – 6	Islamic Center of So Cal	1,800
July 9	BeautyCon	15,000
July 10	DUB Magazine Custom Auto Show	25,000
July 14 - 17	IDEA Word Fitness & Nutrition Expo	20,000
July 20	Naturalization	20,000
July 22 - 25	American Assoc. for Justice	3,000
July 22 – 25	LA Market – LA Gift Show	7,000
July 22 – 24	Hombre Nuevo	16,000
July 23	Southwest Regional Council of Carpenters	3,000
July 23 – 24	Iglesia Elin de Cristo – Centro de Los Angeles	5,700
July 26 – 28	California State Bar Association: Bar Exam	3,360
July 27	Global Riot Conference Play Party	1,800
July 31 - Aug. 2	National Medical Association – Annual Convention	8,000

*Citywide

TOTAL: 434,459

LACC JULY 2016 FILMING AND PHOTO EVENTS

<u>Date</u>	<u>Name</u>	<u>Location</u>	<u>Amount</u>
July 11	Roadies	Concourse Walkway & Pico Dr.	\$7,370
July 18 – 22	Alpha Girl	West Lobby/Concourse	\$34,050

TOTAL FILMING: \$41,420

(JULY 2015 - \$14,770)

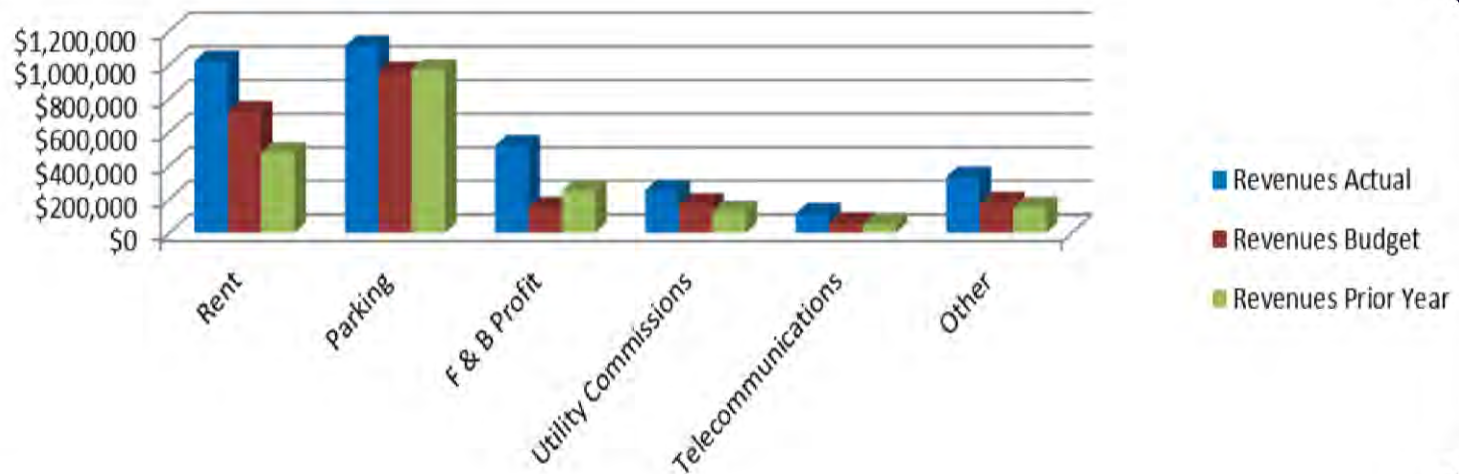
LACC July 2016 FINANCIALS

OPERATING PROFIT:

- \$920K (before approved A & I and Capital Projects)
- \$1.1 million above budget and 1.0 million above prior year

REVENUES:

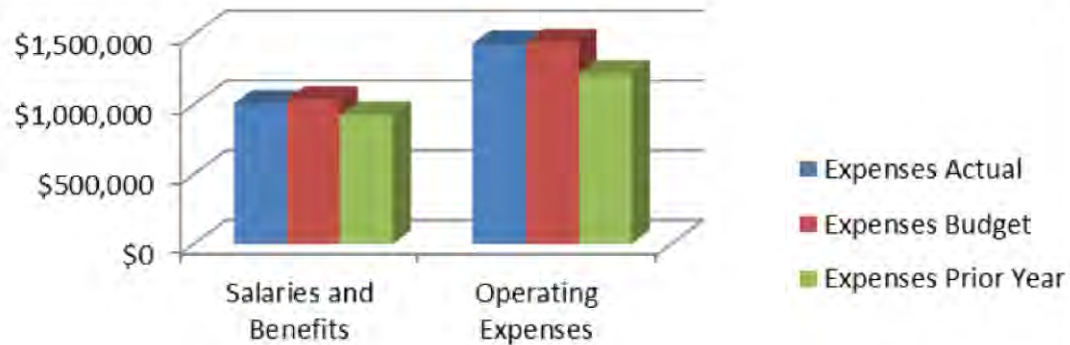
- \$3.4 Million
- \$1.1 million above budget and \$1.3 above prior year and



LACC July 2016 FINANCIALS

EXPENSES:

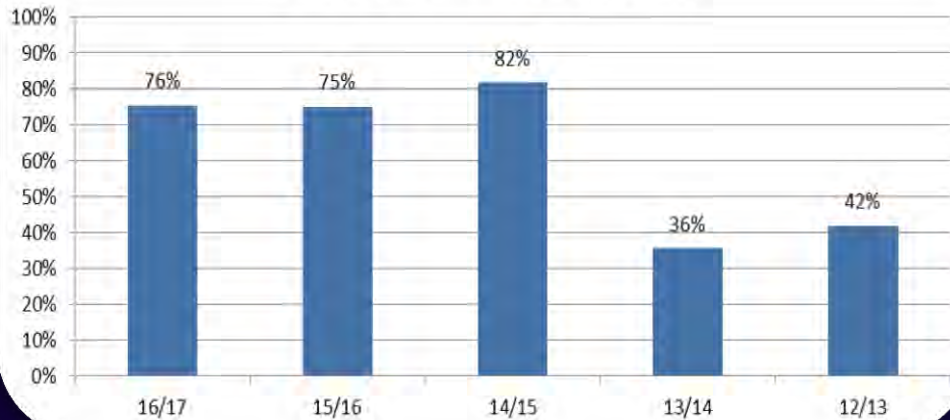
- \$2.4 million (before approved A & I and Capital Projects)
- \$38K below budget and \$302K above prior year



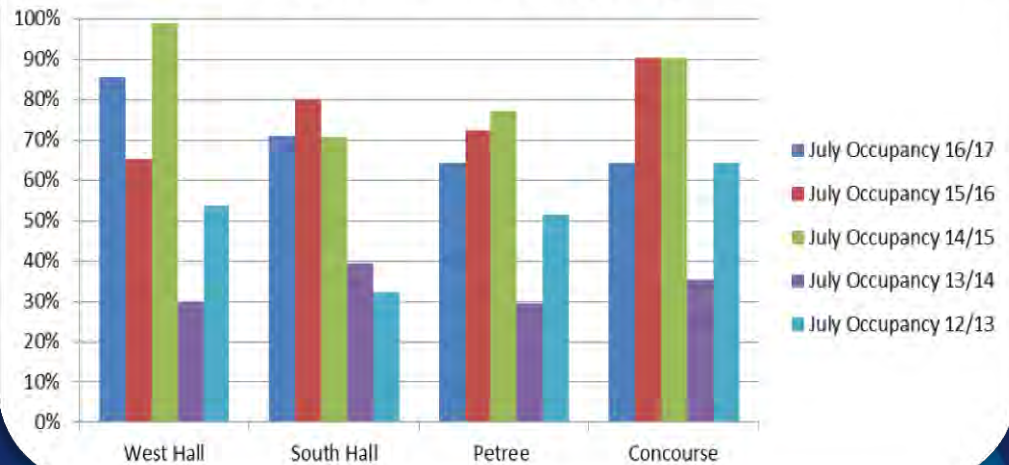
- ALTERATION AND IMPROVEMENTS:
 - \$84K in July consisting of:
 - Carpet in board rooms and receptionist
 - Waste and recycling in parking garage
 - Cooling tower repairs

JULY OCCUPANCY

July Exhibit Hall Occupancy



July Exhibit Hall Occupancy

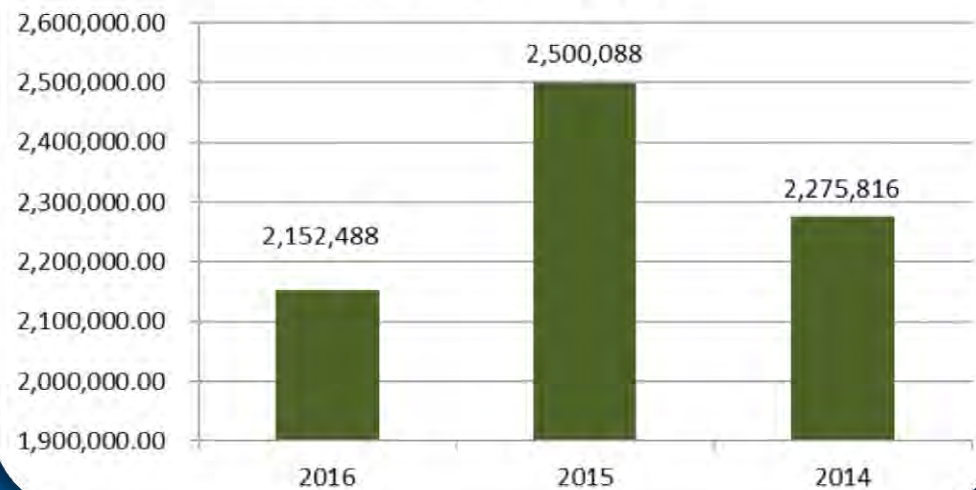


JULY Sustainability - Electricity

Total Fee \$



Consumption kWh



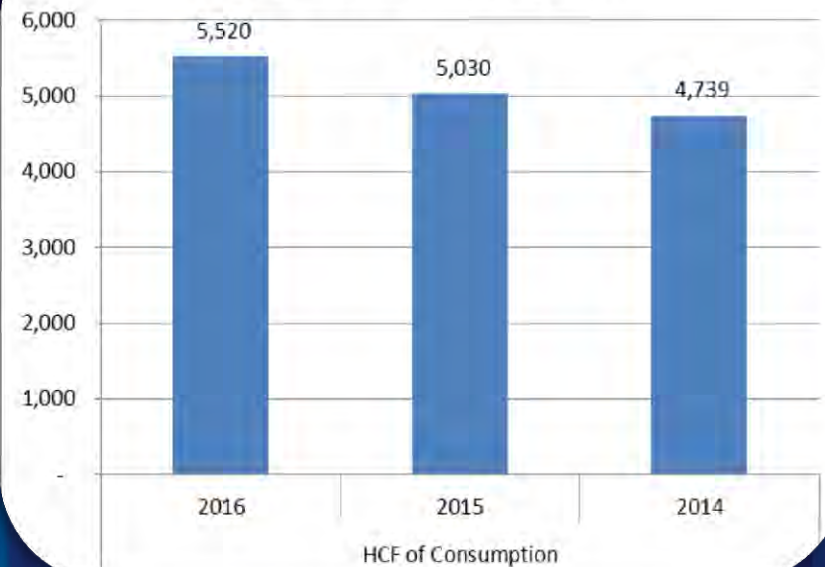
JULY Sustainability - Water

July Water Expense



Attendance for July 2016 was 18% higher than 2015
1 HCF = 748 gallons of water

July Water consumption



CTD Board of Commissioners Meeting

September 7, 2016

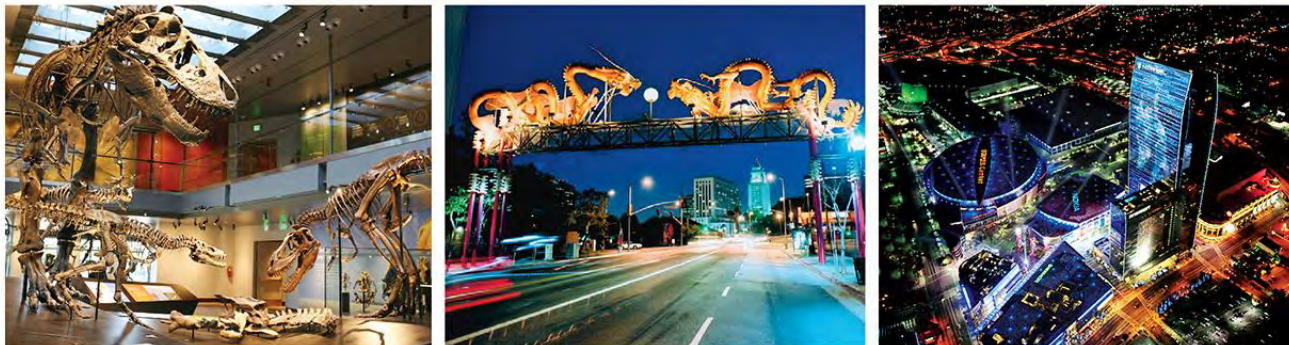


Los Angeles
TOURISM &
CONVENTION BOARD



Citywide Convention Sales Update

Darren K. Green
Senior Vice President, Sales



Los Angeles
TOURISM &
CONVENTION BOARD

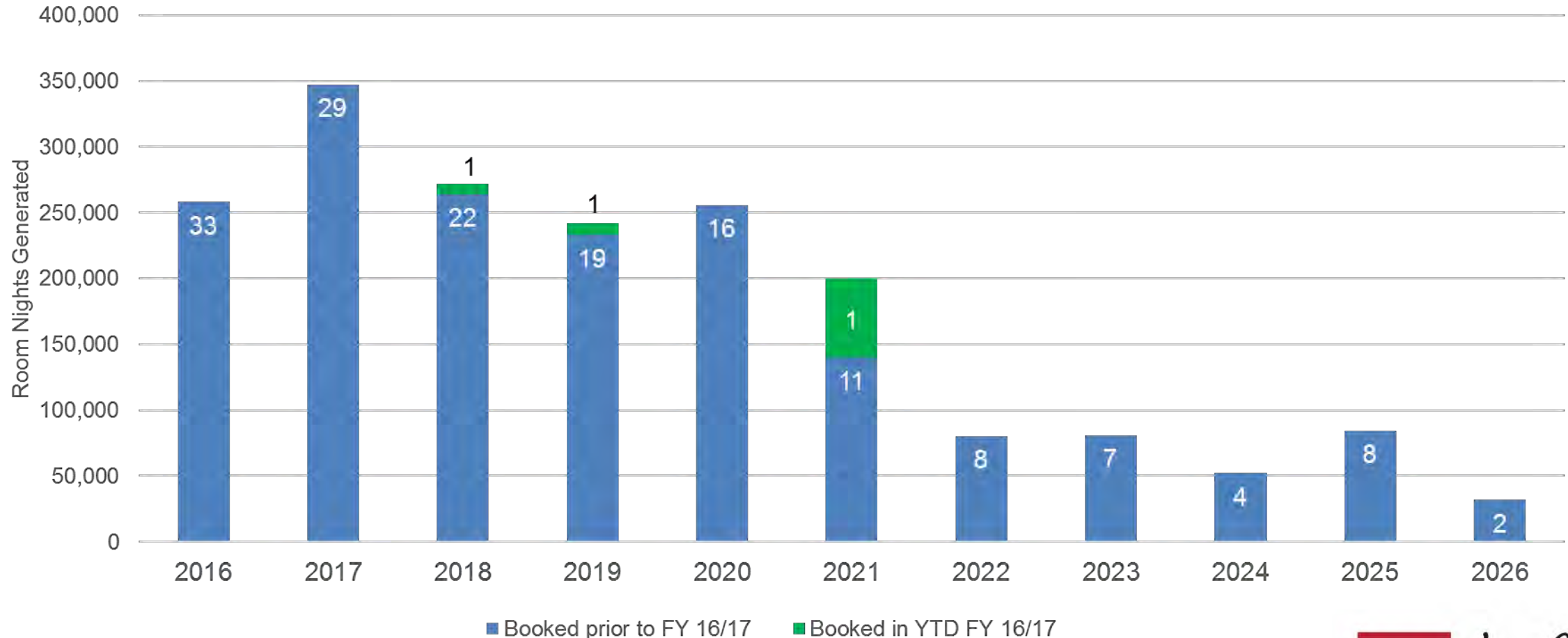
Citywide Convention Sales YTD FY 16/17 Production

Lead Production	Leads Actual	Booked Room Nights Produced	RNs Actual
FY 16/17 Goal	220	FY 16/17 Goal	390,000
FY 16/17 YTD	23	FY 16/17 YTD	77,662
FY 15/16 STLY	25	FY 15/16 STLY	114,928

Sales Pipeline- Future Years

- YTD 16/17 **125 Prospects**, representing **2,294,475 room nights**
- STLY 15/16 **154 Prospects**, representing **2,091,923 room nights**

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



3 Events with 77,662 room nights booked during YTD FY 16/17 (July 1, 2015 – August 25, 2016)

MEET L.A. BRAND CAMPAIGN 1.0

- Reintroduction of the LA brand
- Consistent overarching creative look
- Focused on Brand Awareness, Regions, Landmarks



MEET L.A. BRAND CAMPAIGN 2.0

- Rolling out August 2016
- Continuation of Brand with the addition of Human Element
- Focused on the intersection of people when in Los Angeles
- Extending throughout all elements, collateral, booths, etc.



MEET L.A. COLLATERAL ASSETS

Email Templates



IT'S TIME TO MEET L.A.
LAX Double Take

An exciting transformation is happening as you read this. LAX, the super-convenient airport offering unrivaled access for both domestic and international attendees—is undergoing an \$8.5 billion makeover.

The new state-of-the-art Tom Bradley International Terminal is in full operation. This gateway to the U.S. for international travelers hosts 16 gates, 9 of which can accommodate the next generation Airbus A-380 and the Boeing 747-800—more than any other airport in the nation. Upgraded passenger facilities, security and baggage processing and multiple lounges for boarding and departing mean LAX can now increase passenger processing to more than a whopping 4,000 passengers per hour.



Throughout remodeled domestic terminals, the addition of luxury lounges and ground-breaking architecture set a world-class tone. And travelers can get a feel for the city's shopping and dining at upscale restaurants, cafes and retail boutiques that reflect the L.A. lifestyle and experience.

With convenient schedules and competitive fares, LAX is ready to serve as the ultimate gateway to the destination. Ready to get started?

[LEARN MORE](#)



MEET L.A.

BECAUSE THE ULTIMATE MEASURE OF A MEETING IS OFTEN FOUND OUTSIDE OF THE MEETING.

When your event is happening in the creative capital of the world, your options for making memorable experiences into a truly unforgettable. Let us help you create your best meeting ever.

97,800 HOTEL ROOMS

305 RESTAURANTS

152 CITIES SERVED

Take a virtual tour of our meeting venues today at the new [www.LA.com](#)

Learn more about us at [www.LA.com](#)
Share it on [Facebook](#) [Twitter](#) [LinkedIn](#)

View of the world Account Settings Contact Us

Fact Sheets



meet L.A. WHY L.A.

Why
L.A. is the meeting capital of the world. L.A. is the most diverse, most vibrant, most innovative and most creative city in the world. L.A. is the most diverse, most vibrant, most innovative and most creative city in the world. L.A. is the most diverse, most vibrant, most innovative and most creative city in the world.

Why L.A.
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Why Should You Use The Los Angeles Tourism & Convention Board For Your Next West Coast Meeting?

Los Angeles Tourism & Convention Board (L.A. TCB) is the only organization in the world that can provide you with the most comprehensive and up-to-date information on the city of Los Angeles. L.A. TCB is the only organization in the world that can provide you with the most comprehensive and up-to-date information on the city of Los Angeles.

Did You Know...?
If Your RFP is Sourced Through The Los Angeles Tourism & Convention Board You Have All Of These Resources At Your Fingertips!

Special Event Venues
Los Angeles Tourism & Convention Board (L.A. TCB) is the only organization in the world that can provide you with the most comprehensive and up-to-date information on the city of Los Angeles.

Los Angeles Professional Services
Los Angeles Tourism & Convention Board (L.A. TCB) is the only organization in the world that can provide you with the most comprehensive and up-to-date information on the city of Los Angeles.

Los Angeles Convention & Visitors Bureau
Los Angeles Tourism & Convention Board (L.A. TCB) is the only organization in the world that can provide you with the most comprehensive and up-to-date information on the city of Los Angeles.



MEET THE HEART OF L.A.

DOWNTOWN LOS ANGELES

Planning meetings and events in Downtown L.A. means access to world-class museums, entertainment venues, hotels in every size and price point, concert halls, theaters, and dozens of acclaimed restaurants.

L.A. LIVE
The epicenter of entertainment, L.A. LIVE is home to the best Downtown L.A. movie attractions.
• 12 distinct event venues
• 106,000 sq. ft. Event Deck with a 42,000 sq. ft. tent able to accommodate 5,000 people.
• Microsoft Theater, home of the Emmy Awards
• STAPLES Center, home of the Los Angeles Lakers and Clippers basketball, and LA Kings Hockey

LUXURY AND ACCESSIBILITY
The Downtown / LA Metro hotel area is some of the largest and most elegant hotels in the city including:
• 900 room Intercontinental Los Angeles Downtown
• 218-room Marriott Residence Inn and 174-room Courtyard under one roof
• Ace Hotel adds a hip and artsy option featuring a 1,800-seat ornate Theatre venue.

CULINARY CONFLUENCE
Downtown visitors can sample food from around the globe and around the corner, with scores of restaurants, large and small, intimate and outrageous, ranging from award-garde to elegant white tablecloth to world street food.

97,800 HOTEL ROOMS
In L.A. County

305 RESTAURANTS
Near the Convention Center

152 CITIES SERVED
By LAX

L.A. CONVENTION CENTER
Located in the heart of Downtown, this is the premier venue for conventions, trade shows and exhibitions. The LACC is one of the most technologically advanced convention and exhibition centers in the world.
• 720,000 sq. ft. of exhibit hall space
• 147,000 sq. ft. of meeting room space
• 64 column-free meeting rooms
• Newly renovated 294-seat presentation theatre
• LEED® Gold level certified
• On-site parking for 5,600 vehicles.
• 2.5 million visitors annually

Let us help you craft the ultimate plan for success at meetLA.com



GET CULTURED
• Walt Disney Concert Hall
• Performing Arts Center
• The GRAMMY Museum
• MOCA Grand Avenue
• Japanese American National Museum
• Natural History Museum
• La Plaza de Cultura y Artes
• The Broad Museum

SHOP FAMOUSLY
• Grand Central Market
• Olvera Street
• Fig at 7th
• LA Flower District
• Sanjeev Alley
• Jewelry District
• The Bloc

SEE TO BELIEVE
• L.A. LIVE
• California Science Center & Space Shuttle Endeavour
• Dodger Stadium
• Little Tokyo
• Angels Flight Railway
• Chinatown
• SkySpace LA

GETTING AROUND
Catch the new \$1.5 billion light rail to Santa Monica beach or hop on the metro to quickly navigate downtown.
• Metro Red Line Subway
• Blue Line, Gold Line
• Exposition Line
• Metro Bus
• Metrolink Train
• DASH Bus
• Prime Time Airport Shuttle
• SuperShuttle Airport Service

meetLA.com is your new way to plan. Visit venues, get help from our Insiders and book your next meeting—all online.

meetLA.com

MEET L.A. COLLATERAL ASSETS

Partner Brochure

PowerPoint



BECAUSE YOUR BRAND BELONGS IN THE SPOTLIGHT.

All the buzz begins in the Meet L.A. Tradeshow Booth. It's a hub of activity and connection, a unique presence offering exclusive opportunities, connections and leads for your business. Thank your chance to build awareness and leverage the power of the Los Angeles brand with this exclusive partnership program.

MEET L.A. EXCLUSIVE TRADESHOW PARTNERSHIP PROGRAM INCLUDES:

- ✓ Meet L.A. Trade Show Booth co-branding opportunities at major Domestic & International Tradeshows and Conventions.
- ✓ Exclusive invitations to curated events including client dinner, meet-and-greets and private parties.
- ✓ Inclusion in email, direct mail and other marketing initiatives across our extensive database and customer reach.

IT'S ALL ABOUT WHO YOU KNOW.

As a partner of L.A. Tourism, you'll spend less time worrying about Tradeshow logistics and more time spent scheduling appointments with a captive and interested audience. This program is a powerful opportunity to be introduced to new clients and generate leads without the hassle of doing it all yourself. Let the Los Angeles brand work for you.

GG

"This partnership was a phenomenal one. The Meet L.A. booth was an amazing place to build strong connections with their contacts and it was very easy to do the work. This was a great opportunity to build strong working relationships and generate leads for our business."

Larry Jones
Director of Sales, The Clarendon Hotel

GG

The advantage of being a partner is that the destination is the expert in a region's audience. It's a unique opportunity to be introduced to new clients and generate leads without the hassle of doing it all yourself. Let the Los Angeles brand work for you.

Karla Rodriguez-Ruiz
Group Sales Manager
Shoreline Los Angeles Convention Hotel

DON'T MISS THIS EXCLUSIVE OPPORTUNITY

Brand Awareness • Increased Traffic • Qualified Leads


Limited availability, contact your representative now:
(323) 123-4567 | email@meetLA.com

DON'T MISS YOUR CHANCE TO MAKE A STATEMENT		
DATE	PROGRAM NAME	LOCATION
Oct. 18-20, 2016	WEM - International Meeting Expo West	Los Angeles, CA
Nov. 29 - Dec. 1, 2016	WEM - The Global Meetings & Events Expo	Barcelona, Spain
Dec. 1, 2016	CALM California Society of Association Executives Annual Conference	Sacramento, CA
Dec. 4-6, 2016	IAEE Expo - International Association of Exhibitors and Events	Anaheim, CA
Dec. 13-14, 2016	AMCA International All Employee Meeting & Supplier Showcase	San Diego, CA
Dec. 15, 2016	Association of Travel Industry Executives	Chicago, IL
2017		
Feb. 2017	MPAC Annual Conference & Expo	San Francisco, CA
Feb. 2017	DMU Destination Showcase	Washington, DC
Mar. 15, 2017	MC Educational Conference & Tradeshow	Dallas, TX
Apr. 3-5, 2017	CALM California Society of Association Executives Annual Conference - Denver	Denver, CO
May 16-18, 2017	AMCA Expo	Frankfurt, Germany
May 23 - 24, 2017	Experience Design Project	National Harbor, MD
Aug. 27-29, 2017	Frontline Media	Toronto, ON
Limited availability, contact your representative now: (323) 123-4567 email@meetLA.com		
		



WE SET THE STAGE SO MUCH DIFFERENTLY

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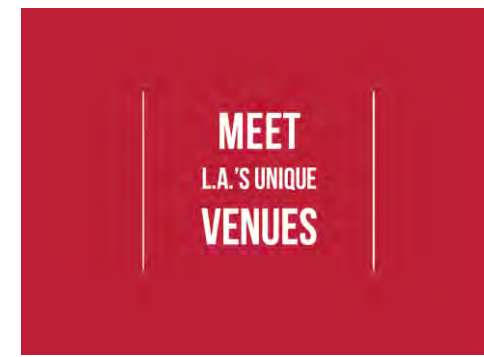


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MEET L.A. MEDIA & CREATIVE ROLLOUT



Connect Corporate- Homepage Takeover (8/22-8/28)



BECAUSE RULES WERE MADE TO BE BROKEN AND YOU WERE MEANT TO SHINE.

THE TRUE MEASURE OF MEETING SUCCESS: ENGAGEMENT

The City of Angels has a vibe all its own. It's the Creative Capital of the World. From the vibrant beach cities to the sophisticated Westside, trendy downtown to glamorous Hollywood and the Funky Valley, L.A. is made up of over 30 distinct neighborhoods for your group to explore. Whether your next event is medical or tech, legal or fashion, entertainment or creative, L.A. connects you to an endless variety of spectacular settings.

MEET L.A. TIP #32 VISIT BEFORE YOU ARRIVE

For everything you do, we think you deserve a little extra help. That's why meetLA.com takes the guesswork out of the selection and gives you a virtual tour of dozens of potential venues. Across the board, we're setting the standard for industry-leading planning resources.

WE SET THE STAGE SO MUCH DIFFERENTLY

In the city of endless entertainment, your meeting or event transforms into something of the extraordinary. There's simply no better place to discover incredible experiences.

CULTURE IS EVERYTHING

Los Angeles is buzzing with new energy. You can feel it every day. Inspiring to artists and board professionals alike, the city encourages experimentation and adventure. Add award-winning chefs to brilliant artist movements, emerging music talent to rising architectural feats — everywhere you turn there's something really special happening — and it's happening here on an unprecedented level.

SPICE, VIBES & DELIGHTS

Casual to 5-star private rooms to alfresco settings, to rooftop parties at the beach, discover delicacies prepared by renowned chefs, savor after food trends and classic dining. Plus, there's usually a delicious food truck right around the corner.

MEET L.A. TIP #405

New You Can Get Around. L.A.'s convenient (and digital) makes it possible for attendees to visit the legendary Hollywood Walk of Fame or shop in Old Town Pasadena with ease. Travel from Downtown to Santa Monica in just a few stops.

And Get In And Out Too. At LAX, the new Tom Bradley International Terminal features groundbreaking architecture, luxurious lounges, upscale shops, and amenities that reflect the L.A. experience.

WAVE AFTER WAVE

With near-perfect weather, booking a round of golf, a hiking trip, boating excursion or beach time is as good as done.

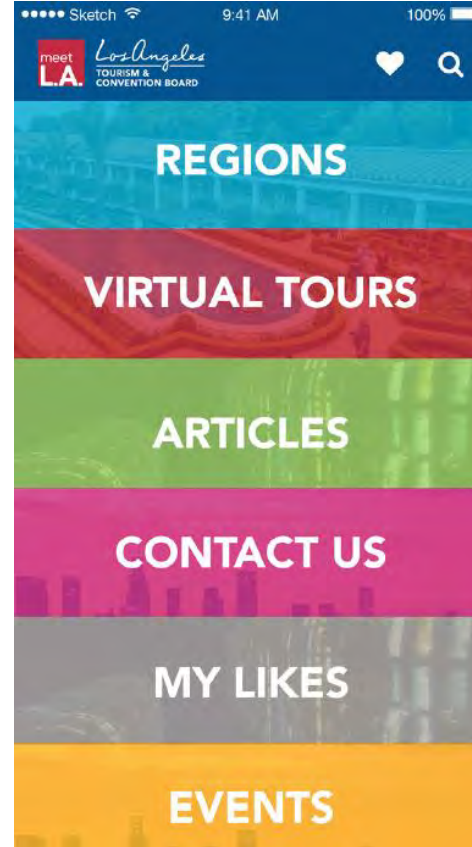
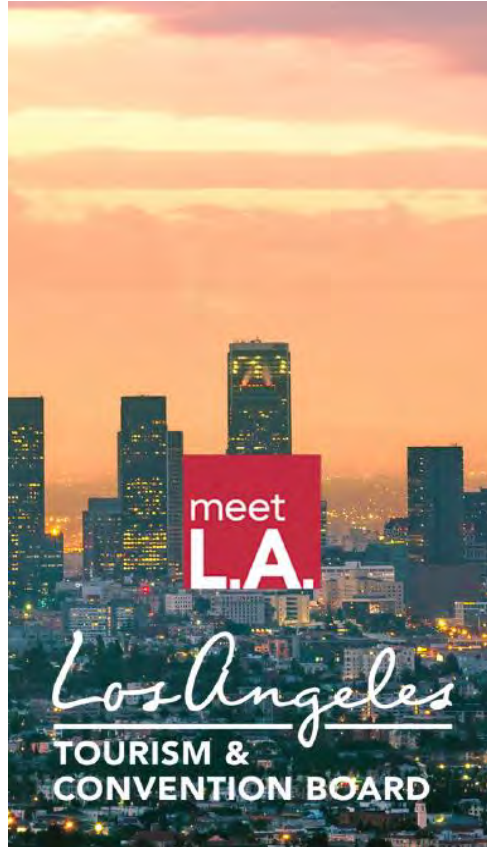
MEET L.A. TIP #9 TAP THE POWER OF OUR CONCIERGE

L.A. Tourism has a team of meeting professionals standing by 24/7 who know the City inside out. Nothing makes us happier than helping you plan ahead — or deal with a last minute must-have.

Start Shining Today. (And look a few miles along the way.) Visit the all new meetLA.com

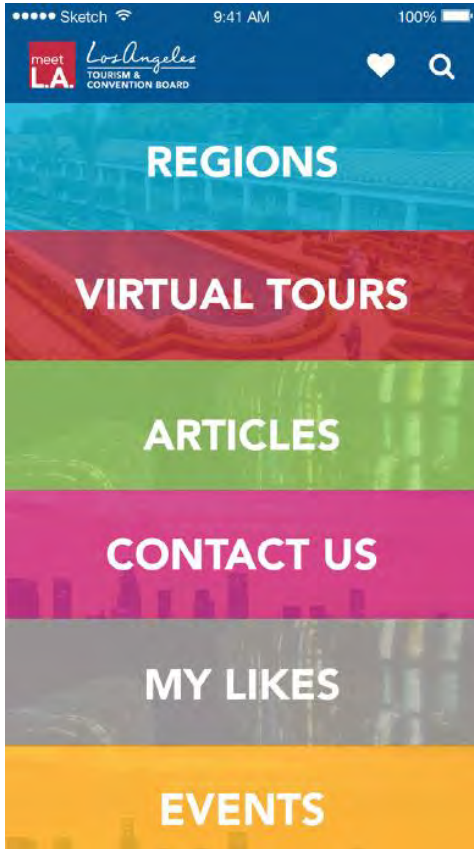
MEET L.A.

MEET L.A. App Preview



- Easy to Navigate
- Shareable Content
- Launch Date
October 2016

MEET L.A. App Preview



Why Download the App?

- Easy Mobile Access for our Sales Team
- Mobile Tool for Site Inspections & FAMs
- Hotel Partners and Third Parties

MEET L.A. App Preview




Nam dapibus nisl vitae elit fringilla rutrum. Aenean sollicitudin, erat a elementum rutrum, neque sem pretium metus, quis mollis nisl nunc et massa. Vestibulum sed metus in lorem tristique ullamcorper id vitae erat.

 [Neighborhood Videos](#)

 [Hotel Videos](#)

 [Top Venues \(Article\)](#)

 [Fact Sheet](#)



5 videos



[NEQUE PORRO QUISQUAM](#)

1 year ago
245 views



[NEQUE PORRO QUISQUAM](#)

1 year ago
245 views



5 videos



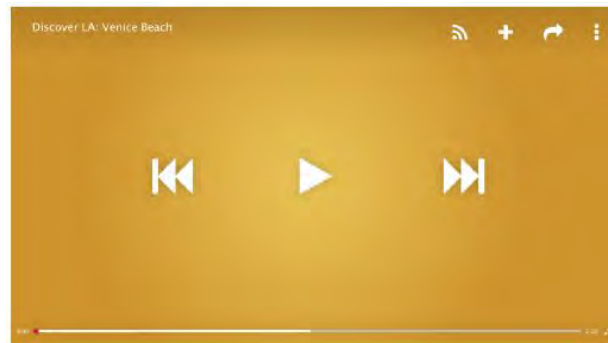
[NEQUE PORRO QUISQUAM](#)

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245 views



[NEQUE PORRO QUISQUAM](#)

1 year ago



[GETTY VILLA](#)



[SANTA MONICA PIER](#)



[GETTY MUSEUM](#)

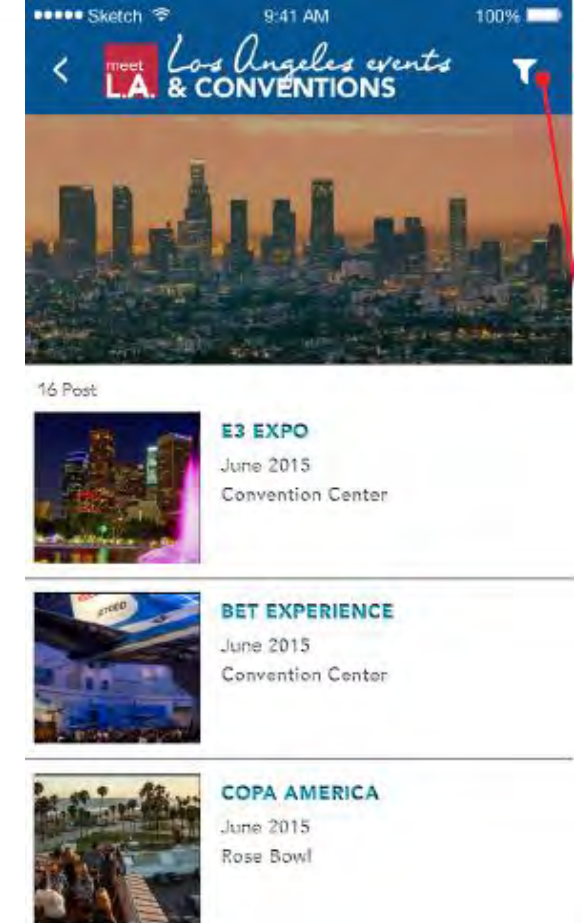
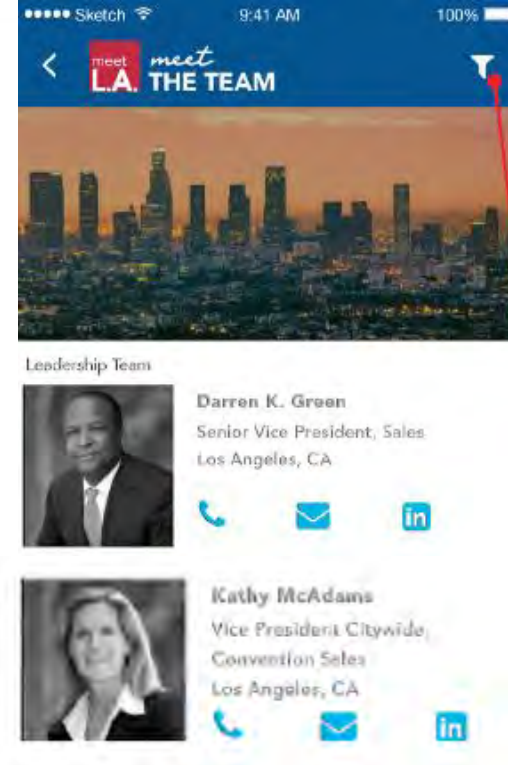
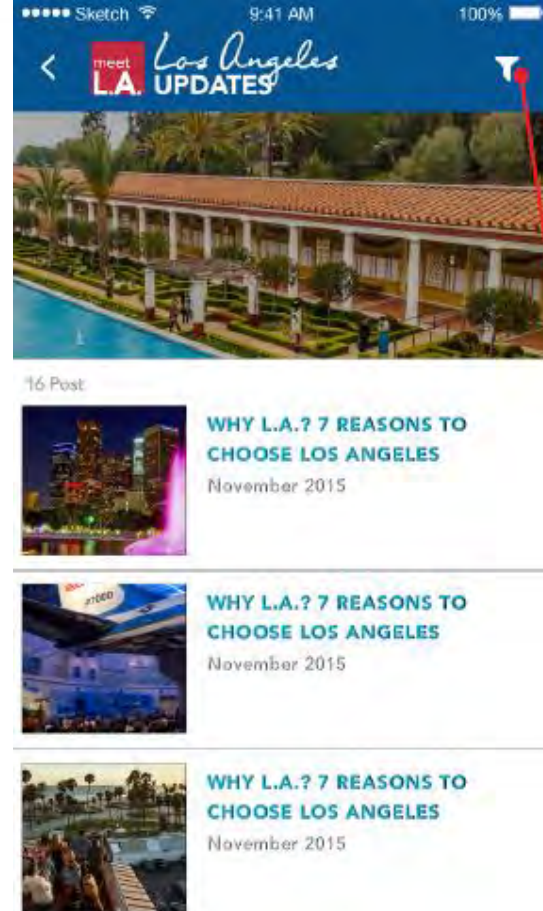


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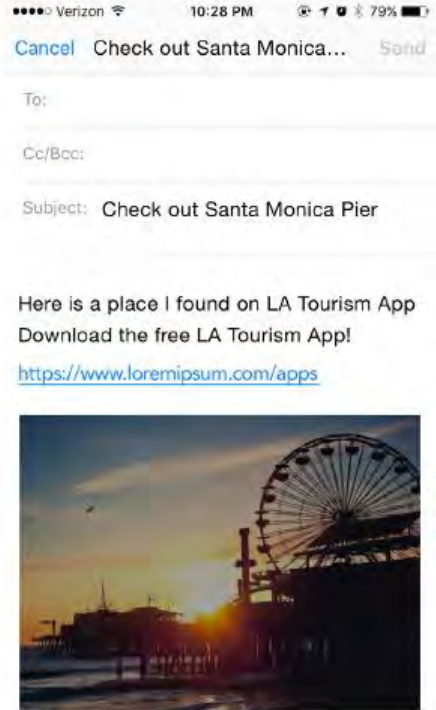
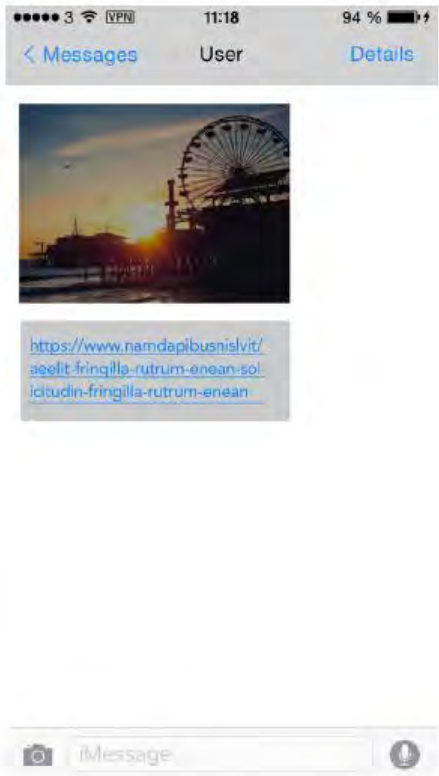
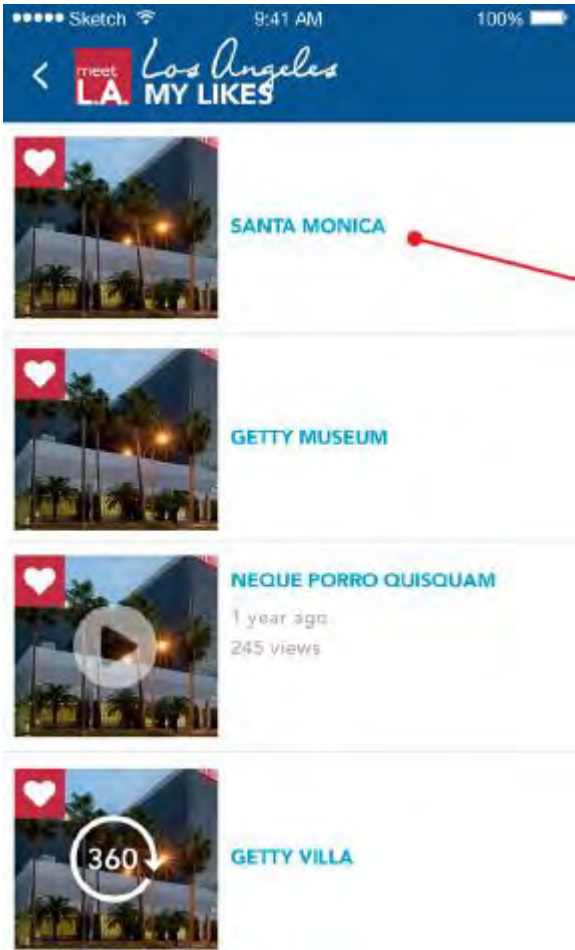
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MEET L.A. App Preview



MEET L.A. App Preview





TOURISM INSIGHTS

WENDY KHEEL

Vice President, Tourism Insights
L.A. Tourism

SITUATIONAL ANALYSIS

FIVE MEGA TRAVEL INDUSTRY TRENDS

1. **Democratizing Travel –Global Middle Class Growth**
 - Middle class = 2.0 billion people; 4.9 billion by 2030
2. **Shared Economy** – freedom of choice, especially in lodging
3. **Local, Unique, Personal, Authentic Travel Experiences**
4. **Marketers Do Not Totally Control the Message**
 - Need to leverage other voices such Facebook, Twitter, Instagram, Influencers
5. **Technology** – $\frac{3}{4}$ of the world will have a smart phone by 2020



SITUATIONAL ANALYSIS

OUTLOOK FOR THE ECONOMY AND TRAVEL INDUSTRY

Last five years have been a travel industry party

However.....

- Slowing U.S. economy
- Substantial risks in the global economy
- After effects of Brexit
- Global acts of terrorism...the new “norm”??

So, we asked again, is the travel industry party over?



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U.S. ECONOMY BALANCE REMAINS POSITIVE

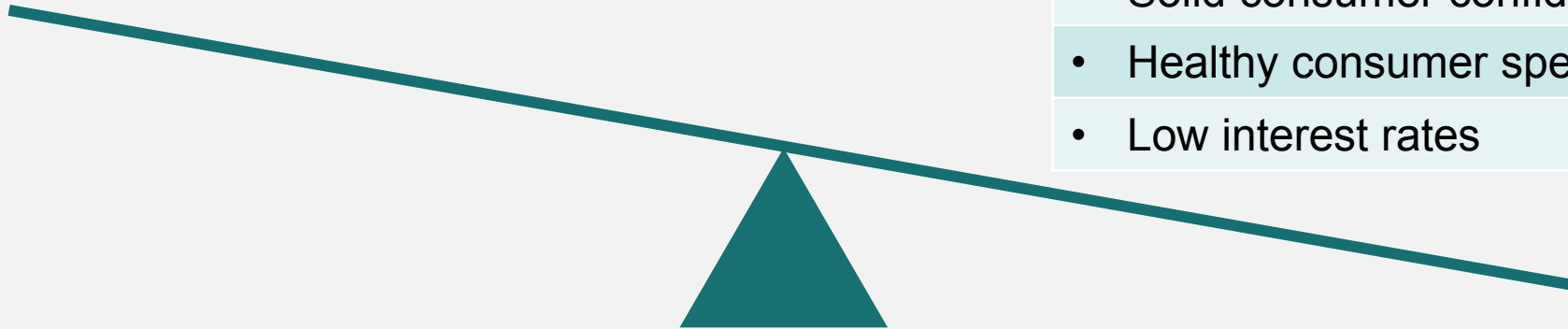
- “**New normal**” at 1.5% - 2.3% – modest, sustainable, non-recessionary

Limiting Factors

- Global growth drag
- Strong dollar impacting trade
- Constrained business investment

Positives

- Job growth and wage gains
- Solid consumer confidence
- Healthy consumer spending
- Low interest rates



	2015	2016	2017-2019
GDP Growth	2.4%	1.5%	2.3%

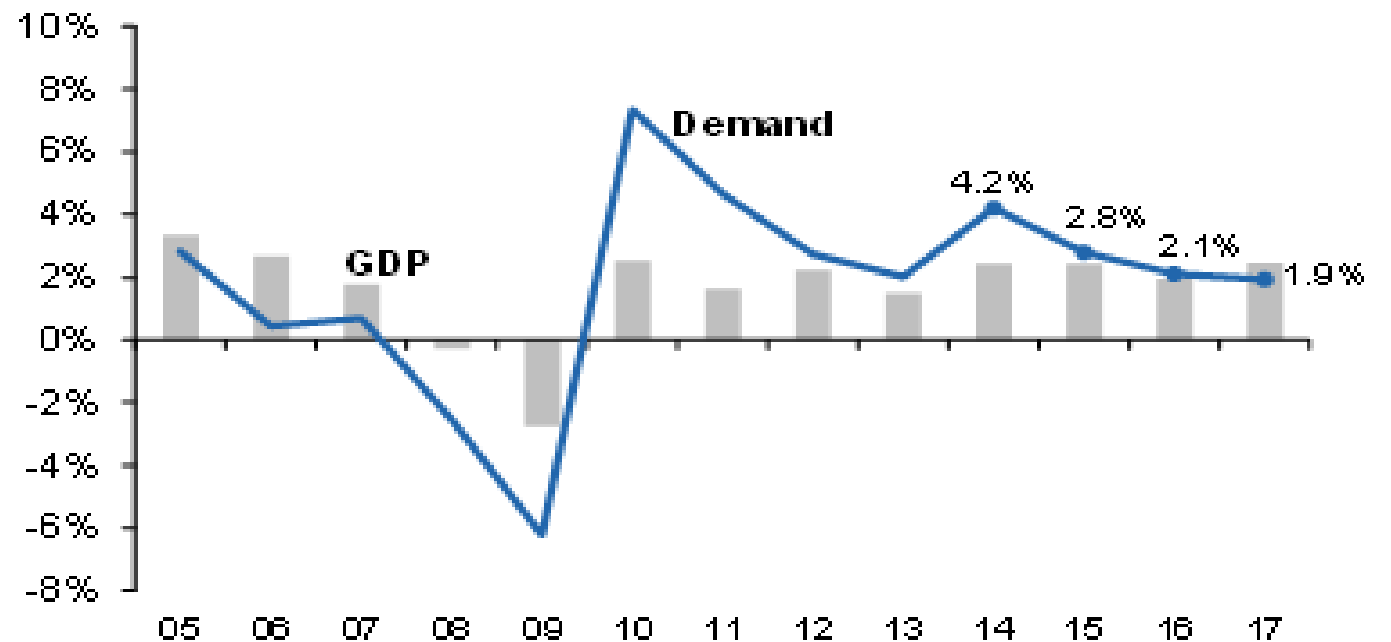


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U.S. ROOM NIGHT DEMAND IS SLOWING DOWN AND CONVERGING WITH GDP

Room demand and GDP

% change



Source: STR; BEA; Tourism Economics



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IS FAR OUTPACING THE ECONOMY

Spending on lodging

Real, per capita GDP and spending on lodging

Percentage change since 1980

250%

200%

150%

100%

50%

0%

-50%

1980

1985

1990

1995

2000

2005

2010

2015

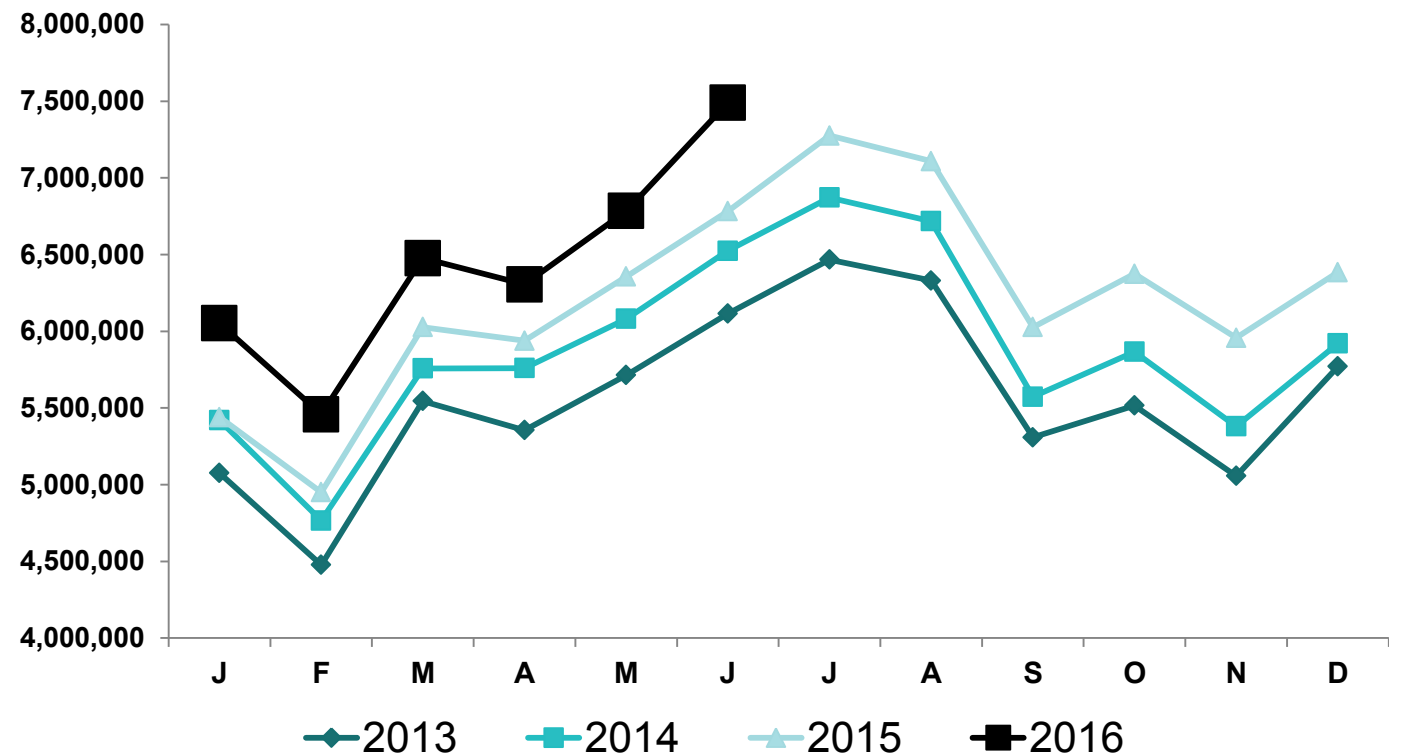
Source: Bureau of Economic Analysis; Tourism Economics



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LAX TOTAL PASSENGER TRAFFIC JAN-JUN 2016 YTD UP +8.0%

- Domestic traffic up **7.5%** through June 2016
- International traffic up **9.3%** through June 2016



SOURCE: LAWA TRAFFIC REPORT

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NEW OR EXPANDED LAX OVERSEAS SERVICE IN 2016

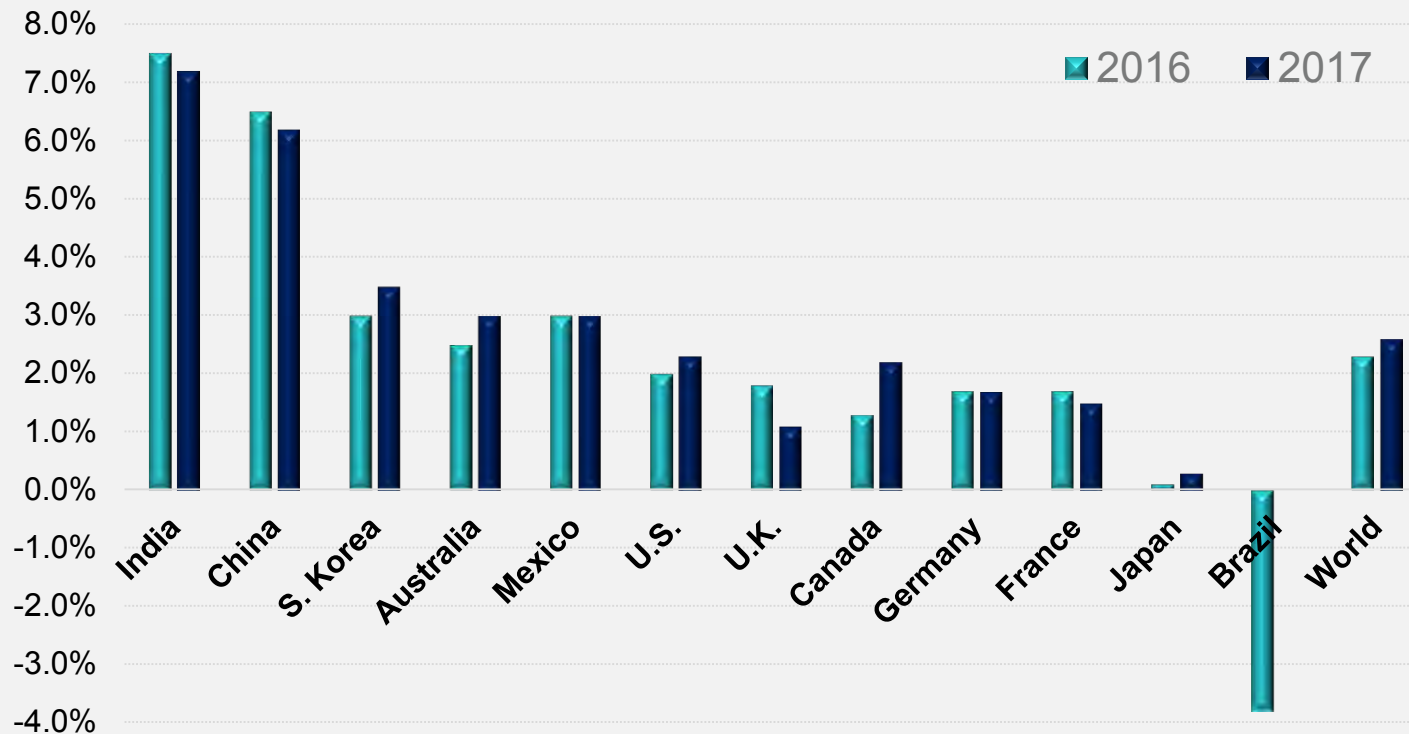
- LAX is a major gateway; airlift is a critical driver of International visitation
- \$14 billion LAX capital improvement program projected to complete in 2023

Asia	Middle East/Gulf	Europe	Oceania	L. America
Hainan Airlines: Changsha	Qatar: Doha	Scandinavia: Stockholm	AA: Auckland	SW: Liberia
China Southern: Guangzhou	Turkish Airlines: Istanbul	Thomas Cook: Manchester	Qantas: Sydney	LATAM: Santiago
Delta Airlines: Beijing	Emirates: Dubai	Aer Lingus: Dublin		Volaris: Mexico
AA: Hong Kong	Saudia: Jeddah	Norwegian: London (Gatwick)		
AA: Tokyo (Haneda)		XL: Paris		
Philippine Airlines: Cebu		Norwegian: Paris		
Singapore Airlines: Seoul		WOW: Reykjavik		
Philippine Airlines: Manila				

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GLOBAL ECONOMY IS FRAGILE, FICKLE AND FRAGMENTED

- Global GDP growth is driven by Asian countries (except Japan) and modest GDP growth in N. American and Europe



SOURCE: IMF APRIL 2016 WORLD ECONOMIC OUTLOOK; OXFORD ECONOMICS





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U.S. \$ CONTINUES STRENGTH

- 2015 International visitor spending in U.S. declined 2% YOY

Country	Foreign Currency	1H 2016 Exchange Rate
Australia	1 Australian Dollar =	0.734 US \$
Canada	1 Canadian Dollar =	0.751 US \$
China	1 Yuan =	0.153 US \$
Euro Area	1 Euro =	1.116 US \$
Japan	1 Yen =	0.009 US \$
Mexico	1 Peso =	0.055 US \$
New Zealand	1 New Zealand Dollar =	0.678 US \$
UK	1 Pound =	1.433 US \$ Pre-Brexit

SOURCE: FEDERAL RESERVE; U.S TRAVEL ASSOCIATION



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IMPACT OF BREXIT?

- Prior to Brexit, UK travel to the U.S. was expected to exceed 4.5 million visits by 2017
- **New baseline** is a decline of **0.7%** in 2016 and **5.0%** in 2017 before **resuming growth in 2018**

UK visits to US, previous baseline and new baseline

Millions



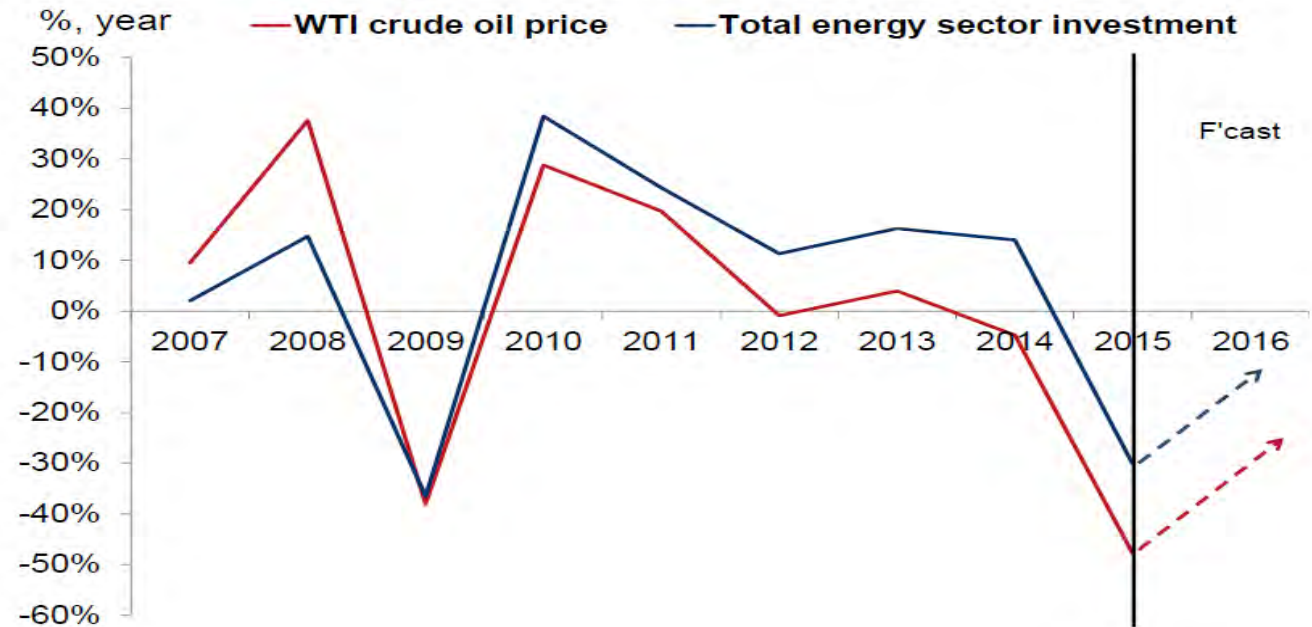
Source: Office of Tourism Industries; Tourism Economics



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WHAT ABOUT CANADA?

Canada: Energy investment and the oil price

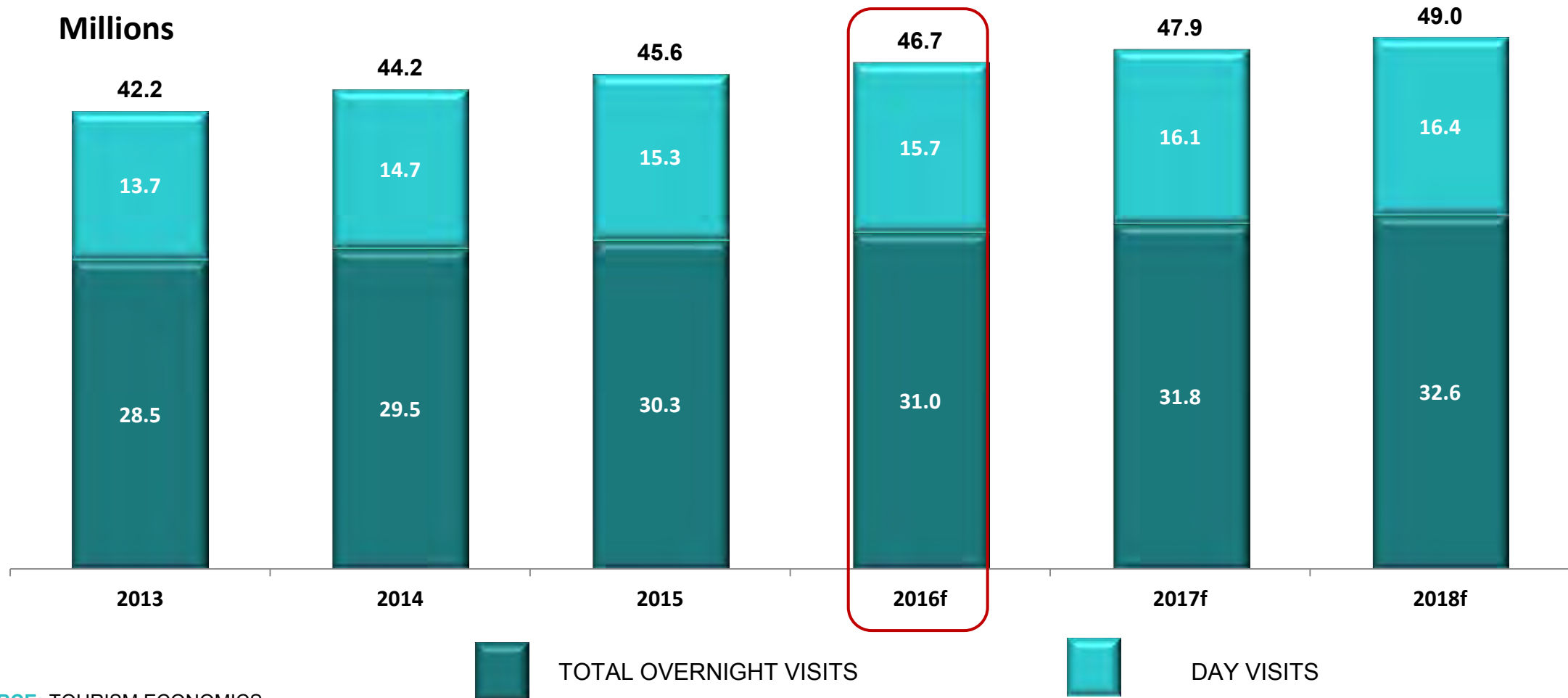


- Low oil price drag on the economy should decrease
- Consumer spending and non-energy exports support a rebound
- Modest 1.3% GDP in 2016 increasing to 2.2% in 2017

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SO, IS THE L.A. TRAVEL INDUSTRY PARTY OVER?

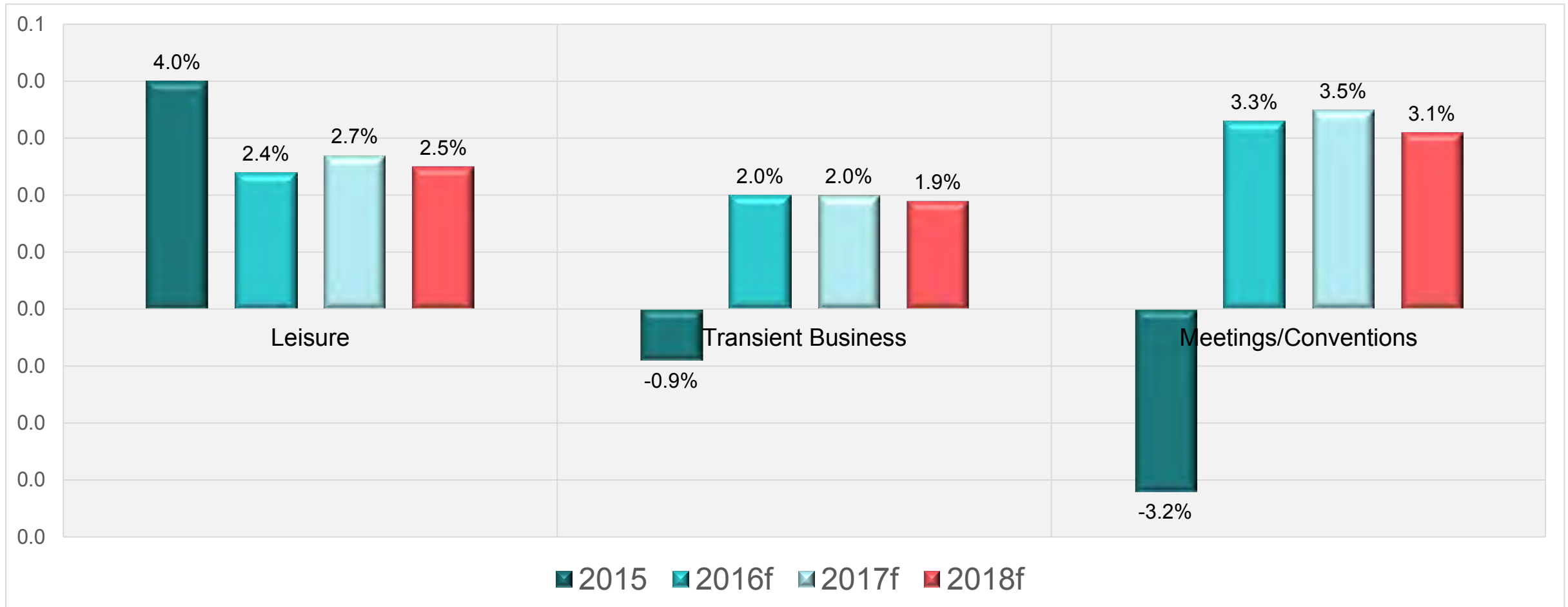
L.A. Visitation Forecast



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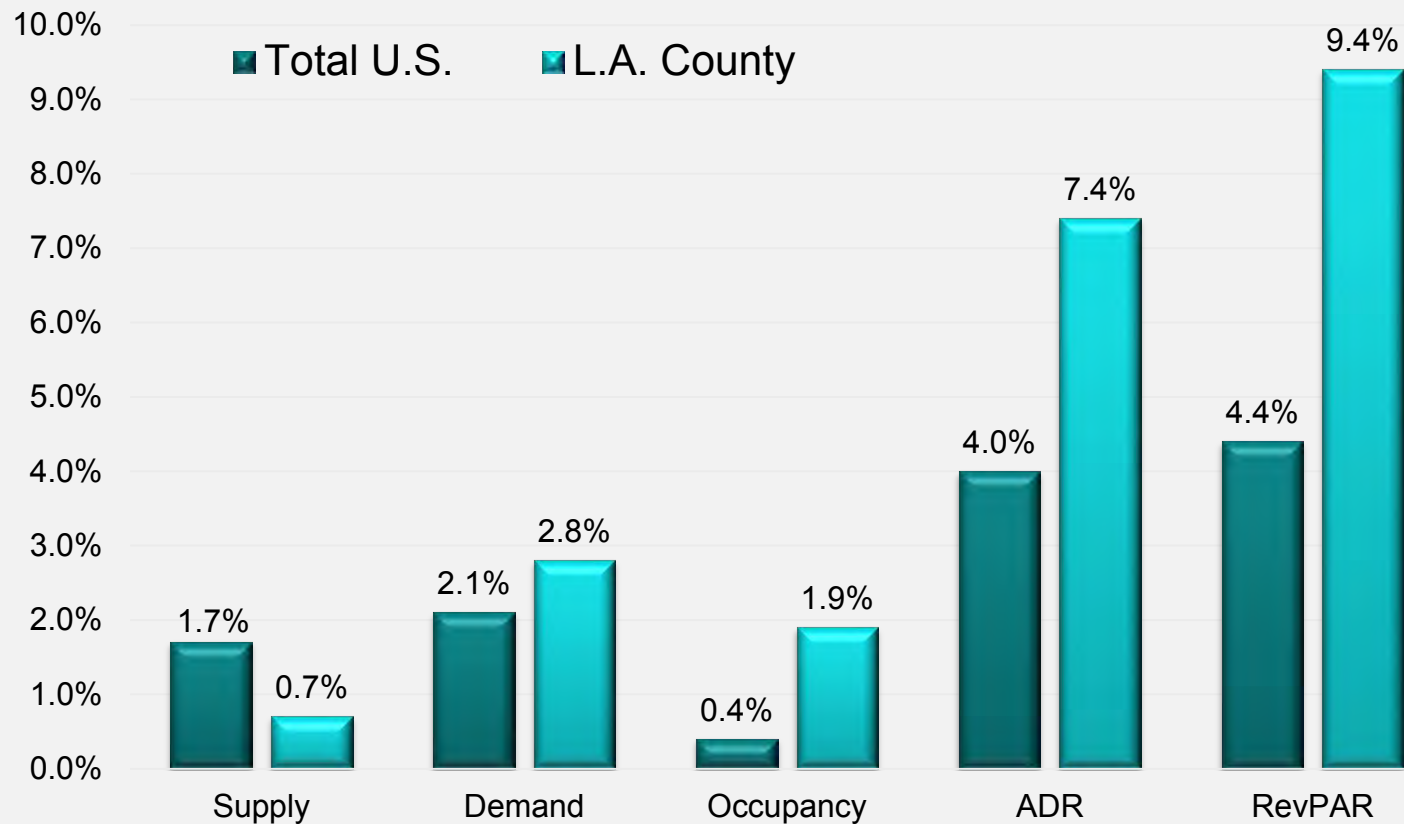
TRIP PURPOSE

- All three travel segments are expected to continue to grow over the next two years



2016 LODGING OUTLOOK

L.A. County hotels will outpace the U.S. throughout 2016 with the exception of new supply growth



L.A. COUNTY HOTEL ROOM DEMAND: FIRST SIX MONTHS OF 2016



Jan - Jun 2016: 14,517,128

Jan - Jun 2015: 14,100,999

AN INCREASE OF
+3.0%

YEAR OVER YEAR





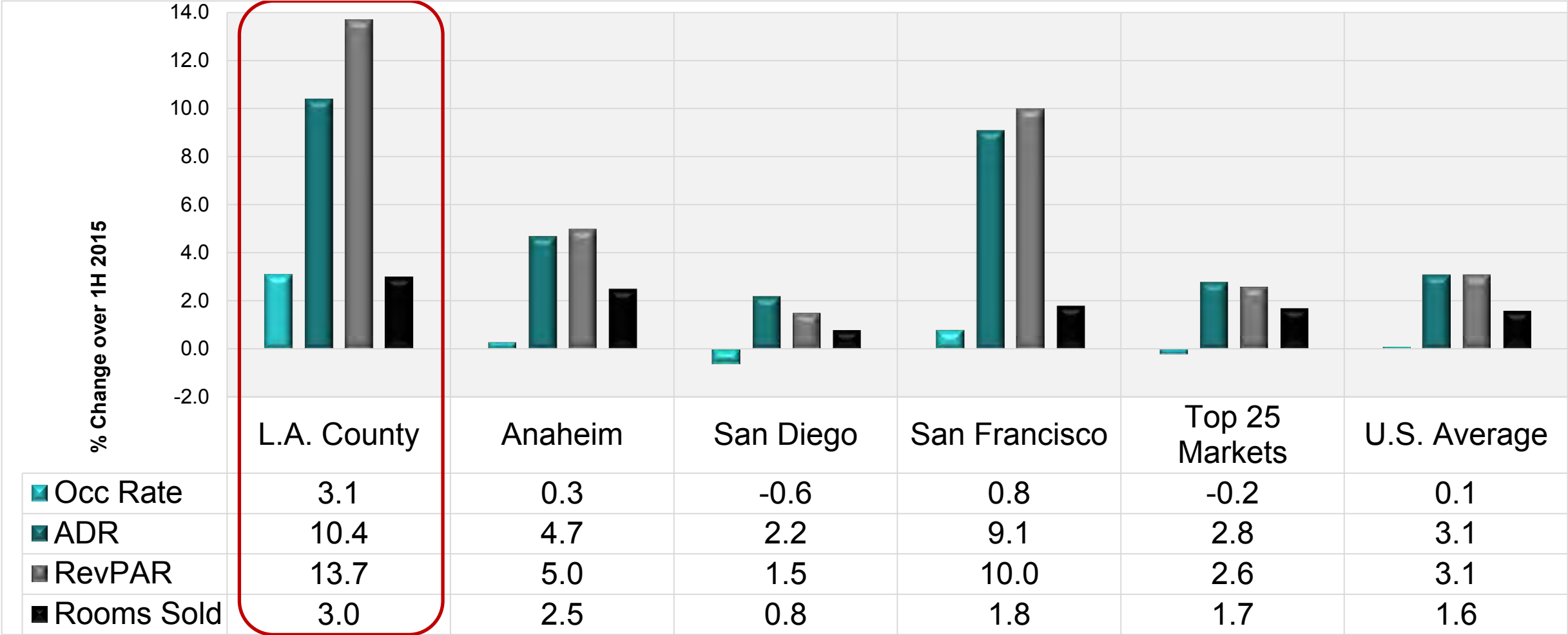
LODGING ANALYSIS

IMPACT OF PORTER RANCH GAS LEAK ON HOTEL ROOM NIGHTS

- Estimated 100,000 metric tons of methane released from a SoCal Gas facility near Porter Ranch
- Thousands housed in local hotels until May 31
- Estimating hotel room demand and ADR impact
 1. CBRE study commissioned by L.A. Tourism
 2. Request for data from SoCal Gas
 3. Estimates using year over year STR data

COMPETITION

COMPETITIVE SET LODGING METRICS: JAN-JUNE 2016



GLOBAL SWOT ANALYSIS

STRENGTHS

- LAX Gateway: All time high direct air service
- Great year-round weather/outdoor activities
- Diversity of hotel types and room rates
- Culinary excellence and luxury shopping
- Wide range of museums and events
- Professional sports – teams in all sports leagues
- Theme parks and new attractions
- Hollywood/Celebrities
- Cultural diversity

WEAKNESSES

- Traffic
- Outdated perceptions of L.A. and LAX
- Homelessness
- Car centric city hard for tourist to navigate
- Insufficient mass transit
- Anaheim/O.C. sold as L.A. by International tour operators

OPPORTUNITIES

- Expanded public transit – Metro to Santa Monica and Purple Line to Westside
- New/enhanced attractions: Warner Bros. Studio Tour, Broad Museum, Petersen Museum
- The Wizarding World of Harry Potter
- LAX improvements and increased air lift

THREATS

- U.S. \$ exchange rate
- Increased competition from more U.S. destinations
- New direct service to competitive gateway airports
- LAX construction
- Visa waiver program legislation
- Presidential election outcome

Thank you

