



CITY TOURISM COMMISSION



Commissioners: Jon F. Vein, President; Kathleen Rawson, Vice President;
Taelor Bakewell; Cameron Onumah; Angelia Shepperd

Public comments will be taken in person only. Members of the public who wish to speak during the meeting must submit a "Request to Speak" form for each agenda item of interest to the Board Secretary prior to the commencement of the public comments. 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 Comments." Public speaking will be limited to a total of three minutes per speaker. Meeting agendas and minutes may be found on the City Tourism Department website, tourism.lacity.gov.

Regular Meeting
Wednesday, March 19, 2025
9:00 a.m.
1201 S. Figueroa St.
Los Angeles, CA 90015

1. CALL TO ORDER / ROLL CALL

2. COMMENTS FROM THE PUBLIC

- a. General and Agenda Item Public Comments
- b. 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 the City Tourism Commission.

3. APPROVE MINUTES

- a. Approval of the regular meeting minutes from February 19, 2025

4. REPORTS

- a. Executive Director Report
- b. ASM Update
- c. LATCB Update

5. DISCUSSION

- a. Expansion Update

6. ACTION ITEMS

- a. Los Angeles Tourism & Convention Board 2025-26 TOT Budget - Board Report #25-001

7. ADJOURNMENT

NOTICE TO PAID REPRESENTATIVES

If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code 48.01 et seq. More information is available at ethics.lacity.org/lobbying. For assistance, please contact the Ethics Commission at (213) 987-1960 or ethics.commission@lacity.org.

Materials related to an item on this agenda submitted to the City Tourism Commission 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.

Item 3a

Approval of the

February 19, 2025 Minutes



CITY TOURISM BOARD OF COMMISSIONERS

Regular Meeting Minutes

February 19, 2025

The Board of City Tourism Commissioners (Board) convened a regular meeting on Wednesday, February 19, 2025, at 9:00 a.m. at the Los Angeles Convention Center, 1201 S. Figueroa St., Los Angeles, CA 90015.

PRESENT:

President Jon F. Vein
Vice President Kathleen Rawson
Taelor Bakewell
Angelia Shepperd

ABSENT:

Cameron Onumah

PRESENTERS:

Kim Weedmark, ASM
Ben Zarhoud, ASM
Doane Liu, CTD
Kathy MacAdams, LATCB

Item 1. Call to Order / Roll Call

President Vein called the meeting to order at 9:05 a.m.

Item 2a. Public Comment

None

Item 2b. Neighborhood Council

None

Item 3a. Approval of the regular meeting minutes from January 22, 2025

UNANIMOUSLY APPROVED

Item 4a. Executive Director Report

Doane Liu provided an overview of his activities since the last Board meeting, which included: attending LA28 Games Mayor's Cabinet Quarterly meeting, Citywide FAM events, Councilmember Juado swearing in Ceremony, EDJC meeting regarding expansion and modernization, Biophysical Roll Call, and the LA28 DTLA Sports Park Operational Planning meeting; meetings with LA28 for a briefing and tour, Lime Bikes regarding the Olympics, Adam Burke from LATCB and Javier Cano for the Hotel regarding a TOT increase motion, Kenneth Majia the City Controller regarding the CTD Budget, NAMM regarding a future event, Councilmember Nazarian regarding expansion, Terri Batch from GlobalLA regarding foreign investment, PCL Webcor regarding modernization projects, Councilmember Price regarding expansion; led the American Heart/Stroke Roll Call; and presented on a panel discussion at the American Lodging Investment Summit.

Item 4b. ASM Monthly Update

Ms. Kim Weedmark reported on twelve events hosted during December 2024, which was a mix of meetings, consumer shows, trade shows, assemblies, and two citywide events as well as one filming basecamp. The sales and marketing team licensed eight events in the month of December. Mr. Ben Zarhoud presented the financial data for December reporting there was no operating surplus and \$5.4M in gross revenue. Mr. Zarhoud also reported that operating expenses totaled \$2.2M. Mr. Zarhoud stated that December's exhibit hall occupancy rate was 65%, resulting in a total economic impact of \$25.3M, \$7.5M generated by LACC events and \$17.8M generated by the citywide events.

Item 4c. LATCB Monthly Update

Ms. Kathy McAdams reported that booked room nights are 182,306 of the annual goal of 303,257, 12 bookings of the annual goal of 27, noting that numbers are slightly behind last year but are expected to meet year end goals, and also reported on the "We Love LA" campaign results of 142 leads, 50,000 room nights and 23 short term bookings. Ms. McAdam provided an overview of the recent FAM event which included hotel and venue visits for 19 clients.

Item 5a. Expansion Update

Mr. Doane Liu provided an update on the expansion and modernization project, noting that the City is currently focused on fire recovery and budget concerns. Mr. Liu reported that the project's Firm Fixed Price was submitted which included a \$1.4B agreed scope of work plus \$300K of add ons requested by the City, and that the Committee approved a 30 day extension to review options and report back.

President Vein read a draft version of the letter of support from the Board and the Board requested the letter be submitted to the Committee by CTD staff on the Board's behalf. Mr. Vein also requested the expansion data be shared with the Commissioners.

Item 6. Action Items

NONE

The meeting was adjourned at 10:03 a.m. without objection.

Item 4a

Executive Director's Report



Item 4b

ASM Update



**LOS ANGELES CONVENTION CENTER
MONTHLY UPDATE – JANUARY 2025**

KIMBERLY WEEDMARK
GENERAL MANAGER

BEN ZARHOUD
ASST. GENERAL MANAGER



TEAM MEMBER OF THE 4TH QUARTER 2024

ROBERT HARO Lead Carpenter

Robert's hard work, collaboration and commitment to excellence has made a significant impact on our team . His positive attitude and dedication to going above and beyond have truly set him apart!



TEAM LEADER OF THE 4TH QUARTER 2024

IAN WRIGHT Security Manager

Ian's exceptional leadership, vision and dedication have been instrumental in guiding our team toward success. His ability to motivate, inspire, and drive results reflects the true qualities of a leader, and we are grateful for his contributions.



TEAM PLAYER OF THE YEAR 2024

BLADIMIR REYES Facilities Manager

Bladimir has been with AEG/ASM/Legends for over 11 and working with the LACC for over 17 years. Bladimir has consistently gone above and beyond in contributing to our success, always putting in the extra effort to support his team, collaborates effectively, and ensures the best outcome for our clients and partners. His passion for excellence and positive attitude make him an invaluable asset to our organization. Congratulations, Bladimir!



January 2025 Events

124,725 Total Attendees

- 01/04 – 01/05 – Oddities and Curiosities - (12,000 attendees)
- 01/04 – 01/05 – Chris Waller’s Heart of a Champion Gymnastics - (2,525 attendees)
- 01/10 – 01/12 – Megabyte Nation- (4,500 attendees)
- 01/11 – Martin Luther King Jr. Breakfast - (1,000 attendees)
- 01/18 – 01/20 – SoCal Open Championship Volleyball - (20,000 attendees)
- 01/23 – 01/26 – The Society of Thoracic Surgeons – (11,200 attendees)
- 01/25 – 01/26 – The FitExpo - (30, 000 attendees)
- 01/31 – 2025 MusiCares Person of the Year - (3,500 attendees)

*MEETING
*CITYWIDE
*CONSUMER SHOW
*ASSEMBLY
*TRADE SHOW





The Society of Thoracic Surgeons



STS MEMBERSHIP

is an investment in yourself...
and in the specialty!

Become a member of The Society of Thoracic Surgeons, one of the largest and most influential professional organizations in cardiothoracic surgery. You'll receive:

- Exclusive discounts on educational programs
- Networking opportunities with cardiothoracic surgery luminaries and thought leaders from around the world
- Access to career and leadership development resources to help you thrive inside and outside the OR
- A subscription to the most cited, most read and most downloaded CT surgery journal, The Annals of Thoracic Surgery
- Breaking updates about key legislation and opportunities to engage in advocacy



Scan the QR code or visit the STS Pavilion to learn more and join!

STS National Database

million procedures,
4,300 surgeons

As one of the largest and most comprehensive clinical registries, the STS National Database provides a true national benchmark in cardiothoracic surgery, helping surgeons improve quality and outcomes.

Learn more at sts.org/nationaldatabase

CAREER CENTER

Opportunities that align with your career goals

Learn more at sts.org/careercenter

See CORA in action

Starting January 25, 9:30 a.m.

See CORA in action at Theater 7

24 SURGEON SATISFACTION SURVEY

See the results at Theater 7

The FitExpo 2025



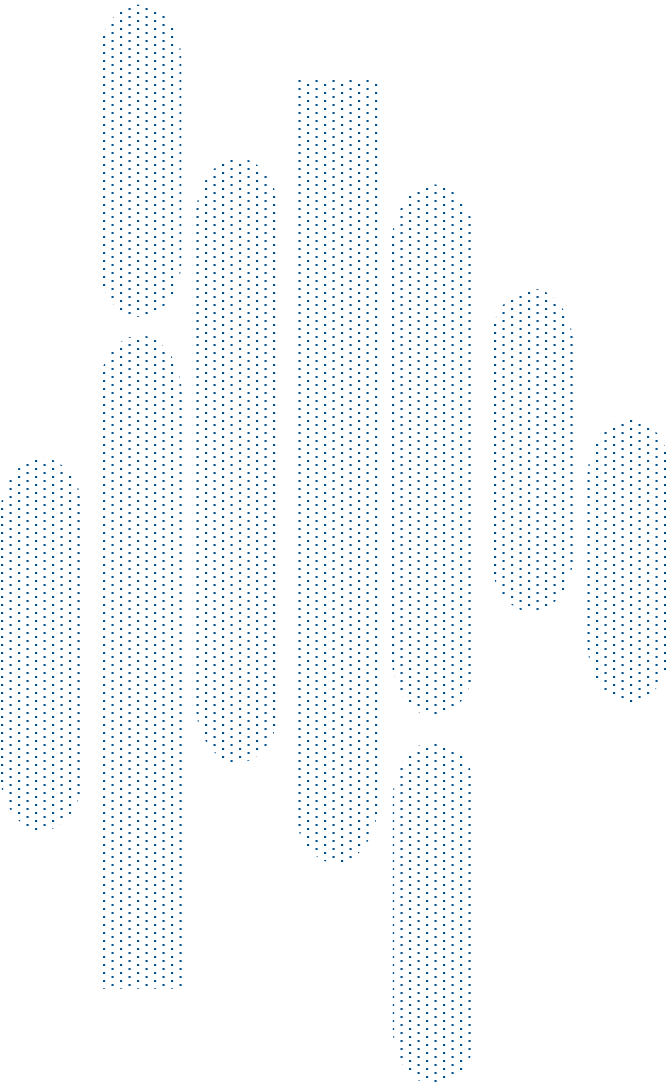
MusiCares Person of the Year 2025



Filming/Parking/Basecamp in January 2025

Total: \$46,849

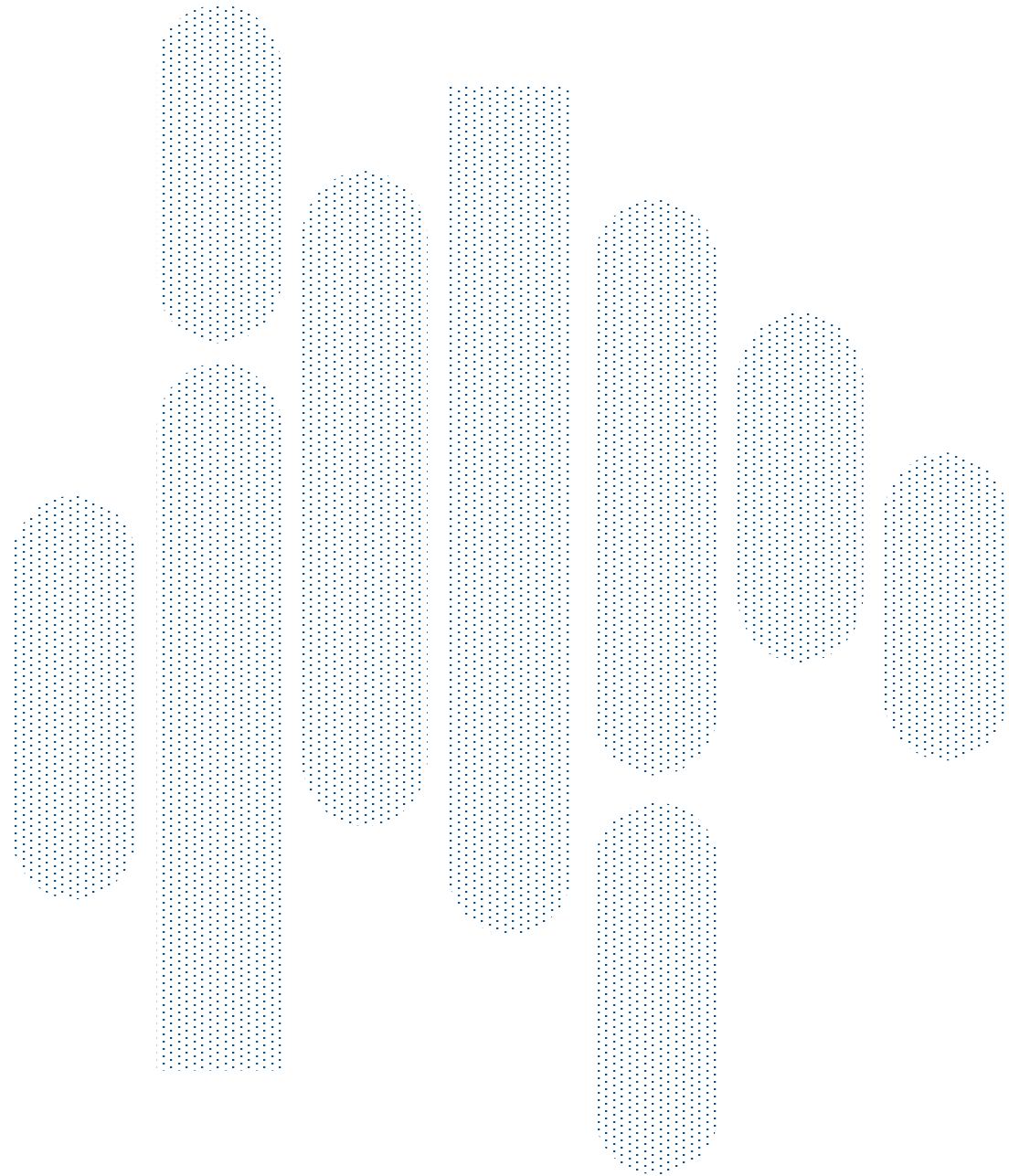
Date	Production Company	Event	Space	Amount
Jan. 13	Topanga Productions	SWAT	South Halls/Fig Drive/Convention Ct. Dr.	\$16,571
Jan. 21 – 23	Mesquite Productions	Old Fashioned	South Garage/Bond Lot	\$21,500
Jan 24	Eden T Productions	Grammys Host Wrap-Around	West Hall A – North Plaza	\$8,778



Sales Activity

5 Events Licensed in January 2025

- Assemblies: **1**
- Consumer Shows: **1**
- Citywides: **1**
- Meetings: **1**
- Tradeshows: **0**
- Special Event: **1**



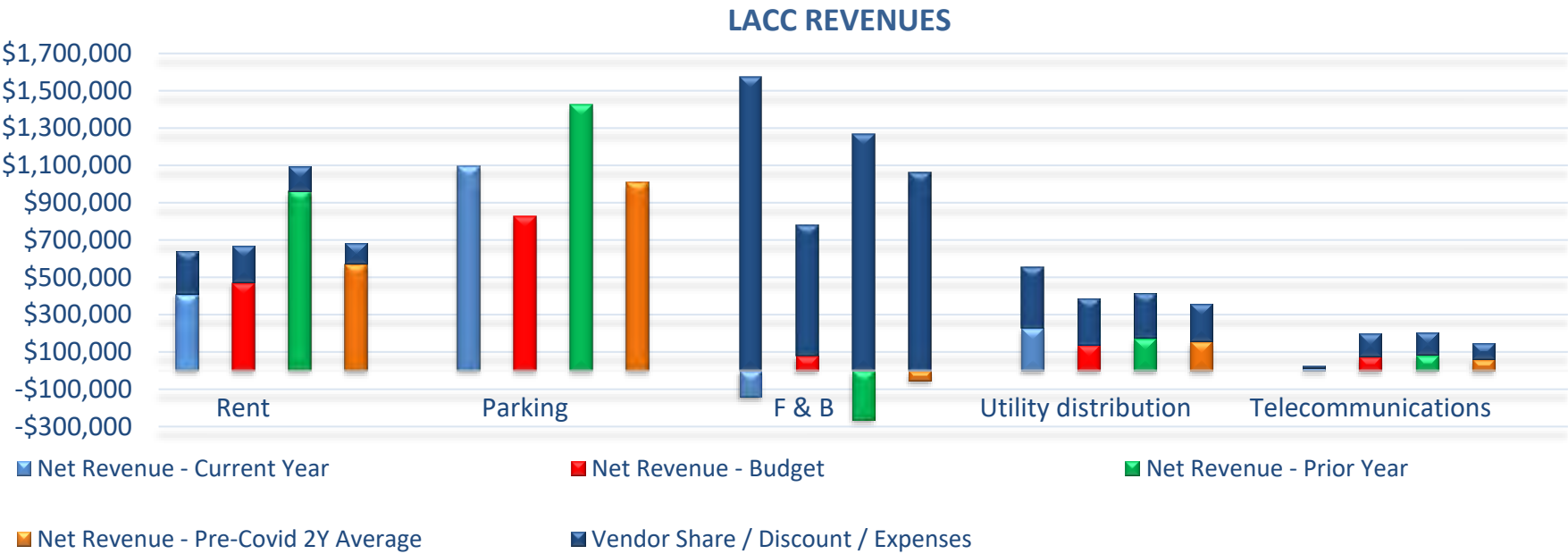
January 2025 Financials

Operating Surplus (loss):

- (\$0.5) million (before approved City Reimbursements, A & I and Capital Projects)
- \$0.1 million above budget
- \$0.5 million below prior year and \$0.3 million below Pre-Covid 2Y average

Revenues:

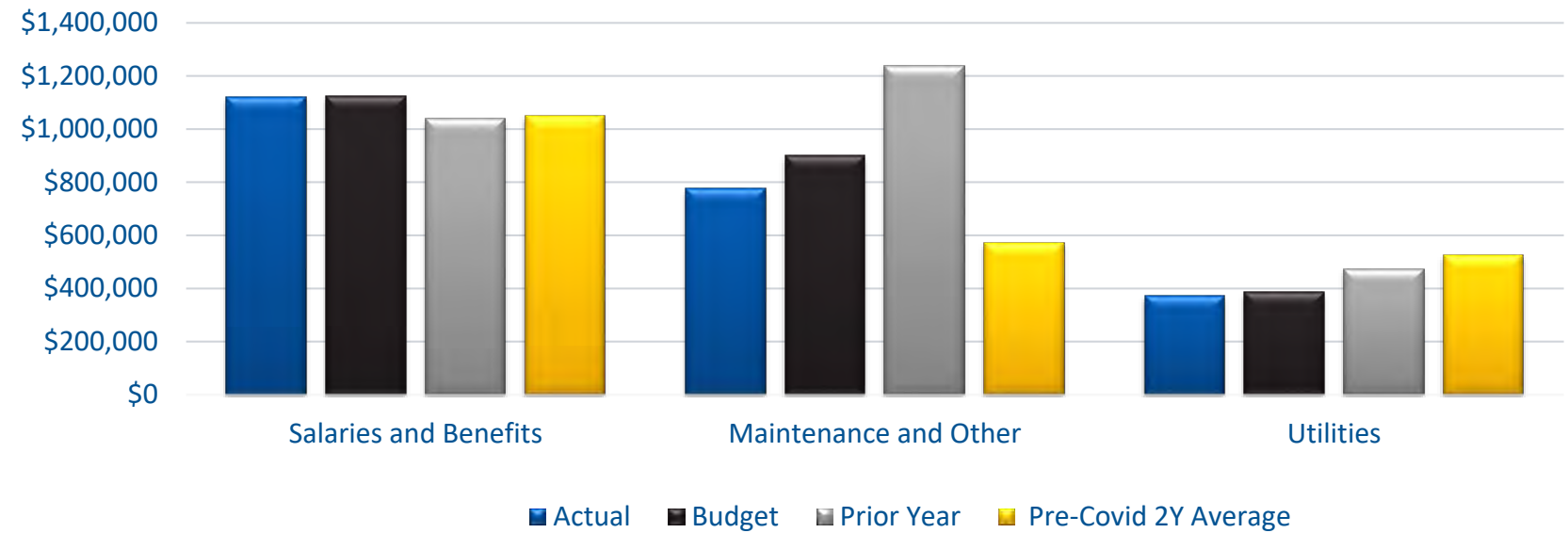
- \$4.2 million gross revenue (before discounts and service provider share)
- \$1.8 million net revenue
- At budget
- \$1.0 million below prior year, consistent with Pre-Covid 2Y Average



January 2025 Financials

Operating Expenses:

- \$2.3 million (before approved A & I, Capital Projects, and City reimbursement)
- \$0.1 million below budget
- \$0.5 million below prior year and \$0.3 million above Pre-Covid 2Y Average

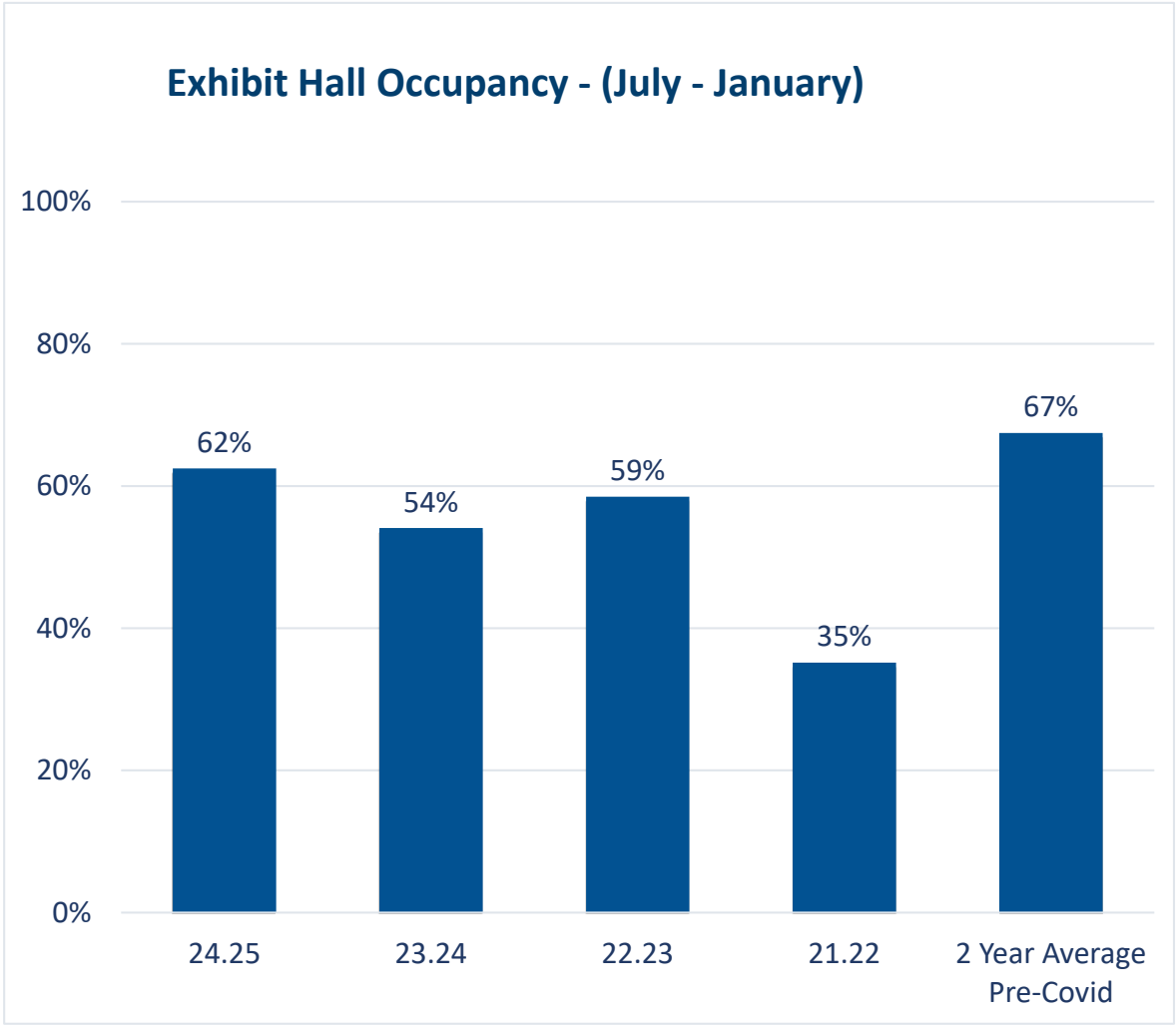
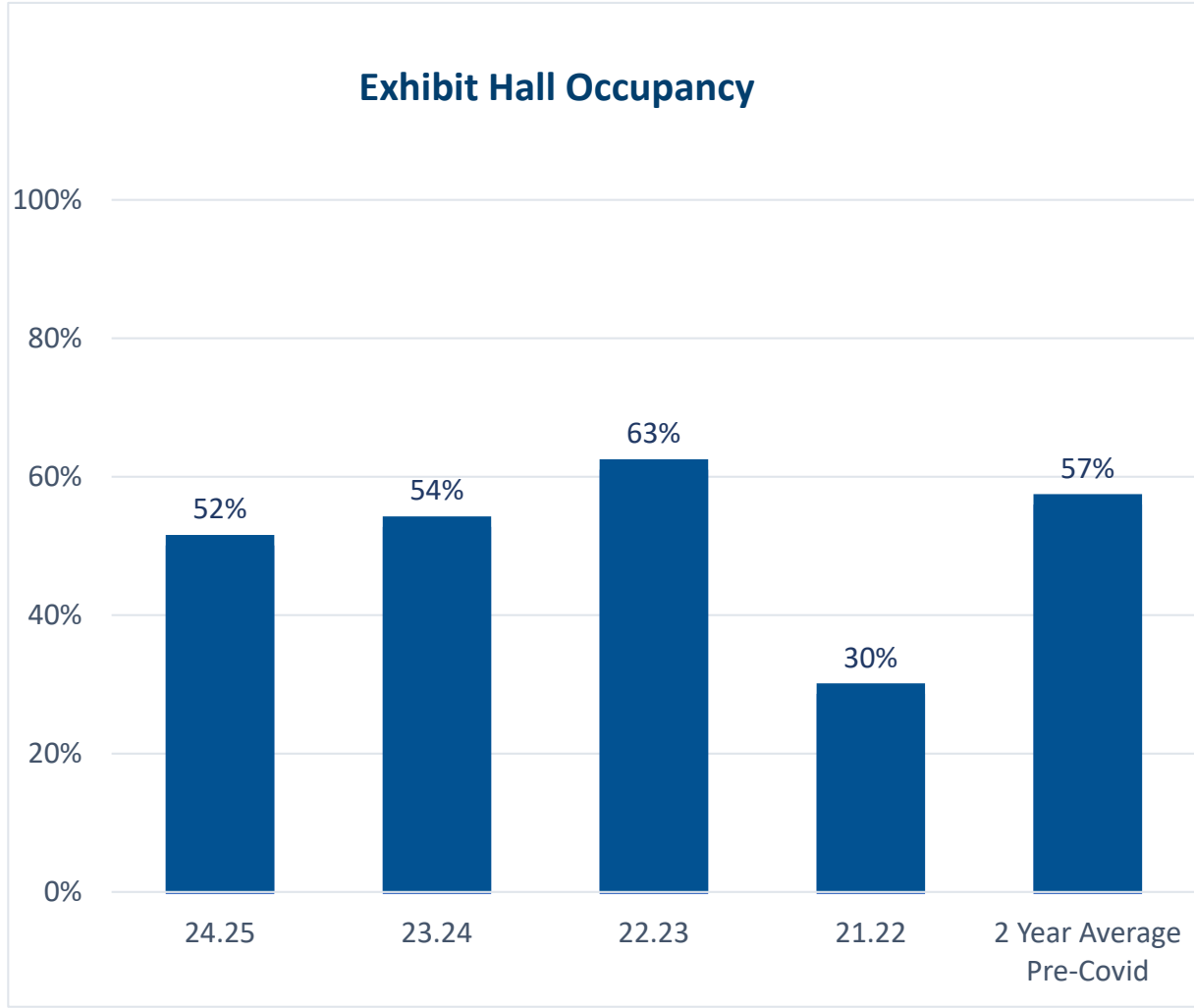


YTD Performance (unaudited) – Net Revenue \$22.0 million vs budget of \$22.2 million, Expenses \$16.3 million vs budget \$17.0 million, Operating profit \$5.7 million vs budget of \$5.2 million.

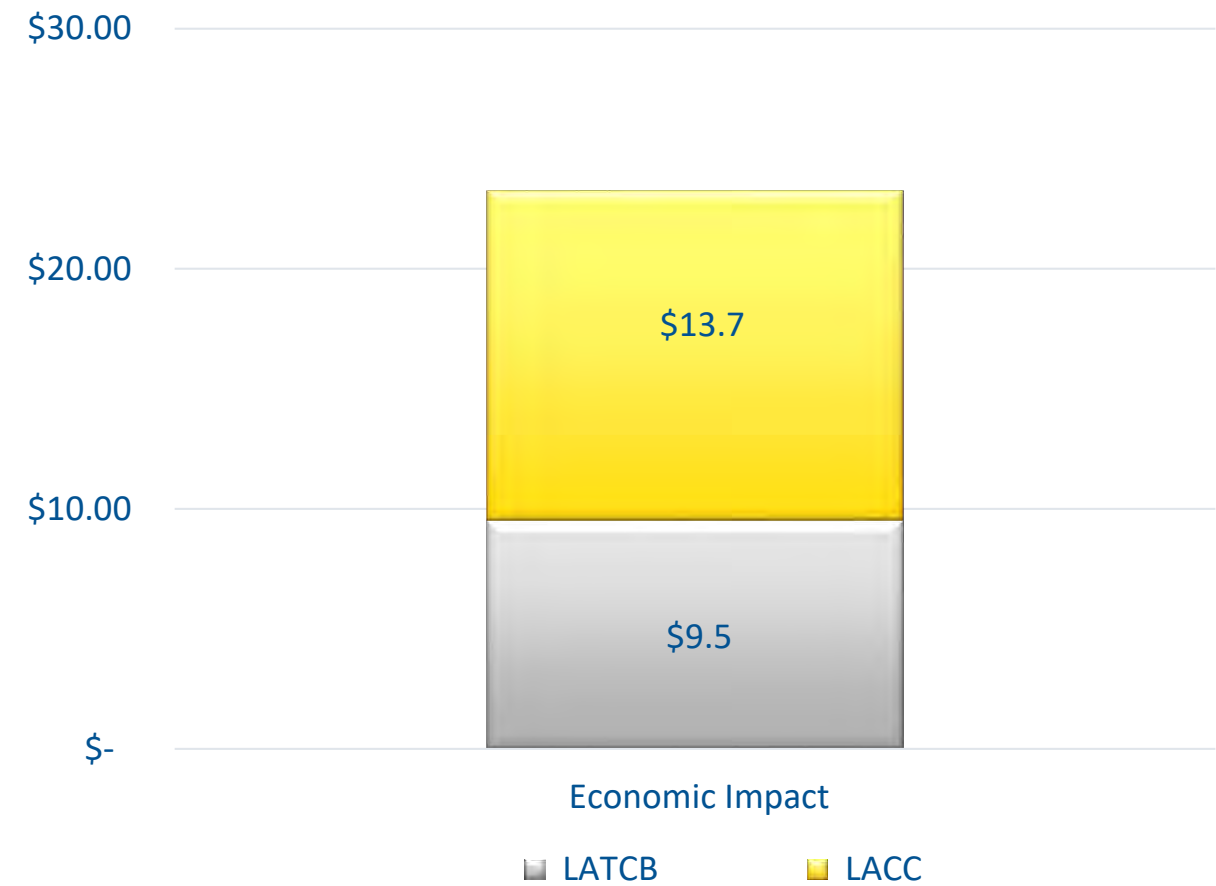
City Reimbursement – \$0.2 million (at budget)

Capital and Alterations & Improvements

Occupancy January 2025



\$23.2 million in Estimated Economic Impact





Los Angeles
CONVENTION
CENTER

THANK YOU



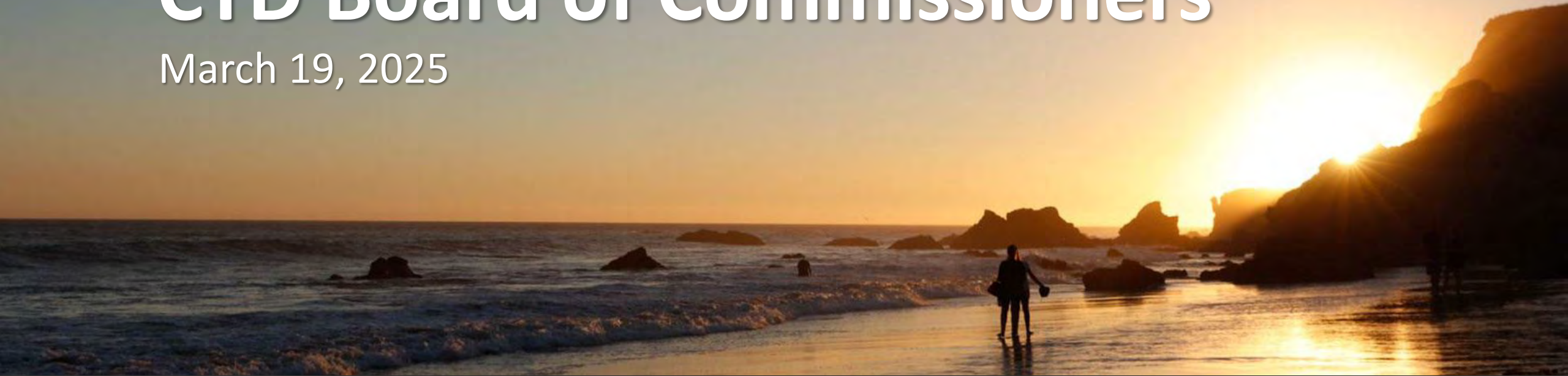
Item 4c

LATCB Update



CTD Board of Commissioners

March 19, 2025



Los Angeles Tourism & Convention Board

Sales Update

Bryan Churchill
Sr. Vice President
Hotel Sales



CITYWIDE CONVENTION SALES

Sales Production for FY 2025 through February

Data last refreshed 3/11/2025 10:56:17 PM

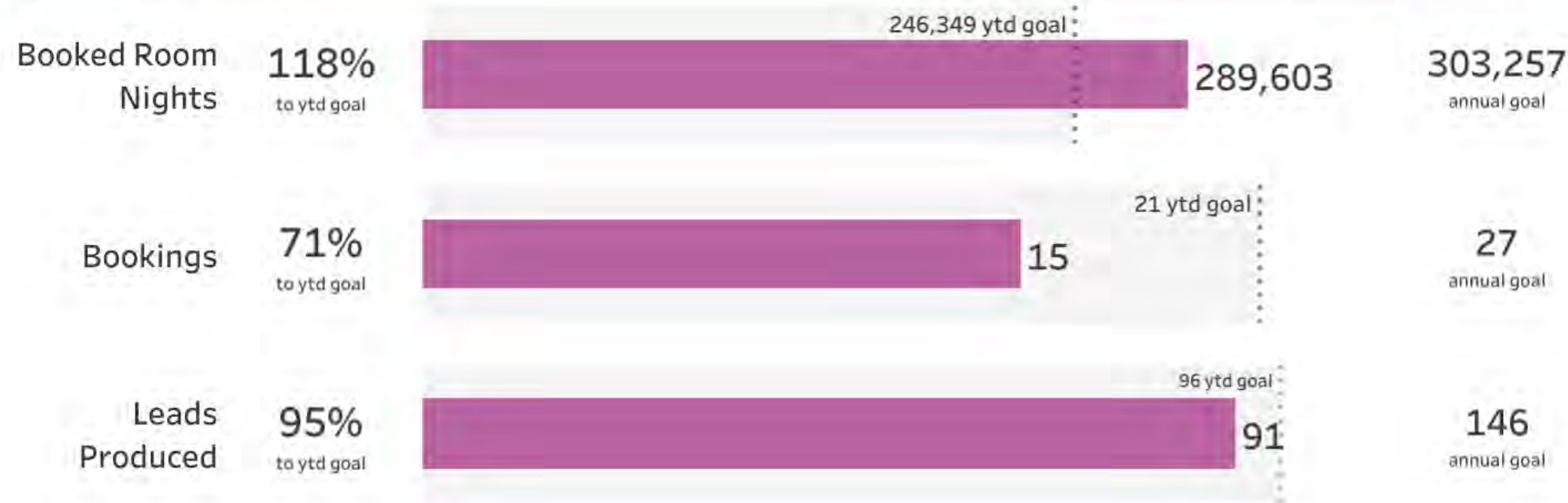
Calendar
Fiscal Year

Year
Latest Year

Month
February

Citywide

FY 2025 through February



Citywide OTB Room Nights by Arrival Year

Booked in FY 2025 through February



OTB Meetings, Bookings in FY 2025 and Cancellations in FY 2025

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
OTB Meetings	23	3	6	16	21	17	19	22	15	11	12	4
Booked in Year	0	0	0	0	0	0	3	3	2	2	3	0
Cancelled in Year	0	0	0	0	0	0	0	0	0	1	0	1



Citywide Active Pipeline Summary

Data last refreshed on 3/11/2025 10:56 PM

Sales Type
Citywide

Sales Manager
All

Peak Bucket
All

Corp or Assn
All

Vertical Market
All

Leads

84

Null

25% - Qualified lead for LA

701,441 room nights
61 leads

Lead Room Nights

1,056,868

50% - LA has made the short-list

131,175 room nights
12 leads

75% - LA selected and Hotel TBD

Attendees

1,147,891

90% - Contracting with hotel

224,252 room nights
11 leads

100% - Verbal Definite

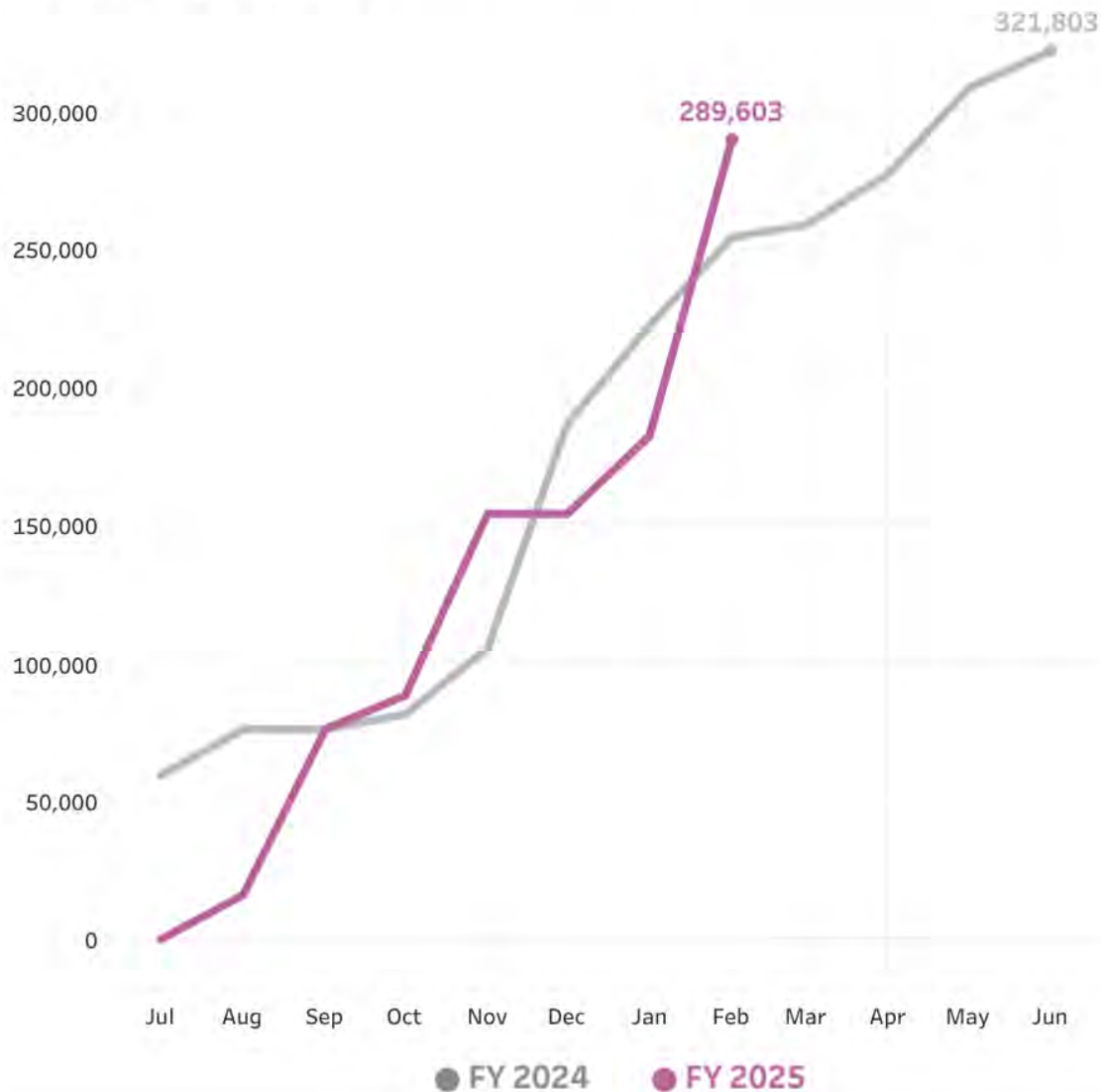
Active Pipeline by Meeting Year



Citywide Booked Room Nights

FY 2025 through February

Booked Room Nights by Month



Key Metrics

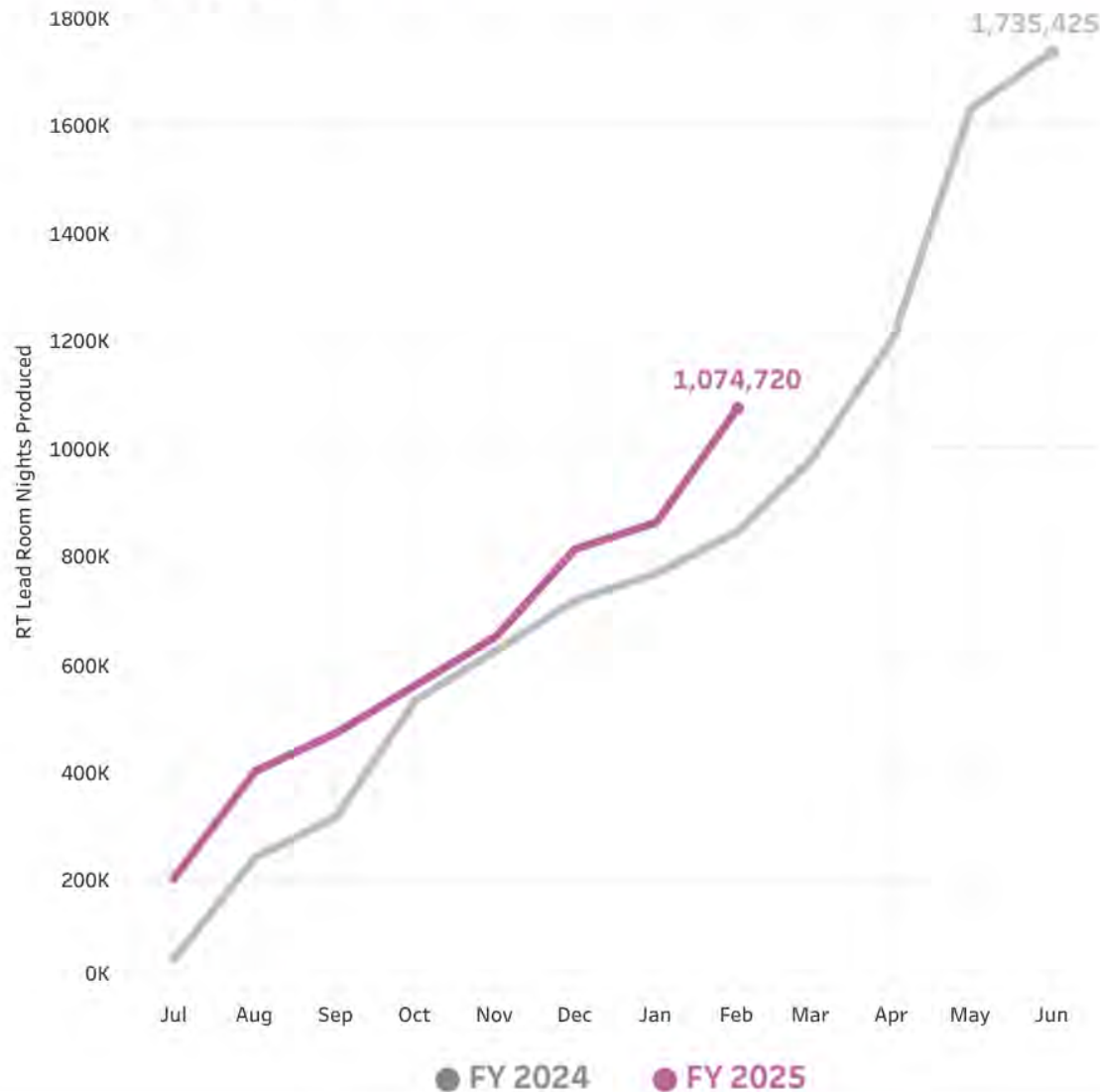
	FY 2025
Bookings	15
Bookings YOY	0%
Booked Room Nights	289,603
Booked Room Nights YOY	14%
Attendees	311,658
Attendees YOY	-20%



Citywide Lead Production

FY 2025 through February

Lead Production by Month



Key Metrics

	FY 2025
Leads Produced	91
Leads Produced YOY	10%
Lead Room Nights Produced	1,074,720
Lead Room Nights Produced YOY	27%
Attendees	1,088,145
Attendees YOY	140%



LA Tourism
&
LA Convention Center
Meeting
February 25, 2025





Citywide Sales & Services and LA Convention Center Teams

- Both teams met at LACC on 2/25
- Discussed sales and service strategies to ensure we are maximizing opportunities for Los Angeles and the convention center
- Doane gave an update on LACC expansion
- Team Building opportunity with Chef Mark and his team. They created a fine dining experience in the LACC kitchen!

**LA Tourism's
MLX**
(Meet LA Exchange)
February 27, 2025

**Sheraton Grand Los
Angeles**



MLX Recap

MLX is our reverse tradeshow experience for our members to connect with our Sales Directors, Sales Operations team, Membership, Global Tourism team

Bryan Churchill and Kathy McAdams opened the tradeshow

We had 98 attendees and 479 appointments with 27 LA Tourism Staff appointment diaries



**Visit California
Outlook Forum
March 3-5, 2025**

JW Marriott L.A. Live

**Patti MacJennett
Chief Industry Relations
Officer**





Visit CA Outlook Forum

March 3-5

JW Marriott LA Live

Visit CA Outlook Forum is hosted by different destinations each year to immerse attendees in the diverse regions of our Golden State.

More than 900 influential tourism industry professionals attended.



Visit CA Outlook Forum

Visit California and Los Angeles Tourism welcomed attendees from across California and around the globe to elevate Los Angeles and the Golden State as a premier destination for visitors, meetings and events.

The Opening event took place at the Academy Museum of Motion Pictures where a welcome toast from LA Tourism's CEO, Adam Burke, was capped off by a skytyping activation showcasing LA Tourism's new "We Love LA" campaign.



Item 5a

Expansion Update



Item 6a

LATCB FY 2025-26 TOT Budget – Board Report #25-001





OVERVIEW OF THE LOS ANGELES TOURISM & CONVENTION BOARD 2025-26 TOT BUDGET

**Board of City Tourism Commissioners Meeting
March 19, 2025**

LATCB BACKGROUND

LATCB (Los Angeles Tourism & Convention Board)

- First contracted with the City in 1976
- City Tourism Department's (CTD) governance gives oversight of LATCB contract to CTD
- Current contract term through June 30, 2030

Services Provided

- To book and assist in licensing the Los Angeles Convention Center (LACC)
- To book meetings and conventions in hotels
- To promote Los Angeles in domestic and international markets

Constituents

- LACC, City of Los Angeles
- Hoteliers
- Hospitality and tourism industry partners
- Customers (meeting planners, travel industry, visitors)
- Consumer and travel trade media

LATCB FUNCTIONAL OVERVIEW

SALES & SERVICES

CITYWIDE
CONVENTION SALES

HOTEL SALES

CLIENT &
DESTINATION
SERVICES

SALES MARKETING

SALES OPERATIONS

MARKETING

BRAND & DIGITAL
MARKETING

GLOBAL
COMMUNICATIONS

GLOBAL TOURISM
DEVELOPMENT

PRODUCT
MARKETING

TOURISM INSIGHTS

STAKEHOLDER RELATIONS

MEMBERSHIP

EXTERNAL AFFAIRS

INDUSTRY
RELATIONS

BOARD
GOVERNANCE

CONTRACT
OVERSIGHT

BUSINESS OPERATIONS

FINANCE &
ACCOUNTING

HUMAN RESOURCES

TECHNOLOGY
SOLUTIONS

RISK MANAGEMENT

BUSINESS
INTELLIGENCE

KEY INDUSTRY METRICS

	2019	2020	2021	2022	2023	2024
TRAVEL & TOURISM JOBS	547,300	393,700	434,200	511,300	547,900	543,400*
TOTAL VISITORS	50.7MM	26.9MM	39.9MM	46.2MM	49.1MM	50.1MM**
DIRECT SPENDING	\$24.7B	\$9.9B	\$16.0B	\$21.9B	\$26.3B	\$28.0B**
TOTAL ECONOMIC IMPACT	\$37.8B	\$15.2B	\$26.4B	\$34.5B	\$40.4B	\$43.0B**

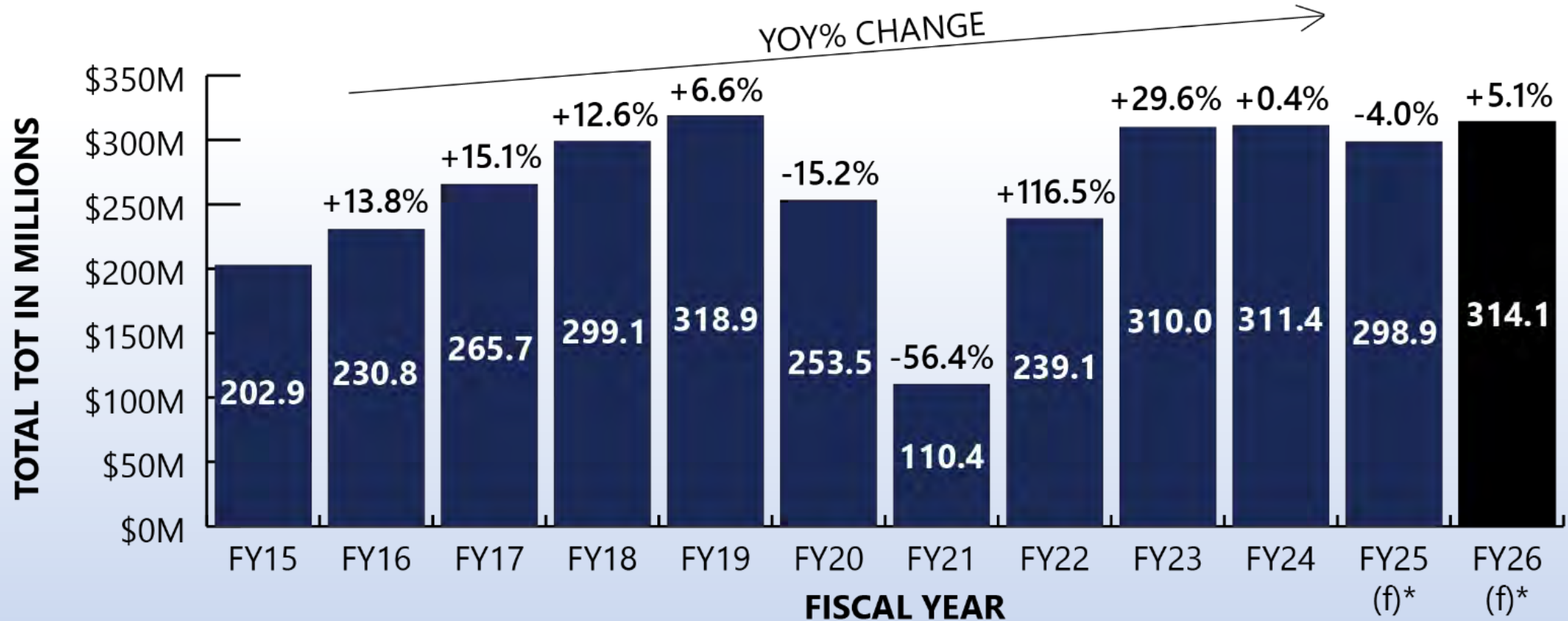
* 2024 jobs figure based on data from State of California Employment Development Department through December 2024.

** Calendar year projections based on data included in Tourism Economics January 2025 Forecast.

Los Angeles Transient Occupancy Tax (TOT)

Contributions to General Fund per Fiscal Year (in \$M)

TRANSIENT OCCUPANCY TAX GENERAL FUND RECEIPTS



* Forecast based on Tourism Economics January 2025 Forecast.

TOT Funds for LATCB Contract

14% hotel occupancy tax collected by hotel and motel operators and remitted to the City

- 1% - LATCB
- 13% - City General Fund
 - 1% - Department of Cultural Affairs

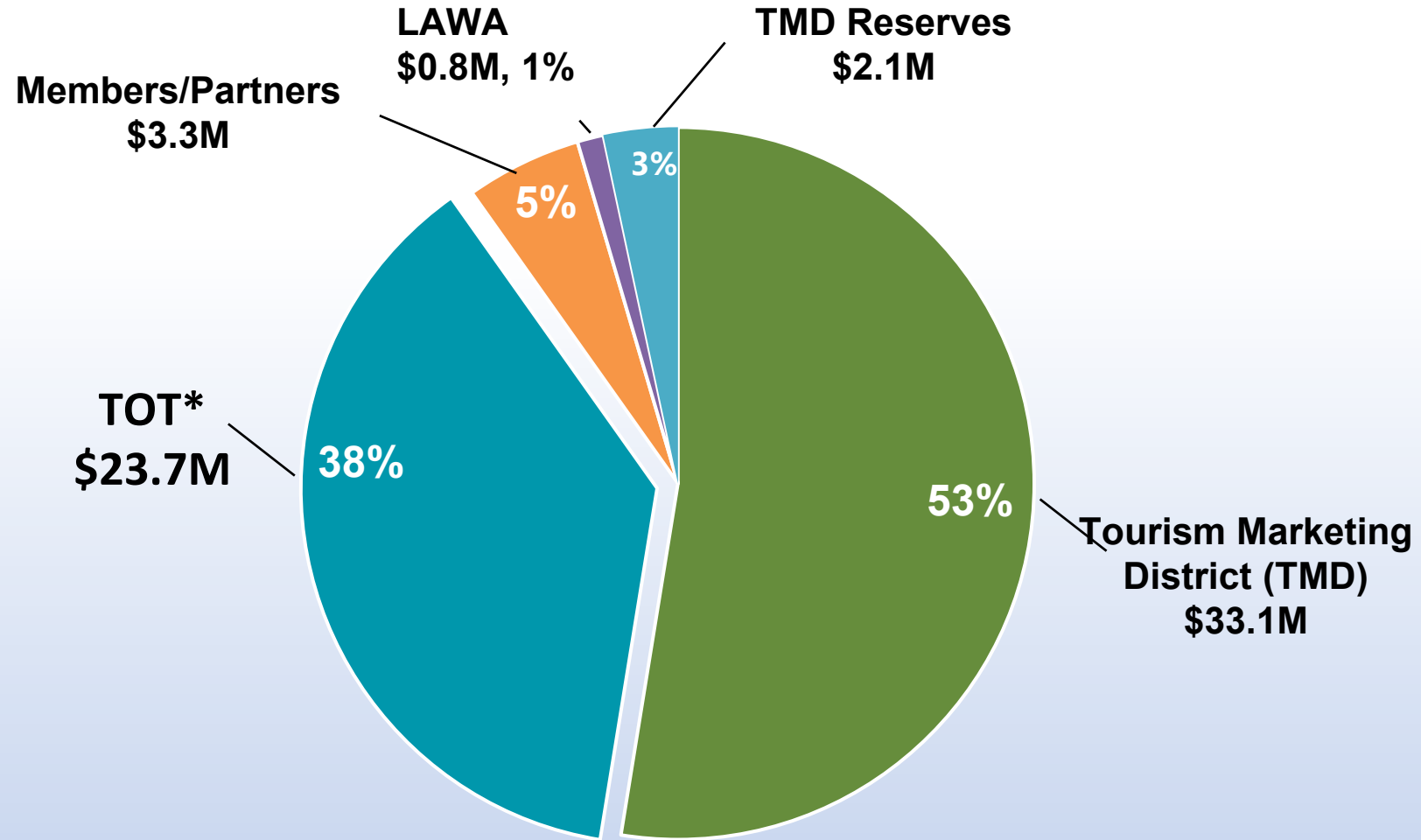
Net TOT Allocation to LATCB*		
Actual 2023-24	Revised Estimate 2024-25**	Proposed Budget 2025-26**
\$23,505,000	\$22,259,000	\$23,674,000

** Net of City administrative services allocation, including CTD's cost of administering the LATCB contract.*

*** Forecast based on historical pace of hotel collections, and Tourism Economics January 2025 Forecast.*

LATCB RESOURCES 2025-26

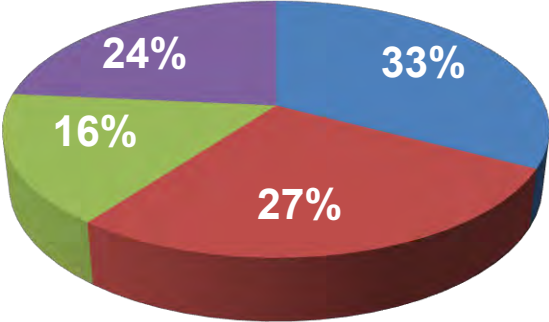
(Preliminary)



TOTAL BUDGET = \$62.9M

**Gross TOT collections less City administrative services*

OVERVIEW OF LATCB TOT BUDGET



- Convention & Meeting Sales & Services
- Marketing, Public Relations & Media
- Stakeholder Relations, Membership & Services
- Operations (Finance, Legal, Technology & HR)

TOT Allocation				
Program	Actual 2023-24	Estimated 2024-25	Proposed 2025-26	YOY % Change
Convention & Meetings Sales & Services	\$6,377,000	\$6,742,000	\$7,749,000**	14.9%
Domestic & International Marketing, Global Public Relations & Media	\$6,183,000	\$7,641,000	\$6,494,000**	-15.0%
Stakeholder Relations, Membership & Services	\$5,663,000*	\$3,007,000	\$3,865,000	28.5%
Operations (Finance, Legal, Technology & HR)	\$5,282,000	\$4,869,000	\$5,566,000	14.3%
TOTAL	\$23,505,000	\$22,259,000	\$23,674,000	6.4%

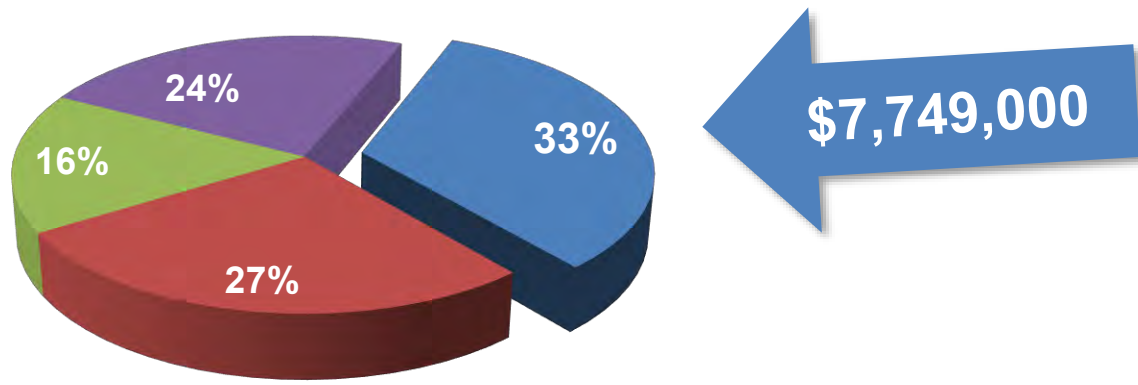
* 2023-24 allocation to Stakeholder Relations higher due to costs associated with IPW 2024 hosting costs plus onboarding of new team members and apprentices.

** 2025-26 allocation to Sales higher due to costs associated with ASAE 2025 hosting costs, requiring shift of TOT resources from Marketing to Sales.

CONVENTION & MEETINGS SALES & SERVICES

2024-25 DELIVERABLES

- Rolled out **SightLigne**, business intelligence data-driven platform, with strong year-to-date (YTD) actuals: **citywide production at 75% of YTD goal and hotel sales production at 106% of YTD goal.**
- Continued to expand the **Ambassador Program** for FY 2024-25 citywide conventions.
- **Hosted IAEE Expo Expo December 17-19, 2024**, which brought nearly 2,000 industry professionals to experience downtown Los Angeles and the Convention Center.
- **On Location implemented** – elevated and customized site experience for high-value prospects, resulting in **22% conversion rate.**
- Partnered with **Visit CA** at industry events including **ASAE, IMEX and PCMA**. Attended Visit CA customer events in markets such as Minneapolis, Chicago, and Atlanta.
- Utilized **TMD Reserve funding** to implement “**Now Playing**” **Blockbuster** incentive program to drive short term group business. **Results: 140 leads & 49,668 room nights generated.**



CONVENTION & MEETINGS SALES & SERVICES

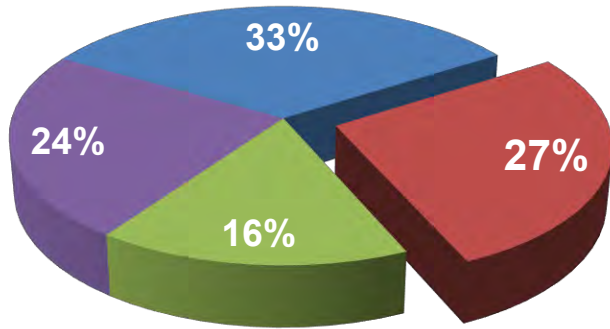
2025-26 FOCUS

- Recruit **Senior Director of Group Business Development** to continue to aggressively pursue short and long-term group business.
- Cultivate **international group business** through the addition of **MICE (meetings, incentives, conferences and exhibitions) Sales Director**.
- Continue to leverage **Visit California partnership** and their ongoing PME (professional meetings & events) objectives.
- **Host signature industry events**, with Flight Centre in July 2025 and ASAE in August 2025.
- Continue to work with CTD and communicate to customer base on the proposed LACC Expansion & Modernization Project.

DOMESTIC & INTERNATIONAL MARKETING, GLOBAL PUBLIC RELATIONS & MEDIA

2024-25 DELIVERABLES

- Achieved **50.1 million visitors** by the close of 2024
 - 43.4 million domestic visitors
 - 6.7 million international visitors
- Created **a new global ad campaign** called “We Love LA” for a Spring 2025 launch.
- Utilized **TMD Reserve funding** to develop **new creative** and run **two phases of Event Marketing**.
- Ran Fall 2024 media plans in key domestic and international volume and high-yield markets.
- Trending to **over 8 million unique visitors** to website and **5 million social** and e-mail database.
- Trending to **79%** of all earned media coverage were **Feature Stories**; trending to **2,200 total stories** with **over half of them being Tier 1 media**.



\$6,494,000

DOMESTIC & INTERNATIONAL MARKETING, GLOBAL PUBLIC RELATIONS & MEDIA

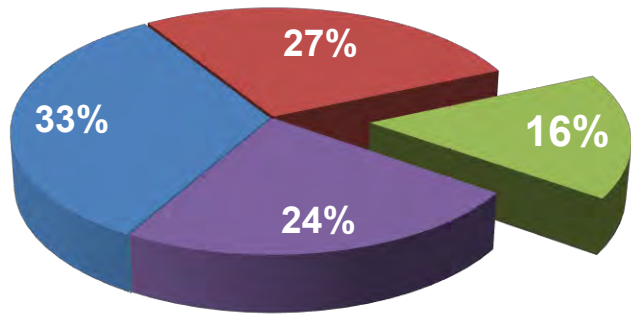
2025-26 FOCUS

- **Deliver two media flights** in select domestic and international markets.
- Continue to amplify the new **“We Love LA”** campaign.
 - Focus on ethnic, cultural, and geographic diversity as well as the use of local celebrities.
- Investigate opportunities to **renew BrandUSA partnership** to leverage funding in international markets.
- Continue to leverage Visit California partnership in top markets (e.g. UK, Australia).
- Complete wildfire recovery strategies by continuing promotional phase of **using earned media, owned media, and trade activities** to encourage global visitation.

STAKEHOLDER RELATIONS, MEMBERSHIP & SERVICES

2024-25 DELIVERABLES

- **Produced successful Market Outlook Forum** with increased attendance.
- Expanded membership and educational benefits to **small businesses and minority business enterprise (MBE) Members** through the launch of our new program, *Empower LA*.
- Completed inaugural **Apprenticeship Program** to provide industry training and opportunities in support of diversity, equity, inclusion and accessibility (DEIA) initiatives. Successfully hired one full-time employee.
- **Amplified importance of tourism as job and economic driver** through active engagement with key local chambers, economic development organizations, and industry organizations statewide and nationally.



← \$3,865,000

STAKEHOLDER RELATIONS, MEMBERSHIP & SERVICES

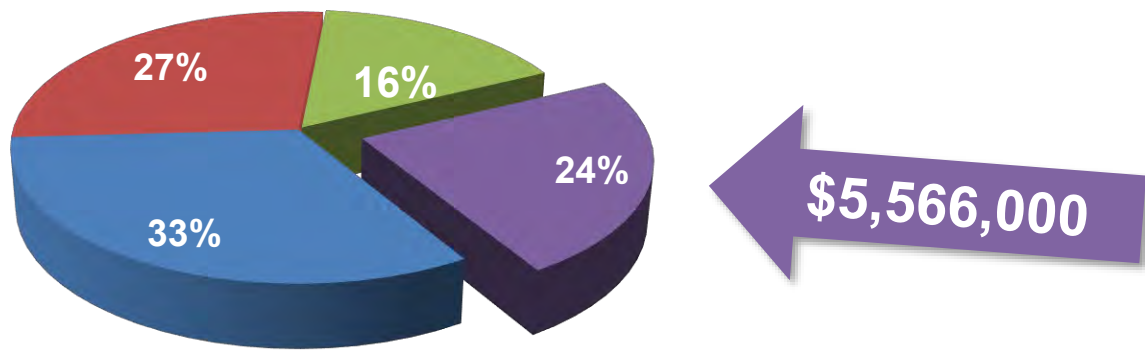
2025-26 FOCUS

- **Increase Membership engagement** through additional touchpoints and networking opportunities and evaluate benefits to ensure delivery of **high value business resources**.
- Continue to build on the *Empower LA* program to **offer new opportunities for small MBE Members**.
- **Support CTD's initiatives**, including the **Tourism Master Plan**, and collaboratively engage with City officials to amplify the essential benefits of tourism.
- Increase outreach at **state and federal levels to elevate issues** impacting visitors and residents.
- Continue to collaborate with local business improvement districts and the tourism business community to **provide a welcoming visitor experience for upcoming major events**.

OPERATIONS (FINANCE, BUSINESS INTELLIGENCE, LEGAL, TECHNOLOGY & HR)

2024-25 DELIVERABLES

- **Upgraded financial management system** in order to realize optimized workflow efficiencies, scalability and cost-savings.
- **Developed an Enterprise Risk Contingency Plan** and activated Plan to address the financial and liquidity impacts of the 2025 California Wildfires, successfully managing through the crisis.
- Consolidated the **Business Intelligence** capabilities from across the organization into one cohesive team to manage data sources and delivery.
- **Launched a Manager Boot Camp Course** to further equip the organization's supervisors with skills necessary to create a successful and productive workplace.
- **Implemented a Contract Management process** to best utilize external legal resources and manage contractual risk for the organization.



OPERATIONS (FINANCE,
BUSINESS INTELLIGENCE,
LEGAL, TECHNOLOGY & HR)

2025-26 FOCUS

- **Build out Business Intelligence capabilities** and the delivery of data critical to the organization's strategy and stakeholders.
- **Refine risk mitigation strategies** to address evolving artificial intelligence cybersecurity threats and other business disruptions.
- Continue **process automation** efforts to increase efficiencies and productivity, including enhancing financial management system functionality.
- Continue to strengthen team development, leadership growth and culture with **ongoing management training** to drive sustainable, long-term organizational success.

RECOMMENDATION

The Board approve the Los Angeles Tourism & Convention Board 2025-26 TOT budget for inclusion in the Mayor's 2025-26 Proposed Budget.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: March 13, 2025

To: Board of City Tourism Commissioners

From: Doane Liu, Executive Director *Doane Liu*
City Tourism Department

Subject: **LOS ANGELES TOURISM & CONVENTION BOARD 2025-26 TOT
BUDGET – BOARD REPORT #25-001**

SUMMARY

The primary goal of the City's engagement with the Los Angeles Tourism & Convention Board (LATCB) is to grow the local economy by promoting the City as a site for citywide conventions, business meetings and major trade shows, and as a destination for leisure travel. As part of the annual budget process, and to satisfy the City's Charter-mandated budget deadlines, the Board of City Tourism Commissioners (Board) will consider for approval LATCB's 2025-26 budget for inclusion in the Mayor's Proposed Budget.

Destination Marketing Organizations (DMOs) such as LATCB are not unique to Los Angeles, and are engaged by cities for specific convention and travel promotional purposes. Most cities fund their DMOs through a hotel occupancy tax. Under its contract with the City, LATCB receives a portion of the City's Transient Occupancy Tax (TOT), which is a tax levied on hotel or motel rooms and short term rentals, collected by the operator and remitted to the City monthly. The tax rate is 14 percent, of which 13 percentage points are remitted to the General Fund and the other one percentage point is remitted to the Los Angeles Convention and Visitors Bureau Trust Fund. The recommendation in this report requests the Board's approval for LATCB's proposed expenditure of TOT for Fiscal Year 2025-26.

DISCUSSION

The Los Angeles City Tourism Department (CTD) and LATCB executed an agreement for a ten-year term, from July 1, 2020 through June 30, 2030. As part of the agreement, LATCB's planned expenditure for TOT is reviewed and approved annually in consideration of the City's greater budget process.

LATCB is financed through several sources of funds. TOT is the second largest source of funds, making up approximately 38 percent of LATCB's budget. Other sources include LATCB's agreement with the Los Angeles World Airports (LAWA); revenues received

from annual dues paid by LATCB members and sponsorship partners; and assessments collected as part of the Los Angeles Tourism Marketing District (TMD).

The following is a preliminary breakdown of LATCB's revenue budget for Fiscal Year 2025-26:

DESCRIPTION	AMOUNT
LAWA Contract	\$750,000
Members/Partners/Sponsors	\$3,309,000
TOT	\$23,674,000
Tourism Marketing District (2.0% Assessment)	\$33,070,000
Tourism Marketing District Reserves	\$2,116,000
TOTAL	\$62,919,000

As international and business travel continue to improve, the forecasted TOT for Fiscal Year 2025-26 includes year-over-year growth.

One Percentage Point Transient Occupancy Tax to LATCB (TOT collections less City administrative costs)	Actual 2023-24	Estimated 2024-25	Proposed 2025-26
	\$23,505,000	\$22,259,000	\$23,674,000

LATCB's TOT budget can be broken down into five main categories: sales and services; marketing; stakeholder relations; business operations; and the TOT Reserve Fund.

The sales and services division is charged with booking citywide conventions and events at the Los Angeles Convention Center (LACC), booking and coordinating sales for self-contained hotel events, and providing client services.

The marketing division targets domestic and international markets for the purposes of generating tourism and leisure travel to the City. Marketing develops public relations and media, creates and places advertisements, performs research and analysis on tourism and travel, and coordinates journalist site visits.

The stakeholder relations division manages external affairs, industry and business community relations, membership services and governance/City contracts.

The business operations division oversees the finance, technology, business intelligence, risk management and human resources divisions for LATCB.

The TOT Reserve Fund is a tool that was added under the current contract, which allows LATCB to set aside funding for use during future years to support programming and responses to major disasters or catastrophic events.

The following is a breakdown of the TOT budget for the five major categories:

	Estimated 2024-25	Proposed 2025-26	YOY % Change
Sales and Services	\$6,742,000	\$7,749,000	+14.9%
Marketing	\$7,641,000	\$6,494,000	-15.0%
Stakeholder Relations	\$3,007,000	\$3,865,000	+28.5%
Business Operations	\$4,869,000	\$5,566,000	+14.3%
TOT Reserve Fund	\$0	\$0	0%
TOTAL	\$22,259,000	\$23,674,000	+6.4%

Focus for the 2025-26 LATCB budget includes hosting signature industry events to showcase Los Angeles as a destination; amplifying the new advertising campaign in domestic and international markets; delivering high value resources and support to member businesses; and continuing to strengthen Business Intelligence capabilities.

Upon approval, the Mayor will include LATCB's budget as part of the 2025-26 Proposed Budget. Per the City's Charter, the Mayor's Proposed Budget must be submitted to the Los Angeles City Council no later than April 20, 2025.

RECOMMENDATION

That the Board of City Tourism Commissioners approve the Los Angeles Tourism & Convention Board 2025-26 TOT budget for inclusion in the Mayor's 2025-26 Proposed Budget.