



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

**Special Meeting**

Monday, February 9, 2015

9:30 a.m. - 10:00 a.m.

Los Angeles Convention Center

1201 S. Figueroa Street, L.A. CA 90015

**Teleconference Locations:**

Meruelo Media, 4975 W. Pico Blvd., Los Angeles, CA 90019

MarketShare, 11150 Santa Monica Blvd., 5<sup>th</sup> Floor, Los Angeles, CA 90025

Regal Assets, 3450 Cahuenga Blvd.W., Bldg. 705, Los Angeles, CA 90068

Chef Robért Catering, 8950 Glenoaks Blvd., Los Angeles, CA 91352

1. Call to Order
2. Public Comment
3. Approval of the Revised Society for the Promotion of Japanese Animation – Anime Expo 2015 (Board Report 15-001)

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.**

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

Date: February 4, 2015

To: Board of Los Angeles Convention & Tourism Development Commissioners

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

Subject: **SOCIETY OF THE PROMOTION OF JAPANESE ANIMATION – ANIME  
EXPO 2015 DISCOUNT REQUEST – REVISED  
REPORT #15-001**

**RECOMMENDATIONS:**

Staff recommends that the Board of Los Angeles Convention and Tourism Development Commissioners:

1. Approve a revised rental discount exception in the amount of \$106,809 submitted by the Los Angeles Tourism and Convention Board (LATCB) for a convention to be hosted by the Society of the Promotion of Japanese Animation (SPJA) - Anime Expo on July 2-5, 2015.

**DISCUSSION:**

The City has a discount policy that allows LATCB to offer discounts on rental rates for citywide conventions and tradeshow as an incentive. This discount policy was formally codified into the Los Angeles Administrative Code (LAAC) on June 9, 2014 upon adoption by the Mayor and Council of the new governance ordinance for Department of Convention and Tourism Development (CTD). Section 8.149.1 (a) Subparagraph (A) of the LAAC states that "rates may be reduced or waived only where the anticipated Transient Occupancy Tax revenues which reasonably may be attributed to the convention or tradeshow under consideration exceed the total amount reduced or waived."

However, there are exceptions to this requirement. Per LAAC Section 8.149.1 (a) Subparagraph (C):

"Proposed rate reductions or waivers that do not meet the requirement or waivers that do not meet the requirements of Subparagraph A of this section shall not be allowed; provided, however, that proposed rate reductions or waivers may be approved by the Board in the following exceptional circumstances:

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

The SPJA revised rental discount submitted for your approval is one such exceptional circumstance as described in Section 8.149.1 (a) Subparagraph (C)(2). The SPJA is requesting addition space, adding Kentia Hall to the multi-year licenses for conventions that would take place in each year from 2015 – 2019. LATCB has made an offer to the SPJA to charge rent in the amount of \$1 for the first year of the multi-year agreement. As such, the revised rental discount requested for the 2015 event exceeds the Transient Occupancy Tax (TOT) the event will produce. The Board of Los Angeles Convention & Tourism Development Commissioners' (Board) approval to exempt Anime Expo 2015 from the TOT requirement is necessary to proceed with the contracting process. The revised rent in the subsequent years of the multi-year agreement would be discounted in an amount equal to the expected TOT generated by the convention, and the additional rent incurred from adding Kentia will be paid by SPJA.

	Year	Gross Rental Revenue	Rental Discount Based on TOT	"Exempt" Rental Discount Requested	Net Rental Revenue	Minimum Commercial Value Reflected in Discount Packet
Approved	2015	\$306,210	\$228,200	\$78,009	\$1	\$13,110,000
Revised	2015	\$363,810	\$228,200	\$106,809	\$1	\$30,000,000 *

\* Revised Economic Impact (Commercial Value) determined by use of the DMAI Event Impact Calculator

However, the rental discount for the additional four years will not exceed the TOT and will result in total net rental revenue of \$264,440 for 2016-2019.

	Year	Gross Rental Revenue	Rental Discount	Net Rental Revenue	Minimum Commercial Value Reflected in Discount Packet
Original	2016	\$306,210	\$233,800	\$72,410	\$13,110,000
Revised	2016	\$363,810	\$233,800	\$130,010	\$31,000,000*

Original	2017	\$306,210	\$233,800	\$68,210	\$13,110,000
Revised	2017	\$474,380	\$238,000	\$236,380	\$31,400,000 *

Original	2018	\$306,210	\$242,200	\$64,010	\$13,110,000
Revised	2018	\$363,810	\$242,200	\$121,610	\$32,200,000 *

Original	2019	\$306,210	\$246,400	\$59,810	\$13,110,000
Revised	2019	\$363,810	\$246,400	\$117,410	\$33,000,000 *

It is anticipated that the events will generate a minimum of \$158 million in rental revenue and economic impact with a likely increase as Anime Expo expands its show.

CTD staff supports the discount request for Anime Expo due to the significant direct and indirect revenue year over year and the economic impact attributable to the Anime Expo event, their multi-year commitment to Los Angeles and the positive history and excellent relationship between the City and SPJA.

SPJA has indicated that they will execute the 2015, 2016, 2017, 2018, and 2019 contracts upon approval of the discount exemption as requested. Given the significant economic value to the City and the hospitality industry as a result of the five year commitment to Los Angeles, CTD staff recommends approval of this request.

**ATTACHMENTS:**

1. LATCB Discount Request Packet 2015
2. LATCB Discount Request Packet 2016
3. LATCB Discount Request Packet 2017
4. LATCB Discount Request Packet 2018
5. LATCB Discount Request Packet 2019

# Los Angeles

TOURISM & CONVENTION BOARD

## LOS ANGELES CONVENTION CENTER PRICING DISCOUNT APPROVAL

LOS ANGELES TOURISM REP: Jeff Leung  
DATE: 1/14/2015

### ORGANIZATION

NAME: THE SOCIETY FOR THE PROMOTION OF JAPANESE ANIMATION ID#: 21580  
CONTACT: Marc Perez TITLE: Board President  
ADDRESS: 1522 Brookhollow Dr, Ste 1 TEL#: 760.310.7717  
CITY: Santa Ana STATE: CA ZIPCODE: 92705

### MEETING INFORMATION

NAME OF MEETING: ANIME EXPO  
OVERALL DATES: June 30 to July 6, 2015  
ATTENDANCE: 80,000 GUEST ROOMS: 22,000 TOTAL ROOM NIGHTS: 10,000

### FINANCIAL PERFORMANCE

RENTAL REVENUE:	<u>\$363,810.00</u>	-	<u>\$335,009.00</u>	=	<u>\$28,801.00</u>
	Basic Rent		Discount		Discounted Rent
TRANSIENT OCCUPANCY:	<u>.14</u>	X	<u>10,000</u>	X	<u>\$163.00</u>
Tax Revenue (TOT)	TOT		Tot Rm nights		Project Avg Rm Rate
Total City Revenue:	<u>\$28,801.00</u>	+	<u>\$228,200.00</u>	=	<u>\$257,001.00</u>
	Discounted Rent		TOT Revenue		Total City Revenue

Required exhibit space per reservation form: GROSS SQ. FT.: \_\_\_\_\_ NET SQ. FT.: \_\_\_\_\_

LACC RENTAL RATE  
\$96,000.00

LOS ANGELES TOURISM DISCOUNT RATE  
\$1.00

WEST HALL AB

ADDITIONAL MOVE-IN/OUT DAYS

\$160,000.00

SOUTH HALL GHJK

ADDITIONAL MOVE-IN/OUT DAYS

\$57,600.00

\$28,800.00

KENTIA HALL \_\_\_\_\_

ADDITIONAL MOVE-IN/OUT DAYS

\$24,000.00

CONCOURSE HALL EF

ADDITIONAL MOVE-IN/OUT DAYS

\$18,000.00

PETREE HALL CD

ADDITIONAL MOVE-IN/OUT DAYS

\$8,210.00

MEETING ROOM CHARGE:  
(Less % Meeting Room Discount)  
ADDITIONAL MOVE-IN/OUT DAYS

REVENUE THROUGH LACC RATE STRUCTURE  
REVENUE THROUGH DISCOUNTED LACC RATE STRUCTURE

\$363,810.00  
\$28,801.00

LACC APPROVAL: Thomas Fields, COO & Assistant General Manager

Date: 1/27/15

LOS ANGELES TOURISM APPROVAL: Kathy McAdams, Vice President, Citywide Convention Sales

Date: 1-14-15

EXECUTIVE DIRECTOR APPROVAL: Robert R. "Bud" Ovrom, Executive Director

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

## LOS ANGELES CONVENTION CENTER PRICING DISCOUNT APPROVAL

LOS ANGELES TOURISM REP: Jeff Leung  
DATE: 1/15/2015

### ORGANIZATION

NAME: THE SOCIETY FOR THE PROMOTION OF JAPANESE ANIMATION ID#: 21581  
CONTACT: Marc Perez TITLE: Board President  
ADDRESS: 1522 Brookhollow Dr, Ste 1 TEL#: 760.310.7717  
CITY: Santa Ana STATE: CA ZIPCODE: Santa Ana

### MEETING INFORMATION

NAME OF MEETING: ANIME EXPO  
OVERALL DATES: June 29 to July 5, 2016  
ATTENDANCE: 80,000 GUEST ROOMS: 22,000 TOTAL ROOM NIGHTS: 10,000

### FINANCIAL PERFORMANCE

RENTAL REVENUE:	<u>\$363,810.00</u>	-	<u>\$233,800.00</u>	=	<u>\$130,010.00</u>
	Basic Rent		Discount		Discounted Rent
TRANSIENT OCCUPANCY:	<u>.14</u>	X	<u>10,000</u>	X	<u>\$167.00</u>
Tax Revenue (TOT)	TOT		Tot Rm nights		Project Avg Rm Rate
Total City Revenue:	<u>\$130,010.00</u>	+	<u>\$233,800.00</u>	=	<u>\$363,810.00</u>
	Discounted Rent		TOT Revenue		Total City Revenue

Required exhibit space per reservation form: GROSS SQ. FT.: \_\_\_\_\_ NET SQ. FT.: \_\_\_\_\_

LACC RENTAL RATE  
\$96,000.00

LOS ANGELES TOURISM DISCOUNT RATE  
\$130,010.00

WEST HALL AB

ADDITIONAL MOVE-IN/OUT DAYS

SOUTH HALL GHJK

ADDITIONAL MOVE-IN/OUT DAYS

KENTIA HALL \_\_\_\_\_

ADDITIONAL MOVE-IN/OUT DAYS

CONCOURSE HALL EF

ADDITIONAL MOVE-IN/OUT DAYS

PETREE HALL CD

ADDITIONAL MOVE-IN/OUT DAYS

MEETING ROOM CHARGE:  
(Less % Meeting Room Discount)  
ADDITIONAL MOVE-IN/OUT DAYS

REVENUE THROUGH LACC RATE STRUCTURE  
REVENUE THROUGH DISCOUNTED LACC RATE STRUCTURE

\$363,810.00  
\$130,010.00

LACC APPROVAL: Thomas Fields, COO & Assistant General Manager

Date: 1/27/15

LOS ANGELES TOURISM APPROVAL: Kathy McAdams, Vice President, Citywide Convention Sales

Date: 1-16-15

EXECUTIVE DIRECTOR APPROVAL: Robert R. "Bud" Ovrom, Executive Director

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

## LOS ANGELES CONVENTION CENTER PRICING DISCOUNT APPROVAL

LOS ANGELES TOURISM REP: Jeff Leung  
DATE: 1/15/2015

### ORGANIZATION

NAME: THE SOCIETY FOR THE PROMOTION OF JAPANESE ANIMATION ID#: 21582  
CONTACT: Marc Perez TITLE: Board President  
ADDRESS: 1522 Brookhollow Dr, Ste 1 TEL#: 760.310.7717  
CITY: Santa Ana STATE: CA ZIPCODE: Santa Ana

### MEETING INFORMATION

NAME OF MEETING: ANIME EXPO  
OVERALL DATES: June 27 to July 5, 2017  
ATTENDANCE: 80,000 GUEST ROOMS: 22,000 TOTAL ROOM NIGHTS: 10,000

### FINANCIAL PERFORMANCE

RENTAL REVENUE:	<u>\$474,380.00</u>	-	<u>\$238,000.00</u>	=	<u>\$236,380.00</u>
	Basic Rent		Discount		Discounted Rent
TRANSIENT OCCUPANCY:	<u>14</u>	X	<u>10,000</u>	X	<u>\$170.00</u>
Tax Revenue (TOT)	TOT		Tot Rm nights		Project Avg Rm Rate
Total City Revenue:	<u>\$236,380.00</u>	+	<u>\$238,000.00</u>	=	<u>\$474,380.00</u>
	Discounted Rent		TOT Revenue		Total City Revenue

Required exhibit space per reservation form: GROSS SQ. FT.: \_\_\_\_\_ NET SQ. FT.: \_\_\_\_\_

#### LACC RENTAL RATE

\$120,000.00

\$200,000.00

\$72,000.00

\$30,000.00

\$3,000.00

\$22,500.00

\$2,250.00

\$24,630.00

#### LOS ANGELES TOURISM DISCOUNT RATE

\$236,380.00

WEST HALL AB

ADDITIONAL MOVE-IN/OUT DAYS

SOUTH HALL GHJK

ADDITIONAL MOVE-IN/OUT DAYS

KENTIA HALL \_\_\_\_\_

ADDITIONAL MOVE-IN/OUT DAYS

CONCOURSE HALL EF

ADDITIONAL MOVE-IN/OUT DAYS

PETREE HALL CD

ADDITIONAL MOVE-IN/OUT DAYS

MEETING ROOM CHARGE:  
(Less % Meeting Room Discount)

ADDITIONAL MOVE-IN/OUT DAYS

\$474,380.00

\$236,380.00

REVENUE THROUGH LACC RATE STRUCTURE  
REVENUE THROUGH DISCOUNTED LACC RATE STRUCTURE

LACC APPROVAL: Thomas Fields, COO & Assistant General Manager

Date: 1/27/15

LOS ANGELES TOURISM APPROVAL: Kathy McAdams, Vice President, Citywide Convention Sales

Date: 1-16-15

EXECUTIVE DIRECTOR APPROVAL: Robert R. "Bud" Ovrom, Executive Director

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

## LOS ANGELES CONVENTION CENTER PRICING DISCOUNT APPROVAL

LOS ANGELES TOURISM REP: Jeff Leung  
DATE: 1/15/2015

### ORGANIZATION

NAME: THE SOCIETY FOR THE PROMOTION OF JAPANESE ANIMATION ID#: 21583  
CONTACT: Marc Perez TITLE: Board President  
ADDRESS: 1522 Brookhollow Dr, Ste 1 TEL#: 760.310.7717  
CITY: Santa Ana STATE: CA ZIPCODE: Santa Ana

### MEETING INFORMATION

NAME OF MEETING: ANIME EXPO  
OVERALL DATES: July 3 to 9, 2018  
ATTENDANCE: 80,000 GUEST ROOMS: 22,000 TOTAL ROOM NIGHTS: 10,000

### FINANCIAL PERFORMANCE

RENTAL REVENUE:	<u>\$363,810.00</u>	-	<u>\$242,200.00</u>	=	<u>\$121,610.00</u>
	Basic Rent		Discount		Discounted Rent
TRANSIENT OCCUPANCY:	<u>.14</u>	X	<u>10,000</u>	X	<u>\$173.00</u>
Tax Revenue (TOT)	TOT		Tot Rm.nights		Project Avg Rm Rate
Total City Revenue:	<u>\$121,610.00</u>	+	<u>\$242,200.00</u>	=	<u>\$363,810.00</u>
	Discounted Rent		TOT Revenue		Total City Revenue

Required exhibit space per reservation form: GROSS SQ. FT.: \_\_\_\_\_ NET SQ. FT.: \_\_\_\_\_

LACC RENTAL RATE  
\$96,000.00

LOS ANGELES TOURISM DISCOUNT RATE  
\$121,610.00

\$160,000.00

\$57,600.00

\$24,000.00

\$18,000.00

\$8,210.00

REVENUE THROUGH LACC RATE STRUCTURE  
REVENUE THROUGH DISCOUNTED LACC RATE STRUCTURE

WEST HALL AB

ADDITIONAL MOVE-IN/OUT DAYS

SOUTH HALL GHJK

ADDITIONAL MOVE-IN/OUT DAYS

KENTIA HALL \_\_\_\_\_

ADDITIONAL MOVE-IN/OUT DAYS

CONCOURSE HALL EF

ADDITIONAL MOVE-IN/OUT DAYS

PETREE HALL CD

ADDITIONAL MOVE-IN/OUT DAYS

MEETING ROOM CHARGE:  
(Less % Meeting Room Discount)

ADDITIONAL MOVE-IN/OUT DAYS

\$363,810.00  
\$121,610.00

LACC APPROVAL: Thomas Fields, COO & Assistant General Manager

Date: 1/27/15

LOS ANGELES TOURISM APPROVAL: Kathy McAdams, Vice President, Citywide Convention Sales

Date: 1-16-15

EXECUTIVE DIRECTOR APPROVAL: Robert R. "Bud" Ovrom, Executive Director

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



## LOS ANGELES CONVENTION CENTER PRICING DISCOUNT APPROVAL

LOS ANGELES TOURISM REP: Jeff Leung  
DATE: 1/15/2015

### ORGANIZATION

NAME: THE SOCIETY FOR THE PROMOTION OF JAPANESE ANIMATION ID#: 23479  
CONTACT: Marc Perez TITLE: Board President  
ADDRESS: 1522 Brookhollow Dr, Ste 1 TEL#: 760.310.7717  
CITY: Santa Ana STATE: CA ZIPCODE: Santa Ana

### MEETING INFORMATION

NAME OF MEETING: ANIME EXPO  
OVERALL DATES: July 2 to 8, 2019  
ATTENDANCE: 80,000 GUEST ROOMS: 22,000 TOTAL ROOM NIGHTS: 10,000

### FINANCIAL PERFORMANCE

RENTAL REVENUE:	<u>\$363,810.00</u>	-	<u>\$246,400.00</u>	=	<u>\$117,410.00</u>
	Basic Rent		Discount		Discounted Rent
TRANSIENT OCCUPANCY:	<u>.14</u>	X	<u>10,000</u>	X	<u>\$176.00</u>
			Tot Rm nights		Project Avg Rm Rate
Tax Revenue (TOT)	<u>TOT</u>				<u>Tot Revenue</u>
Total City Revenue:	<u>\$117,410.00</u>	+	<u>\$246,400.00</u>	=	<u>\$363,810.00</u>
	Discounted Rent		TOT Revenue		Total City Revenue

Required exhibit space per reservation form: GROSS SQ. FT.: \_\_\_\_\_ NET SQ. FT.: \_\_\_\_\_

LACC RENTAL RATE  
\$96,000.00

LOS ANGELES TOURISM DISCOUNT RATE  
\$117,410.00

\$160,000.00

\$57,600.00

\$24,000.00

\$18,000.00

\$8,210.00

REVENUE THROUGH LACC RATE STRUCTURE  
REVENUE THROUGH DISCOUNTED LACC RATE STRUCTURE

WEST HALL AB

ADDITIONAL MOVE-IN/OUT DAYS

SOUTH HALL GHJK

ADDITIONAL MOVE-IN/OUT DAYS

KENTIA HALL \_\_\_\_\_

ADDITIONAL MOVE-IN/OUT DAYS

CONCOURSE HALL EF

ADDITIONAL MOVE-IN/OUT DAYS

PETREE HALL CD

ADDITIONAL MOVE-IN/OUT DAYS

MEETING ROOM CHARGE:  
(Less % Meeting Room Discount)  
ADDITIONAL MOVE-IN/OUT DAYS

\$363,810.00  
\$117,410.00

LACC APPROVAL: Thomas Fields, COO & Assistant General Manager

LOS ANGELES TOURISM APPROVAL: Kathy McAdams, Vice President, Citywide Convention Sales

EXECUTIVE DIRECTOR APPROVAL: Robert R. "Bud" Ovrom, Executive Director

Date: 1/27/15

Date: 1-16-15

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