



BOARD OF LOS ANGELES DEPARTMENT OF CONVENTION AND TOURISM DEVELOPMENT COMMISSIONERS

Commissioners: Jon F. Vein, President; Ray Bidenost, Vice President;
Nicole Duckett Fricke; Stella T. Maloyan; Otto Padron

Regular Meeting
Wednesday, March 18, 2015
9:00 a.m. – 10:30 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
- ACTION ITEM** 3. Meeting Minutes
 - Approval of Meeting Minutes from March 4, 2015
- ACTION ITEM** 4. Approval of LATCB Proposed FY 2015-16 Budget (Board Report 15-004)
5. Executive Director's Report
 - a. CIP
 - b. Expansion and Futurization Project Update
 - Name Architecture for Expansion and Futurization Project

AGENDA FORECAST / SPECIAL TOPICS:

- April 1, 2015 - Monthly Reports for February 2015

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.

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

Meeting Minutes
March 4, 2015
9:00 a.m.

The Board of Los Angeles Convention and Tourism Development Commission (Board) convened a regular meeting on Wednesday, March 4, 2015 at 9:03 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:

Vice President Ray Bidenost
Commissioner Nicole Duckett Fricke
Commissioner Stella T. Maloyan
Commissioner Otto Padron

Bud Ovrom, Executive Director –

Los Angeles Department of Convention & Tourism Development (CTD)
Tom Fields, Assistant General Manager & COO – CTD
Diana Mangioglou, Assistant General Manager, Finance & Administration – CTD
Glyn Milburn, Business Team Representative – Office of the Mayor
John Wickham, Legislative Analyst – Office of the Chief Legislative Analyst
Ha To, Finance Specialist III – Office of the City Administrative Officer
Brad Gessner, Sr. Vice President & General Manager – AEG Facilities
Keith Hilsen, Vice President, Finance – AEG Facilities
Ellen Schwartz, Vice President, Sales & Marketing – AEG Facilities
Patti MacJennett, Sr. Vice President, Business Affairs –
Los Angeles Tourism & Convention Board (LATCB)
Kathy McAdams, Vice President, Convention Sales – LATCB
Barbara Kirklighter, Vice President, Revenue Strategy – LATCB
Don Skeoch, Chief Marketing Officer – LATCB
Cristine Villorante, Executive Administrative Assistant – CTD

ABSENT:

President Jon F. Vein

Item 1. Call to Order – Vice President Ray Bidenost called the meeting to order.

Item 2. Public Comment – There was no public comment.

Item 3. Approval of Meeting Minutes

January 26, 2015 Meeting Minutes

APPROVED

Moved by: Commissioner Duckett Fricke
Seconded by: Commissioner Padron

Ayes: Vice President Bidenost, Commissioners Duckett Fricke, Maloyan, and Padron

Nays: None

February 9, 2015 Special Meeting Minutes

APPROVED

Moved by: Commissioner Duckett Fricke

Seconded by: Vice President Bidenost

Ayes: Vice President Bidenost, Commissioners Duckett Fricke, Maloyan, and Padron

Nays: None

Item 4. Monthly Reports for January 2015

a. Mr. Brad Gessner and Mr. Keith Hilsen presented the LACC/AEG monthly report.

b. Ms. Barbara Kirklighter and Ms. Kathy McAdams presented the LATCB monthly report.

Item 5. Request for Authority to Review and Propose Changes to the Administrative Code Related to Rental Rate Adjustments and Other Necessary Changes (Board Report 15-002)

APPROVED

Moved by: Commissioner Duckett Fricke

Seconded by: Commissioner Padron

Ayes: Vice President Bidenost, Commissioners Duckett Fricke, Maloyan, and Padron

Nays: None

Item 6. Request to Approve Space Rental Discount Request for 2016 WonderCon Event (Board Report 15-003)

APPROVED

Moved by: Commissioner Padron

Seconded by: Commissioner Duckett Fricke

Ayes: Vice President Bidenost, Commissioners Duckett Fricke, Maloyan, and Padron

Nays: None

Item 7. Name Architecture for Expansion and Futurization Project

Mr. Don Skeoch gave a presentation to the Board on naming alternatives. A brief discussion ensued and upon its conclusion, it was requested that the item be placed on the next meeting agenda.


ADJOURNMENT

The meeting was adjourned at 10:34 a.m.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: March 18, 2015

To: Board of Los Angeles Convention and Tourism Development
Commissioners

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

Subject: **LOS ANGELES TOURISM AND CONVENTION BOARD 2015-16
BUDGET REQUEST – BOARD REPORT #15-004**

SUMMARY:

The primary goal of the City's 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, and major tradeshow and as a destination for leisure travel. As part of the annual budget process, the Board for the Convention and Tourism Development Department (Board) will consider for approval the LATCB's budget proposal for inclusion in the Mayor's Proposed Budget. It should be noted that the attached is a general overview of LATCB's budget for 2015-16. Based on industry practice, Destination Marketing Organizations such as the LATCB, finalize its budgets within a month or two of the new fiscal year. To satisfy the City's Charter mandated deadlines for Budget, LATCB is submitting a general overview at this time. This matter will be revisited prior to the end of this fiscal year. The attached is LATCB's budget request for 2015-16 for the Board's consideration and approval.

DISCUSSION:

The new governance structure of the Convention Center, effective June 9, 2014, transferred oversight of LATCB's contractual performance and administration of the contract from the Office of the City Administrative Officer (CAO) to the Department of Convention and Tourism Development (Department). As part of the new structure, the Department will annually submit LATCB's proposed budget for the Board's consideration and approval. Upon approval, the Mayor will include LATCB's budget as part of the 2015-16 Proposed Budget, which must be submitted to the City Council no later than April 20.

The Department and LATCB executed an agreement for a five and one half year term, starting January 1, 2015 through June 30, 2020. The LATCB's services include selling Los Angeles as a site for citywide conventions, business meetings, and major tradeshow and as a destination for leisure travel. In exchange, the LATCB receives one percent of the Transient Occupancy Tax (TOT). The TOT is levied on hotel or motel rooms, and is collected by the operator and remitted to the City monthly. The tax rate is 14 percent, of

which 13 percent is remitted to the General Fund and the other 1 percent is remitted to the Greater Los Angeles Visitors and Convention Bureau Trust Fund.

The City anticipates that TOT for 2015-16 will increase by approximately \$1.8 million from the current fiscal year.

1% Transient Occupancy Tax	Actual 2013-14	Estimate 2014-15	Budget 2015-16
	\$14,079,000	\$14,765,000	\$15,950,000

The LATCB's 2015-16 budget request will pay for services in the following areas (1) Conventions and Meetings, Sales and Services, (2) Domestic and International Marketing, Global Public Relations and Media, and (3) Finance, Information Technology and Human Resources. The following includes more detail on these service areas.

	Amount	Description
Conventions and Meetings, Sales and Services	\$ 6,741,000	Sales for citywide conventions and events in LACC, sales for self-contained hotel events, and client services
Domestic and International Marketing, Global Public Relations and Media	\$ 6,403,000	Television ads, billboards, online advertising, research and analysis, journalist site visits
Finance, Information Technology and Human Resources	\$ 2,806,000	Overhead costs
TOTAL	\$15,950,000	

RECOMMENDATION:

That the Board of Commissioners for the Department of Convention and Tourism Development approve the proposed budget for the Los Angeles Tourism and Convention Board for inclusion in the Mayor's 2015-16 Budget Proposal to the City Council.

ATTACHMENT

THE LOS ANGELES TOURISM & CONVENTION BOARD

BASIS FOR THE PROPOSED BUDGET

The 2015-16 Proposed Budget for the Los Angeles Tourism & Convention Board ("LATCB") relates to current year funding as follows:

		Amount	% Change
2014-15 Adopted Budget	Transient Occupancy Tax	\$14,765,000*	
2015-16 Proposed Budget	Transient Occupancy Tax	\$15,950,000*	
Change from 2014-15 Budget	Transient Occupancy Tax	\$ 1,185,000	8.03%

*The amounts above reflect the net amount in TOT the LATCB is anticipated to receive. The amounts appropriated to the Department of Convention and Tourism Development (\$192,622) and the Office of the City Administrative Officer (\$50,000) have been deducted.

The City has contracted with the LATCB to market Los Angeles as a convention, meetings and leisure travel destination. In 2015-16, the TOT is anticipated to increase from \$14,765,000 to \$15,950,000. The annual City allocation to the LATCB is equivalent to a one percent Transient Occupancy Tax (TOT). The TOT is a 14 percent tax on hotel occupants. The hotel industry had introduced two initiatives to the City Council over the last 30 years to increase the TOT by two percentage points to fund the sales and marketing programs of the LATCB. However, the TOT appropriation to LATCB was reduced from 2 to 1 percent as part of the 2003-04 budget process.

OBJECTIVES

The services and deliverables shall align with the following core objectives:

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.
2. Measure the economic impact from citywide conventions and the tourism and hospitality sector.
3. Facilitate and track visitor 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.
4. Effectively leverage TOT funds with other sources of funding to promote conventions and tourism to maximize the yield from the City's investment.

TOT RESOURCES

The LATCB's budget for providing the City services is based on an estimate of TOT revenue anticipated for 2015-16.

Available Funds	Actual 2013-14	Estimated 2014-15	Budget 2015-16
City of Los Angeles to LATCB Contract Payment 1% TOT	\$14,079,000	\$14,765,000	\$15,950,000

City Appropriation and Trust Fund Retention

The Greater Los Angeles Visitors and Convention Bureau (LAVCB) Trust Fund receives an amount equivalent to a one percent TOT. Each year, 95 percent of the projected trust fund receipts are paid in accordance with the agreement between the City and LATCB. The remaining 5 percent is retained (also referred to as the "holdback") in the trust fund in the event of a shortfall in TOT. Nonetheless, the LATCB prepares its annual budget based on 100 percent of the TOT allocation. The 5 percent hold back is typically retained in the fund until year end and until the City is able to assess the actual TOT remitted. At the start of the following fiscal year, the LATCB receives the holdback from the previous year, assuming the actual TOT remitted was higher than budget.

TOT EXPENDITURES

PROGRAM	Actual 2013-14	Estimated 2014-15	Budget 2015-16
Convention & Meetings Sales & Services	\$ 5,708,000	\$ 6,240,000	\$ 6,741,000
Domestic & International Marketing, Global Public Relations & Media	5,188,000	5,928,000	6,403,000
Finance, IT, Human Resources	<u>2,019,000</u>	<u>2,597,000</u>	<u>2,806,000</u>
TOTAL	<u>\$ 12,915,000</u>	<u>\$14,765,000</u>	<u>\$15,950,000</u>

TOT PROGRAM INFORMATION

To grow visitation, sustain visitor spending and reduce revenue erosion, strategies and tactics for each segment of the visitor economy will be re-evaluated, based on actual results for fiscal year 2014-15.

Convention & Meetings Sales & Services - \$ 6,741,000

The mission of Convention and Meetings Sales and Services is to market Los Angeles as a destination for meetings, conventions and trade shows. The LATCB's sales are segmented between two different target audiences, Convention Center users and those seeking meeting space in hotels.

The pattern of site selections has changed since the recession of 2009, with associations and businesses making decisions closer to event dates. The medical, biotech and hi-tech market segments are areas of opportunity for Los Angeles.

Domestic Marketing - \$ 3,498,000

The LATCB will be advertising in the following domestic Designated Marketing Areas (DMA's) in fiscal years 2015 and 2016: New York City, Chicago, Seattle, San Francisco, Sacramento, Fresno, Phoenix and San Diego. These eight markets were determined on the basis of current visitation volume as well as the projected return on investment (ROI). The first three markets (New York City, Chicago and Seattle) will employ TV ads due to the relatively high ROI that is anticipated, and all eight markets will have a mix of out-of-home advertising as well as digital advertising. The campaign, "What's Your LA Story?" is in its second successful year after exhibiting a 300 to 1 ROI for each dollar invested (source: Strategic Marketing Research Institute).

Separately, through promotional activity with Online Travel Operators (Expedia.com, Hotels.com, Orbitz.com, etc.) the LATCB intends to produce more public exposure and room nights for Los Angeles. One such program is the "Museum Season" program that focuses on promoting the growing stature of the Los Angeles museum portfolio.

International Marketing - \$1,990,000

Additionally, the LATCB has partnered with Brand USA (the country's national tourism marketing organization that was formed by President Obama's Travel Promotion Act) to run advertising in China, Australia and Canada. These three markets are Los Angeles' top overseas visitation markets (airline lift). Given LATCB's investment, Brand USA has contributed just over \$1 million in matching funds.

Global Public Relations, Earned and Owned Media - \$915,000

The Public Relations and Communications team works with travel writers around the world to increase coverage of Los Angeles. This involves hosting the writers and helping them to experience all that Los Angeles offers. Articles subsequently written about Los Angeles provide "earned" media coverage of the City.

Digital marketing efforts include a website that allows booking of a room in the City and information about everything to do in the City. Social media fans on Facebook, Instagram, Twitter, etc. provide a cost effective method for spreading the information about the City throughout the world.

Finance, Information Technology & Human Resources - \$2,806,000

This area provides overhead support to the operating divisions discussed above. This includes administrative services, finance, human resources, payroll and information technology. Together, these departments are responsible for maintaining financial controls, operational efficiency and contract compliance in all entities.

Total 2015-16 LATCB TOT Budget: \$ 15,950,000

City Costs - \$342,622

The City's budgets for the Department of Convention and Tourism Development (\$192,622) and the Office of the City Administrative Officer (\$50,000) receive an appropriation from the one percent allocation set aside in the LAVCB Trust Fund to offset salary costs related to administering the LATCB contract. Further, an amount of \$100,000 in the LATCB 2015-16 budget, assumed as part of the \$15,950,000, will assist with costs related to convention and tourism marketing, communications, and sales efforts directly involving the City.

ADDITIONAL SOURCES AND USES OF FUNDING

Tourism Marketing District

The LATCB has a long term service contract with the Los Angeles Tourism Marketing District ("LATMD") which was formed by Los Angeles City based hotels in 2011. A Tourism Marketing District is similar to a Business Improvement District (BID), but the LATMD is based on room revenue while BID's are based on physical size of the properties in the district. The hotels determined that more funds were needed to competitively sell and market the hotels in the City of Los Angeles. Therefore, they established the district which provides for a 1.5 percent assessment on hotel room revenue. By contract, use of these funds is solely restricted to sales and marketing activities that provide specific benefit to the hotels in the LATMD. The contract specifies these funds cannot be used for other purposes. Use of these funds allows the LATCB and the LATMD to be competitive and market hotels in numerous ways, including placing cable and digital advertisements in key markets in order to increase visitors with the resulting increase in TOT for both LATCB and the City. The anticipated TMD revenue for fiscal year 2015-16 is \$26.5 million.

Los Angeles World Airports International Marketing Alliance

Los Angeles World Airports (LAWA) has a \$2.25 million annual contract with LATCB that expires in November 2017. Use of these funds are restricted by the Federal Aviation Administration solely for the international marketing of LAWA. These funds cannot be used for any other purposes.

Corporate Sponsorships and Cooperative Agreements

Corporate sponsors provide approximately \$2.1 million of funding which, in accordance with sponsorship agreements, must be used for the benefit and promotion of the sponsors.

Membership Fees

LATCB receives approximately \$1 million of member dues annually. These funds are used for the benefit of the members.

PRODUCTIVITY GOALS

In order to delineate production standards for 2015-16, the following exhibits itemize Convention & Meetings Sales & Services bookings and leads goals which are subject to recommendations by the Sales Advisory Board and approval by the Board of Directors of LATCB. The highlights of the exhibits are as follows:

ESTIMATED SALES BOOKINGS

Convention Center Events – For 2015-16, this activity is expected to yield 351,000 room nights, and \$10,663,000 million in Transient Occupancy Tax.

Hotel Association and Corporate Meetings - This department directs its sales activity to hotels with meetings and convention facilities. Production is anticipated to yield 199,500 room nights and \$6,061,000 of TOT in 2015-16.

ESTIMATED SALES BOOKINGS FOR 2015-16

Estimated Future Direct Revenues From Events Booked during 2015-16

	<u>2013-14 Actual</u>	<u>2014-15 Forecast</u>	<u>2015-16 Goals (A)</u>	<u>Estimated TOT</u>
Convention Center Events				
Number	26	30	38	
Room Nights	212,000	300,000	351,000	\$10,663,000
Hotel Association and Corporate Meetings				
Number	363	350	330	
Room Nights	<u>187,000</u>	<u>220,000</u>	<u>199,500</u>	<u>\$ 6,061,000</u>
TOTALS				
Number	389	380	368	
Room Nights	<u>399,000</u>	<u>520,000</u>	<u>550,500</u>	<u>\$16,724,000</u>

Average Room Rate: \$217.00 (2014 PKF Audit Summary)

Pending – In view of current year-to-date sales performance, these goals may be adjusted based on the recommendation of the Sales Advisory Committee and approval by the Board of Directors of LATCB.

ESTIMATED SALES LEADS - This exhibit outlines sales leads developed by LATCB. Convention Center sales leads in 2015-16 are projected to be 225. Hotel Association and Corporate Meeting sales leads in 2015-16 are projected to be 1,675.

ESTIMATED SALES LEADS FOR 2015-16

Estimated Potential Future Direct Revenues From Event Sales Leads During 2015-16

	<u>2013-14 Actual</u>	<u>2014-15 Forecast</u>	<u>2015-16 Goals (A)</u>	<u>Estimated TOT</u>
Convention Center Events	210	210	225	\$ 63,139,000
Hotel Association and Corporate Meetings	<u>1,435</u>	<u>1,550</u>	<u>1,675</u>	<u>30,786,000</u>
TOTALS	<u>1,645</u>	<u>1,760</u>	<u>1,900</u>	<u>\$ 93,925,000</u>

Average Room Rate: \$217.00 (2014 PKF Audit Summary)

Fiscal Year 2015-16 Average Room Nights per Booking Assumptions:

- 9,237 for Convention Center Events
- 605 for Hotel Association and Corporate Meetings

Pending – In view of current year-to-date sales performance, these goals may be adjusted based on the recommendation on the Sales Advisory Committee and approval by the Board of Directors of LATCB.

ESTIMATED ECONOMIC IMPACT OF BOOKED CONVENTION CENTER EVENTS TO BE HELD IN CALENDAR YEARS 2014 THROUGH 2028

Estimated Economic Impact:

- Total direct and indirect/induced impact on business of events held at the Convention Center between the calendar years 2014 and 2028 on 163 events already booked will approximate to \$2.0 billion.
- These sales will support:
 - 15,735 full time equivalent (FTE) jobs
 - \$230 million in state and local tax assessments

Economic Impact Detail

	Direct	Indirect / Induced	Total
Business Sales	\$ 1,208,145,000	\$ 770,743,000	\$ 1,978,888,000
Jobs Supported Annual FTE's	11,004	4,731	15,735
Taxes and Assessments			
State Total	\$ 76,867,000	\$ 43,036,000	\$ 119,903,000
Local Total	\$ 93,249,000	\$ 17,641,000	\$ 110,891,000

Overview of Proposed LATCB TOT Budget

Board of Los Angeles Convention and Tourism Development

Commissioners Meeting

March 18, 2015



DEPARTMENT OF
CONVENTION AND TOURISM DEVELOPMENT

LATCB Background

LATCB (Los Angeles Tourism and Convention Board)

- First contracted with the City in 1976
- Current contract term through June 30, 2020
- National and international sales offices

Constituents

- Los Angeles Convention Center, City of Los Angeles
- Hoteliers
- Hospitality and tourism industry partners
- Customers (meeting planners, travel industry, visitors)

Services Provided

- To book and license the Convention Center
- To book meetings and conventions in hotels
- Market Los Angeles



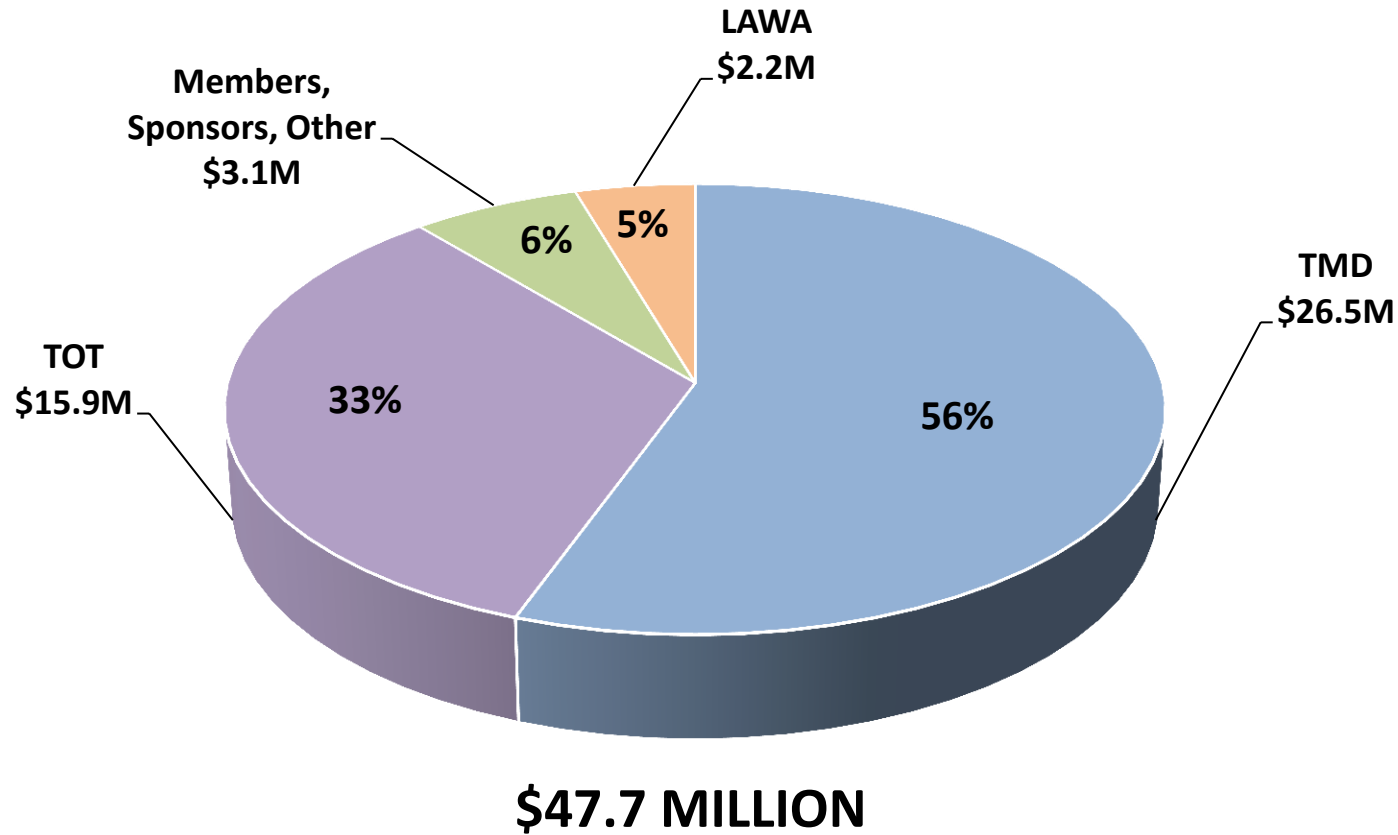
Destination Marketing Organizations (DMOs)

- The tourism marketing and sales arm of major cities
- Not unique to Los Angeles
- Funded by their local governments – hotel occupancy tax
- Creates an institution of experts
 - Convention and Meeting Sales
 - Destination Services
 - Tourism Marketing
 - Travel Industry Distribution
 - Research Analysis



DEPARTMENT OF
CONVENTION AND TOURISM DEVELOPMENT

LATCB RESOURCES FY 2015 - 2016



TOT Funds for LATCB Contract

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

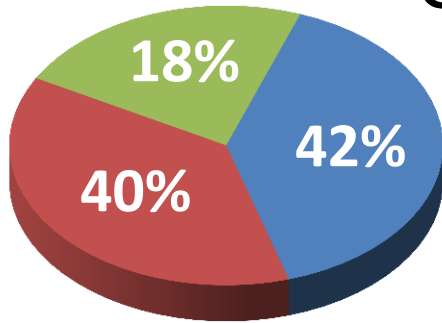
- 1% - Los Angeles Tourism and Convention Board
- 13% - City General Fund
 - 1% - Department of Cultural Affairs
 - 3.5% - Convention Center Debt Service

TOT Allocation to LATCB		
Actual 2013-14	Estimated 2014-15	Budget 2015-16
\$14,079,000	\$14,765,000	\$15,950,000

Mayor's Proposed Budget Schedule

March-April	Mayor's Office and CAO finalize development of the Proposed Budget
April 20	Charter deadline for Mayor to submit Proposed Budget to City Council
April - May	Budget and Finance Committee reviews and makes recommendations to Council
May	Public hearings and Council's consideration of Committee's recommendations
June 1	Charter deadline for Council to adopt budget as proposed by the Mayor or as modified by Council
June 2-8	Mayor has 5 working days to review any changes made by Council and to approve or veto any items changed
June 9-15	Council has 5 working days to consider Mayor's vetoes and may sustain or override each veto by a two-thirds vote
	Budget is adopted

Overview of LATCB Proposed Budget

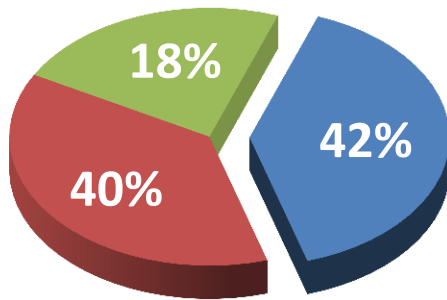


■ Convention & Meeting Sales & Services

■ Marketing, Public Relations & Media

■ Finance, Information Technology & Human Resources

TOT Expenditures–Program Allocation				
Program	Actual 2013-14	Estimate 2014-15	Budget 2015-16	YOY % Change
Convention & Meetings Sales & Services	\$5,708,000	\$6,240,000	\$6,741,000	8.03%
Domestic & International Marketing, Global Public Relations & Media	\$5,188,000	\$5,928,000	\$6,403,000	8.01%
Finance, Information Technology & Human Resources	\$2,019,000	\$2,597,000	\$2,806,000	8.05%
TOTAL	\$12,915,000	\$14,765,000	\$15,950,000	8.03%



\$6,741,000

CONVENTION & MEETINGS SALES & SERVICES

Sales – City Wide Conventions and Center Events in LACC

- Sales team of 7 employees
- Added new sales person in northern California in FY 2014-15

“Self-Contained” Meetings/Events

- “Self-Contained” = bookings of meetings and conventions in hotels; does not require LACC exhibit space
- Team of 5 employees

Client Services

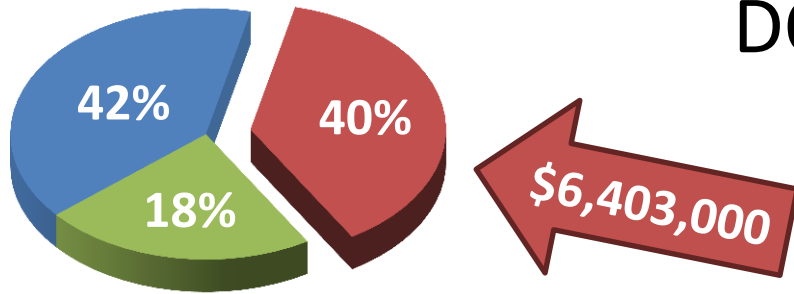
- Includes convention site coordination, familiarization tours and client assistance
- Team of 7 employees

Incremental increase of \$501,000 from 2014-15 to 2015-16

- Addition of 2 sales staff
- Increased trade shows and targeted collateral



DEPARTMENT OF
CONVENTION AND TOURISM DEVELOPMENT



DOMESTIC & INTERNATIONAL MARKETING, GLOBAL P.R. & OWNED MEDIA

Domestic Marketing (\$3.49 million)

- Increased marketing efforts to markets with projected high returns on investments
- TV ads, billboards and online advertising
- Research and analysis of attendees and visitors

International Marketing (\$1.99 million)

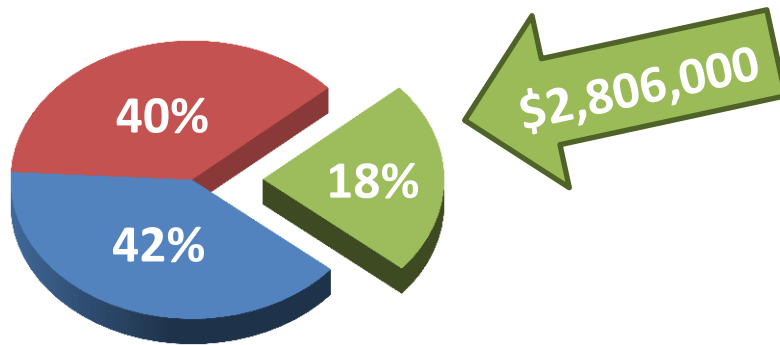
- Advertising in China, Australia, & Canada

Global Public Relations, Earned & Owned Media (\$0.92 million)

- Journalist site visits, Website, social media, online bookings

Incremental Increase of \$475,000 from 2014-15 to 2015-16

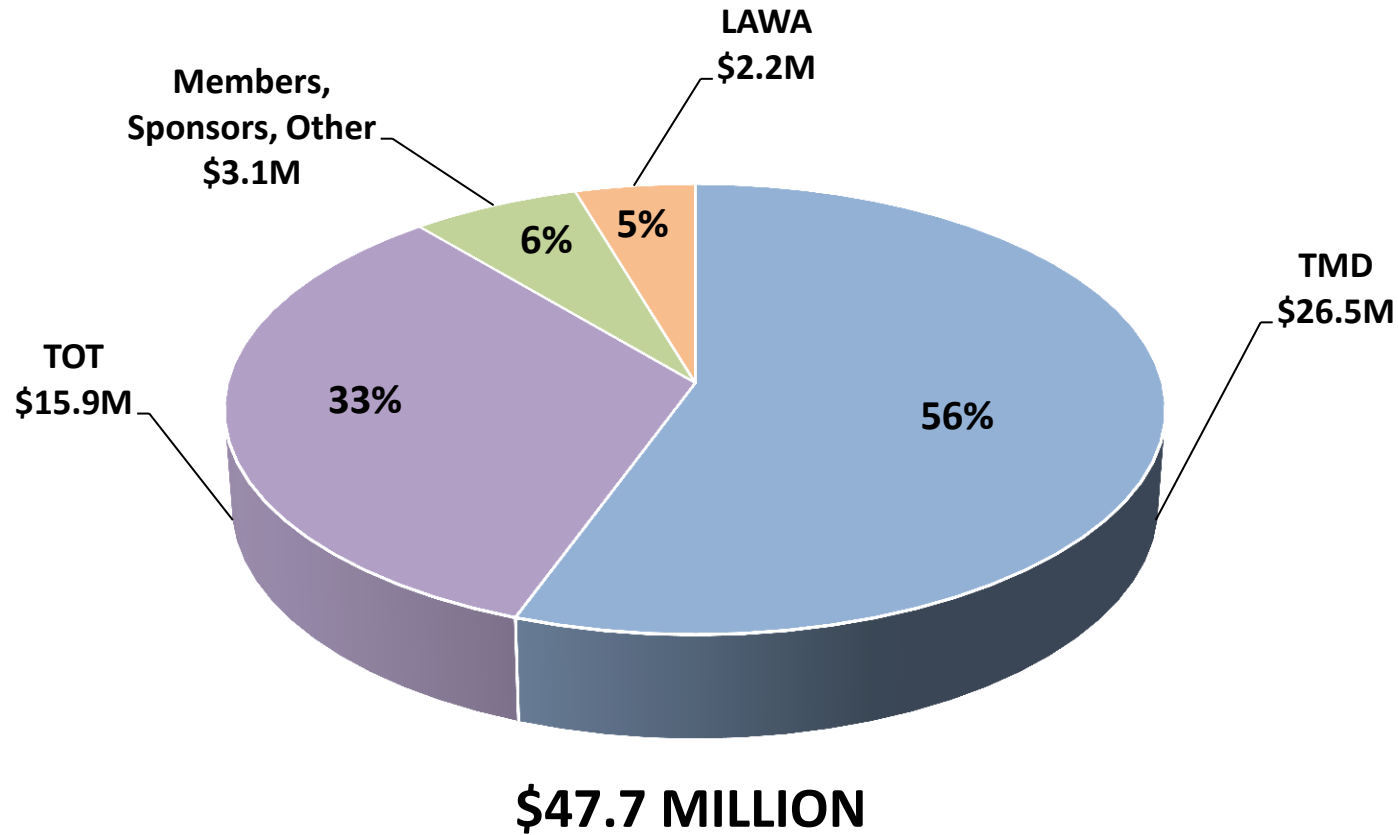
- Increased paid advertising
- Website expansion and improvements



FINANCE, INFORMATION TECHNOLOGY AND HUMAN RESOURCES

- Overhead costs related to administrative services, accounting, human resources, payroll, and information technology
- Also includes budget for two Visitor Information Centers
- **Incremental increase of \$209,000 from 2014-15 to 2015-16**
 - Computer network security and software upgrades

LATCB RESOURCES FY 2015 - 2016



Non-TOT Sources of Funds

- Los Angeles Tourism Marketing District (TMD)
 - Similar to a BID but comprised of all hotels in the City with 50+ rooms
 - Assessment 1.5 percent of room revenue, restricted to sales and marketing of TMD hotels
 - Contracts with LATCB for staffing and services
 - Budget for 2015-16 \$26.5M
- LAWA International Marketing Alliance
 - The \$2.2M budget is restricted to the international marketing of Los Angeles International and Ontario airports



Non-TOT Sources of Funds

- Corporate Sponsors and Cooperative Programs
 - \$3.3M anticipated for 2015-16
 - Includes financial sponsorships and partnerships to support marketing efforts
- Membership
 - Annual dues paid by LATCB members



RECOMMENDATION

That the Board approve the LATCB budget request for inclusion in the Mayor's 2015-16 Proposed Budget.

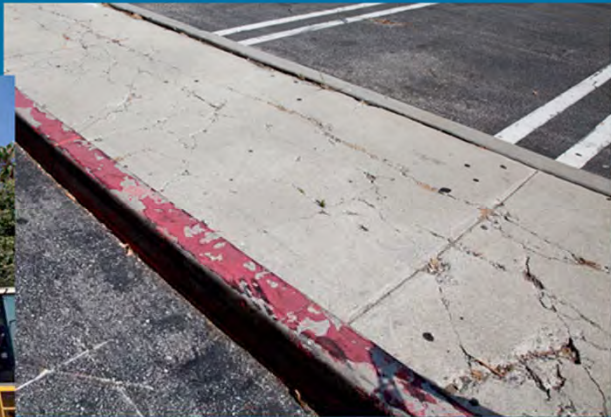
Questions?



DEPARTMENT OF
CONVENTION AND TOURISM DEVELOPMENT



CIP UPDATE



CIP UPDATE - SUMMARY

Item #	Contract	SOW	In Progress	Estimated Completion Date	Project
1	X	X		5/1/2015	Roof Replacement
2	X	X	X	5/15/2015	Security Surveillance System Upgrade
3	X	X	X	5/15/2015	*Parking Access & Control System Upgrade
4	X	X	X	Completed	Meeting Room HVAC Upgrade
5	X	X	X	5/1/2015	Air-Wall Enhancements
6	X	X	X	Completed	Restroom Vestibule Upgrade
7	X	X	X	5/15/2015	*Theater Décor Modernization
8	X	X	X	Completed	Exhibit Hall Floor Remediation
9	X	X	X	5/1/2015	Dimming System Upgrade
10	X	X	X	Completed	Cooling Tower Refurbishment
11	X	X	X	Completed	Carpet Replacement
12	X	X	X	5/1/2015	*Escalator/Elevator Modernization
13	X	X	X	5/15/2015	Automatic Transfer Switches
14	X	X	X	Completed	Sidewalk Replacement

PARKING ACCESS and CONTROL SYSTEM UPGRADE



- Number of new kiosks with gate arms: 18
 - 16 entries accepting credit cards
 - 2 employee entries
- High-res graphics display creates advertising and messaging opportunities
- Color-customizable LED lights in gate arm
- New reporting functionality:
 - Event trend tracking can be used to inform staffing and push traffic distribution
 - Instantaneous revenue reports

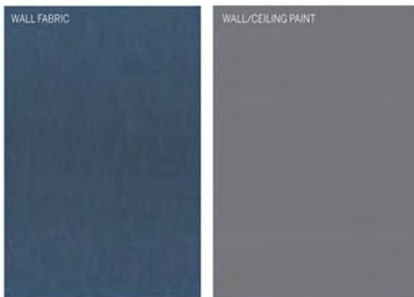
THEATER DECOR



MODERNIZATION

THEATER DÉCOR MODERNIZATION

CONCEPT: To create a cool and sophisticated environment by creating a neutral/semi-monochromatic envelope that ethereally darkens the existing room. This is achieved by utilizing the existing blue wall fabric and new pewter grey carpet and paint for the walls, doors and ceiling. The palette for the seats, accentuating with a pleasing splash of color, is derivative of an L.A. nightscape.



ESCALATOR & ELEVATOR MODERNIZATION

ORIGINAL



NEW



VENICE
PARKING



PROJECT #141514

LEVEL 1

LIST OF EQUIPMENT		
#	DESCRIPTION	TYPE
F7	FOOD SERVICES - MAIN KITCHEN	FREIGHT ELEV
F12	FOOD SERVICES - FREIGHT DOCK	FREIGHT ELEV
F13	FOOD SERVICES - FREIGHT DOCK	FREIGHT ELEV
F15	PETREE / HALL A FREIGHT	FREIGHT ELEV
ESC 23	FROM 500 MTG RMS TO W LOBBY	ESCALATOR
ESC 24	FROM W LOBBY TO 500 MTG RMS	ESCALATOR
ESC 25	FROM W LOBBY TO W ENTRY	ESCALATOR
ESC 26	FROM W ENTRY TO W LOBBY	ESCALATOR

CIP UPDATE: SUMMARY

Item #	Contract	SOW	In Progress	Estimated Completion Date	Project
1	X	X		5/1/2015	Roof Replacement
2	X	X	X	5/15/2015	Security Surveillance System Upgrade
3	X	X	X	5/15/2015	*Parking Access & Control System Upgrade
4	X	X	X	Completed	Meeting Room HVAC Upgrade
5	X	X	X	5/1/2015	Air-Wall Enhancements
6	X	X	X	Completed	Restroom Vestibule Upgrade
7	X	X	X	5/15/2015	*Theater Décor Modernization
8	X	X	X	Completed	Exhibit Hall Floor Remediation
9	X	X	X	5/1/2015	Dimming System Upgrade
10	X	X	X	Completed	Cooling Tower Refurbishment
11	X	X	X	Completed	Carpet Replacement
12	X	X	X	5/1/2015	*Escalator/Elevator Modernization
13	X	X	X	5/15/2015	Automatic Transfer Switches
14	X	X	X	Completed	Sidewalk Replacement

THOMAS FIELDS
 ASSISTANT GENERAL MANAGER & CHIEF OPERATING OFFICER
 DEPARTMENT OF CONVENTION AND TOURISM DEVELOPMENT

BOARD OF LOS ANGELES
 CONVENTION & TOURISM DEVELOPMENT
 MARCH 18, 2015