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, February 7, 2018
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. COMMENTS FROM THE PUBLIC
   a. General 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 Board of Los Angeles Department of Convention and Tourism Development Commissioners

3. APPROVE MINUTES:
   a. Approval of the special meeting minutes from January 10, 2018

4. REPORTS:
   a. Executive Director Report
   b. Monthly Update – December – AEG
   c. Monthly Update – December – LATCB
      i. Hotel Survey - LACTB
   d. CIP Update – CTD
   e. Expansion & Modernization Update

5. ACTION ITEMS:
   None

6. ADJOURNMENT

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.
The Board of Los Angeles Convention and Tourism Development Commission (Board) convened a special meeting on Wednesday, January 10, 2018 at 9:30 a.m. at the Samuel Greenberg Board Room 107, Clifton A. Moore Administration Building, Los Angeles International Airport, 1 World Way, Los Angeles, California 90045.

PRESENT:
President, Jon F. Vein
Vice President, Otto Padron
Commissioner Ana Cubas

ABSENT:
Commissioner Stella T. Maloyan
VACANT

PRESENTERS:
Brad Gessner, AEG
Keith Hilsgen, AEG
Doane Liu, CTD
Patti MacJennett, LATCB
Bruce McGregor, LATCB

Item 1. Call to Order / Roll Call
President Vein called the meeting to order at 9:56 a.m.

Item 2a. Public Comment – General Comments
None

Item 2b. Public Comment - Neighborhood Council
None

Item 3a. Approval of the regular meeting minutes from November 1, 2017
UNANIMOUSLY APPROVED
TAKEN OUT OF ORDER

Item 4b. AEG Monthly Update – November

Mr. Brad Gessner reported that November had 10 events, with a total attendance of 96,000, one of which was a citywide event and one of which was filming. Mr. Hilsgen presented the financial data for November, noting an operating surplus of $507 thousand with gross revenues of $4.3 million and net revenues of $2.4 million. Mr. Hilsgen also reported that occupancy for November was 88%, and the Economic Impact was $20.3 million, of which $6.69 million was short term business.

Item 4c. LATCB Monthly Update – November

Mr. Bruce McGregor reported that year to date, LATCB has processed 105 leads, the year-end goal is 220 leads, resulting in 210,091 room nights while the year-end goal is 390,000. Mr. McGregor also reported that in 2017 over 3,000 hotel rooms were added and that over 1,900 are expected. Mr. McGregor noted that 25 events are currently booked for 2018.

TAKEN OUT OF ORDER

Item 4a. Executive Director Report

Mr. Doane Liu provided an overview of his activities since the last Board meeting which included: attending the LAANE awards dinner, meeting with the CEO’s of Stan Lee’s Comic Con and E3 as well as Terri Toennies of LA Auto Show, Michael Lockwood of Populous, and several hotel developers interested in the area. Mr. Liu also noted that he visited the Visitor’s Center site with DOT and the Hollywood Chamber, and attended PCMA in Nashville where he met with several potential clients.

ADJOURNMENT

The meeting was adjourned at 10:19 a.m.
EMPLOYEE OF THE MONTH – NOVEMBER 2017

KARLA GONZALEZ
Assistant Parking Manager
<table>
<thead>
<tr>
<th>DATE</th>
<th>EVENT</th>
<th>ATTENDANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEC. 1 – 10</td>
<td>L.A. Auto Show 2017</td>
<td>950,000</td>
</tr>
<tr>
<td>Dec. 15</td>
<td>UEI Graduation Ceremony</td>
<td>1,200</td>
</tr>
<tr>
<td>Dec. 16 - 17</td>
<td>LA Promise Fund</td>
<td>9,800</td>
</tr>
<tr>
<td>Dec. 16 – 17</td>
<td>Taekwondo Hanmadang</td>
<td>2,000</td>
</tr>
<tr>
<td>Dec. 17</td>
<td>Equipovision</td>
<td>1,200</td>
</tr>
<tr>
<td>Dec. 21</td>
<td>Naturalization</td>
<td>20,000</td>
</tr>
<tr>
<td>Dec. 29 – 30</td>
<td>Exchange L.A. Above &amp; Beyond in Concert</td>
<td>16,700</td>
</tr>
</tbody>
</table>

*Citywide

**TOTAL:** 1,000,900
<table>
<thead>
<tr>
<th>Name</th>
<th>Location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWAT</td>
<td>Venice Garage</td>
<td>$4,050</td>
</tr>
<tr>
<td>West World</td>
<td>Kentia/South Garage</td>
<td>$95,795</td>
</tr>
</tbody>
</table>

**TOTAL FILMING:** $99,845  
(December 2016: $114,257)
FINANCIALS – December 2017

OPERATING SURPLUS:
- $3.5 million (before approved City Reimbursements, A & I and Capital Projects)
- $553K above budget
- $3.9 million above prior year

REVENUES:
- $11.7 million gross revenue (before discounts and service provider share)
- $5.7 million net revenue
- $1.0 million above budget and $4.3 million above prior year
OPERATING EXPENSES:
- $2.1 million (before approved A & I, Capital Projects, and City reimbursement)
- $428K above budget and $391K above prior year

CITY REIMBURSEMENT - $1.6 million – Addition of Utility User tax retroactive to November 2015

ALTERATION AND IMPROVEMENTS & CAPITAL PURCHASES:
- Meeting room carpet
- Boomlift purchase
LA Auto Show - Three year results

- **2017**
  - Rent: $1,156,776
  - F & B: $869,565
  - Parking: $1,835,779
  - Electrical commissions: $1,468,956
  - Telecommunication commissions: $1,333,339
  - Event billing: $1,425,334

- **2016**
  - Rent: $1,153,933
  - F & B: $813,166
  - Parking: $1,428,497
  - Electrical commissions: $1,333,339
  - Telecommunication commissions: $1,499,134
  - Event billing: $1,108,562

- **2015**
  - Rent: $1,149,738
  - F & B: $813,166
  - Parking: $1,499,134
  - Electrical commissions: $1,425,334
  - Telecommunication commissions: $1,108,562
  - Event billing: $1,149,738
FINANCIALS – YTD

OPERATING SURPLUS:
- $6.9 million (before approved City Reimbursements, A & I and Capital Projects)
- $2.1 million above budget
- $2.1 million above prior year

REVENUES:
- $37.0 million gross revenue (before discounts and service provider share)
- $19.0 million net revenue
- $2.4 million above budget and $2.9 million above prior year
FINANCIALS – December 2017

OPERATING EXPENSES:

- $12.1 million (before approved A & I, Capital Projects, and City reimbursement)
- $336K above budget and $828K above prior year
OCCUPANCY

Exhibit Hall Occupancy

- 2017: 56%
- 2016: 39%
- 2015: 47%
- 2014: 44%

Occupancy by Exhibit Hall

- West Hall
- South Hall
- Petree
- Concourse

- 2017
- 2016
- 2015
- 2014
PricewaterhouseCoopers report on Convention Center occupancy states:

It has been recognized industry-wide that the “practical” maximum exhibit hall occupancy rate is approximately 70 percent and the “efficient” range is considered to be approximately 50 to 60 percent. Occupancy levels less than 50 percent generally suggest the existence of marketable opportunities or open dates, while an occupancy rate above 60 percent increases the potential for lost business or “turn-aways.”
$67.3 million in Projected Economic Impact

$64.1 million from LA Auto Show
## CITYWIDE CONVENTION SALES YTD FY 17/18 PRODUCTION

<table>
<thead>
<tr>
<th>Lead Production</th>
<th>Leads Actual</th>
<th>Booked Room Nights Produced</th>
<th>RNs Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 17/18 Goal</td>
<td>220</td>
<td>FY 17/18 Goal</td>
<td>390,000</td>
</tr>
<tr>
<td>FY 17/18 YTD</td>
<td>118</td>
<td>FY 17/18 YTD</td>
<td>245,207</td>
</tr>
<tr>
<td>FY 16/17 STLY</td>
<td>112</td>
<td>FY 16/17 STLY</td>
<td>265,623</td>
</tr>
</tbody>
</table>

Dated January 31, 2018
CITYWIDE CONVENTION SALES BOOKED ROOM NIGHTS
2014 TO 2024 CALENDAR YEAR ARRIVAL DATE

<table>
<thead>
<tr>
<th>Year</th>
<th>Room Nights Generated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>26</td>
</tr>
<tr>
<td>2015</td>
<td>24</td>
</tr>
<tr>
<td>2016</td>
<td>33</td>
</tr>
<tr>
<td>2017</td>
<td>29</td>
</tr>
<tr>
<td>2018</td>
<td>24</td>
</tr>
<tr>
<td>2019</td>
<td>21</td>
</tr>
<tr>
<td>2020</td>
<td>18</td>
</tr>
<tr>
<td>2021</td>
<td>22 (11+11)</td>
</tr>
<tr>
<td>2022</td>
<td>12 (9+3)</td>
</tr>
<tr>
<td>2023</td>
<td>8</td>
</tr>
<tr>
<td>2024</td>
<td>8</td>
</tr>
</tbody>
</table>

- **Red**: Booked prior to FY 17/18
- **Blue**: Events booked during YTD FY 17/18
JANUARY 2018 BOOKING

American Society of Anesthesiologists®

October 2032
7,800 Peak Room Nights
36,202 Total Room Nights
JANUARY PROSPECT SITE INSPECTIONS

International Association of Venue Managers
VenueConnect
August 2022
2,100 Total Room Nights

National Society of Black Engineers
Annual Convention
May-April 2022
10,750 Total Room Nights

Society of American Military Engineers
2021 JETC & Expo
3,477 Total Room Nights

American Society for Mass Spectrometry
Conference on Mass Spectrometry and Allied Topics
May 2024
17,280 Total Room Nights
FEBRUARY PROSPECT SITE INSPECTIONS

Shell Oil Company
Shell Convention & Trade Show
April 2019
3,740 Total Room Nights

Cisco Systems Incorporated
Cisco-Partner Summit
November 2024
12,540 Total Room Nights
HOTELS SURVEYED BY REGION

- San Fernando Valley: 9%
- Beach Cities: 7%
- Westside: 9%
- LAX: 14%
- Hollywood: 18%
- Downtown Los Angeles: 43%

- Director of Sales & Marketing
- 44 TMD Hotels Participated
HOTELS FORECASTED 2018 MARKET MIX

- Leisure 35.9%
- Corporate 30.9%
- Group 24.1%
- Contract 10.4%
RANKINGS OF MARKETS BY IMPORTANCE

Industry Verticals
1. Entertainment
2. High Tech
3. Association
4. Social
5. Medical
6. Bio Tech/ Pharma
7. Fashion
8. Manufacturing
9. Transportation
10. Religious

Domestic Geography
1. Southern California
2. Northern California
3. Northeast
4. West
5. Midwest
6. Southwest
7. Southeast
RANKINGS OF INTERNATIONAL MARKETS BY IMPORTANCE

<table>
<thead>
<tr>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. China</td>
</tr>
<tr>
<td>2. Australia</td>
</tr>
<tr>
<td>3. United Kingdom</td>
</tr>
<tr>
<td>4. European Countries</td>
</tr>
<tr>
<td>5. Japan</td>
</tr>
<tr>
<td>6. Middle Eastern Countries</td>
</tr>
<tr>
<td>7. Brazil</td>
</tr>
<tr>
<td>8. South Korea</td>
</tr>
<tr>
<td>Rank</td>
</tr>
<tr>
<td>------</td>
</tr>
<tr>
<td>1.</td>
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<tr>
<td>2.</td>
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<td>7.</td>
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<tr>
<td>8.</td>
</tr>
<tr>
<td>9.</td>
</tr>
<tr>
<td>10.</td>
</tr>
</tbody>
</table>

Notable Write-ins: Las Vegas and Long Beach
IMPORTANCE OF CITYWIDE CONVENTIONS

Citywide Room Blocks to Overall Revenue Strategies

Compression Created by Citywide Conventions
• 77% of hotels found **Sales Reports** (TAP, Citywide Calendar, Convention Event Calendar, Member Portal) Very Valuable

• 61% of hotels found **Market Outlook Forum** Very Valuable

• Over 47% of hotels found **FAMs & Tradeshows** Very Valuable
Over 60% of hotels gave an Excellent Rating for
1. In-Market Knowledge
2. Accessibility
3. Customer Relationships
4. Value of LATCB Partnership
SELF CONTAINED HOTEL SALES TEAM

Bryan Churchill, Vice President Hotel Sales

- Sells 154 hotels with a total room inventory of 41,129 rooms
- Average hotel size – 267 rooms; 84% of inventory, 400 rooms or less
- Representing all regions of the City of Los Angeles: Downtown, Hollywood, LAX/Beach Cities, Westside, and The Valley
- Targeting Domestic and International Clients
- Programming focus - Tradeshows, FAMs, Missions & Events
HOTELS SALES LEAD PRODUCTION

Graph showing sales lead production from 2013 to 2017:
- 2013: 1,354
- 2014: 1,667
- 2015: 2,013
- 2016: 1,990
- 2017: 2,377
HOTELS SALES BOOKING PRODUCTION
HOTELS SALES BOOKING RN PRODUCTION

- 2013: 174,741
- 2014: 240,582
- 2015: 265,233
- 2016: 272,638
- 2017: 304,849

Graph showing the increase in sales bookings from 2013 to 2017.
NATIONAL SALES TEAM
MICE DEPLOYMENT

Sara Hoke, Destination Sales Director, International MICE

5 MICE Representatives:

- **UK/Europe**- Lisa Stewart & Emma Waycot
- **China**- Shenna Yu & Liliana Wu
- **Australia**- Deanna Verga
# MICE TRADE SHOW PARTICIPATION

<table>
<thead>
<tr>
<th>Tier</th>
<th>Show</th>
<th>Location</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>CIBTM</td>
<td>Beijing</td>
<td>August 23 - 24</td>
</tr>
<tr>
<td></td>
<td>IMEX America</td>
<td>Las Vegas</td>
<td>October 10 - 12</td>
</tr>
<tr>
<td></td>
<td>IBTM</td>
<td>Barcelona</td>
<td>November 28 - 30</td>
</tr>
<tr>
<td></td>
<td>AIME</td>
<td>Melbourne</td>
<td>February 20 - 21</td>
</tr>
<tr>
<td></td>
<td>IMEX International</td>
<td>Frankfurt</td>
<td>May 15 - 17</td>
</tr>
<tr>
<td>Tier 2</td>
<td>Get Global</td>
<td>Sydney</td>
<td>28-Jul-17</td>
</tr>
<tr>
<td></td>
<td>M&amp;I Transatlantic</td>
<td>Banff</td>
<td>December 10 - 14</td>
</tr>
<tr>
<td></td>
<td>SITE Global</td>
<td>Rome</td>
<td>January 12 - 14</td>
</tr>
<tr>
<td></td>
<td>Meetings Show</td>
<td>London</td>
<td>June 2018</td>
</tr>
<tr>
<td>Tier 3</td>
<td>M&amp;I Europe</td>
<td>Seville</td>
<td>June 27 - July 1</td>
</tr>
<tr>
<td></td>
<td>M&amp;I Roadshow</td>
<td>Amsterdam, Brussels, Chantilly</td>
<td>July 17 - 20</td>
</tr>
<tr>
<td></td>
<td>M&amp;I Emerging Markets</td>
<td>Helsinki (Finland)</td>
<td>July 9 - 13</td>
</tr>
<tr>
<td></td>
<td>IT&amp;CM China</td>
<td>Shanghai</td>
<td>March 20 – 22</td>
</tr>
<tr>
<td></td>
<td>CONNECT China</td>
<td>Beijing</td>
<td>April 16-18</td>
</tr>
</tbody>
</table>
## INCENTIVE INITIATIVE

Create a menu of incentive experiences, restaurants, venues, and hotels to use as an internal resource.

<table>
<thead>
<tr>
<th>Target Regions:</th>
<th>By Sector:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Downtown</td>
<td>• Auto - Westside</td>
</tr>
<tr>
<td>• Westside</td>
<td>• Tech - “Silicon Beach”</td>
</tr>
<tr>
<td>• Beaches</td>
<td>• Finance - Downtown</td>
</tr>
<tr>
<td>• Hollywood</td>
<td>• Entertainment - Hollywood/Studios</td>
</tr>
<tr>
<td>• Valley</td>
<td></td>
</tr>
<tr>
<td>• Resorts</td>
<td></td>
</tr>
</tbody>
</table>
PLANNERS BECOME PRODUCERS VIDEO
THANK YOU
CIP UPDATE
## CIP Update - Summary

### Planning and Contracting Stage

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Project Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Security Command Center A/C Carpet Replacement</td>
<td>Carpet Replacement</td>
</tr>
<tr>
<td>Escalator &amp; Elevator Repair/Modernization</td>
<td>Cooling Towers Motors &amp; VFD Replacement</td>
</tr>
<tr>
<td>Fire Alarm System Peripheral Devices Fire Alarm Panel Upgrade</td>
<td>Security Surveillance System Upgrades</td>
</tr>
</tbody>
</table>

### In Progress

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Project Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marquee Signage Upgrade (Final Phase) Water Heater Replacement</td>
<td>Water Heater Replacement</td>
</tr>
<tr>
<td>Escalator and Elevator Repair/Modernization</td>
<td>Meeting Room Divider Wall Repair/Reconditioning</td>
</tr>
<tr>
<td>Solar</td>
<td>Carbon Monoxide Sensors</td>
</tr>
<tr>
<td>COMPLETED</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------</td>
</tr>
<tr>
<td>Fiber Optic Cable Infrastructure Upgrade</td>
<td>LAN Core Switch Upgrade</td>
</tr>
<tr>
<td>Dimming Control System: Phase II</td>
<td>Security Surveillance System: Phase II</td>
</tr>
<tr>
<td>Marquee Signage Upgrade: Phase I</td>
<td>Carpet Replacement: Phase I</td>
</tr>
<tr>
<td>Parking Emergency Call Boxes</td>
<td>South Hall Entry and Dock Lighting</td>
</tr>
<tr>
<td>Carpet Replacement: 300s MR Corridor</td>
<td>Carpet Replacement: Kentia</td>
</tr>
<tr>
<td>Compactor Replacement</td>
<td>Marquee Signage Upgrade: Phase II</td>
</tr>
<tr>
<td>Exhibit Hall Lighting Retrofit: Phase I</td>
<td>Fire Suppression System for IDF 2.0</td>
</tr>
<tr>
<td>Carpet Replacement: 500s + Petree*</td>
<td>Exhibit Hall Lighting Retrofit: Phase II &amp; III</td>
</tr>
<tr>
<td>Compactor Replacement: Final Phase*</td>
<td>South Hall Floor Remediation</td>
</tr>
</tbody>
</table>
CARPET REPLACEMENT: 500s and PETREE HALL

- 67,000 sf of carpet replaced in 500-series meeting rooms and Petree Hall
COMPACTOR REPLACEMENT: FINAL PHASE

• Last two compactors servicing South Hall replaced
• Spare container also replaced to reduce downtime when containers are emptied