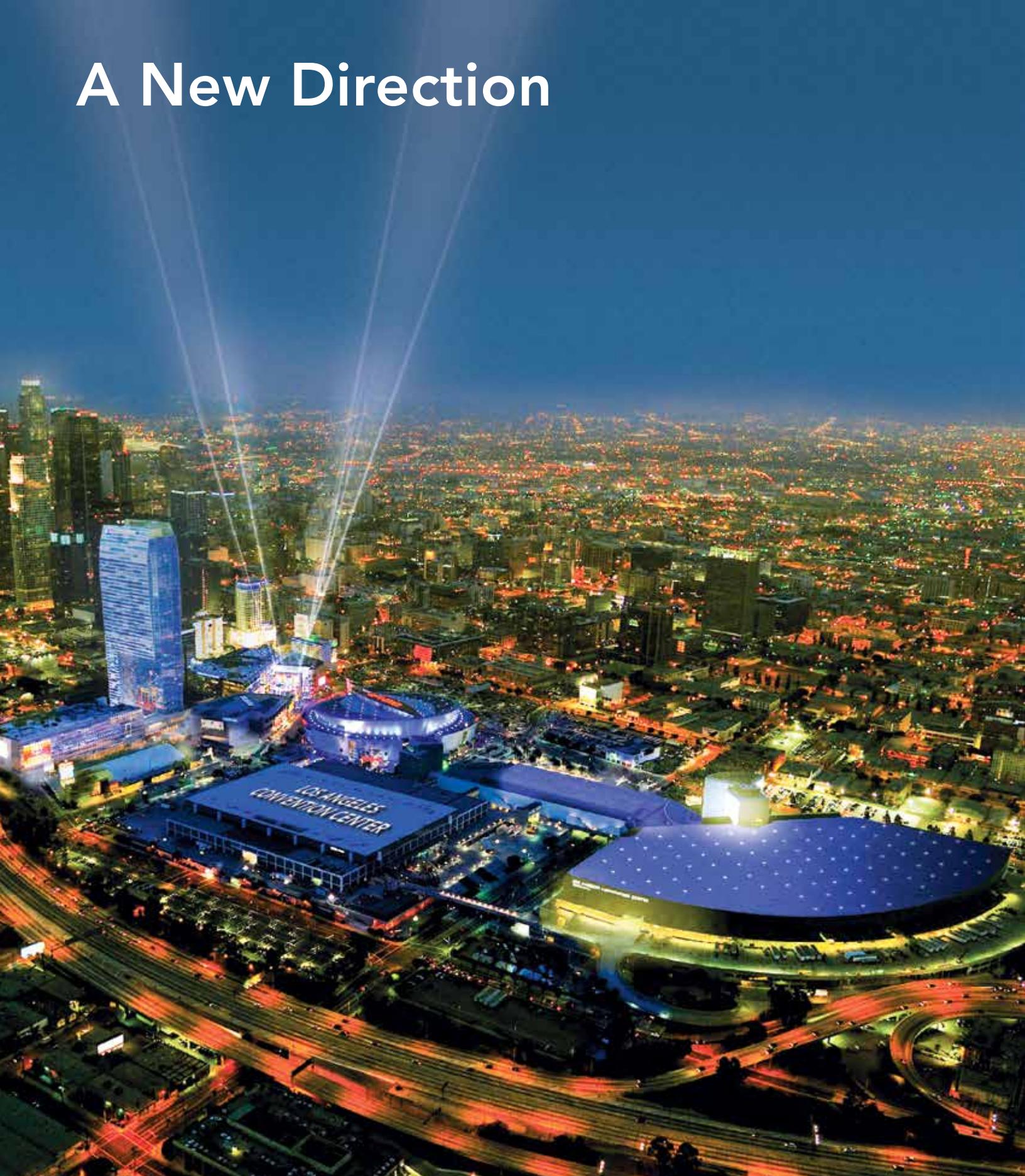


# A New Direction



Action Plan & 2012–2013 Annual Report  
Department of Convention and Tourism Development  
City of Los Angeles

# MISSION STATEMENT

The Mission of the Los Angeles Department of Convention and Tourism Development is to attract and host conventions at a world class facility with world class service and to drive economic development and job creation by marketing the City's unique cultural, sports, entertainment, and leisure attractions that make visiting the City of Angels an unparalleled experience.



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# A NEW DIRECTION



## Welcome to the new Los Angeles Department of Convention and Tourism Development

When I began my term as Mayor, I made rebuilding our economy and job creation my top priorities. We are making great strides to put the recession in our rearview mirror.

The Los Angeles Convention Center and the Leisure and Hospitality sector of our economy will play a critical role in that economic recovery. Our great weather and numerous attractions help draw tourists but we must do more to attract visitors to our City. Positioning our Convention Center, as the economic engine it could be, will help make a difference.

In September 2012, when I was a member of the L.A. City Council, we adopted a proposal making the Los Angeles Convention Center the focal point of our tourism strategy. As Mayor, I signed the legislation turning that proposal into reality, and I have appointed Commissioners who will help provide the necessary leadership for this dramatic new direction.

A newly created Executive Director position will help guide our City's tourism infrastructure planning process with an eye towards tourism and hospitality developments needed 10, 15, and 20 years into the future.

The City Council recently voted to privatize the Convention Center with Anschutz Entertainment Group (AEG) to provide

focus on expanding the Center's operational capabilities and service practices. Also, a new governance structure aims to better coordinate the marketing efforts of the Los Angeles Tourism & Convention Board (L.A. Tourism) with the privatized operations of the Convention Center.

We have exciting plans to modernize and expand the Convention Center, possibly with an NFL football stadium/ Event Center, and to promote the construction of many more hotel rooms within walking distance.

In addition to creating one of the "greenest" sports and entertainment districts in the nation, our aim is to take advantage of enhanced technology to make it easier for Downtown visitors to use mass transit to connect with everything from Hollywood to Universal Studios Hollywood<sup>SM</sup> to the beaches and the harbor as well as the incredible sports and cultural venues throughout the City.

Leisure and Hospitality is already one of the largest sectors of our economy, employing over 400,000 people in Los Angeles County. It has the potential to grow more jobs and revenues. Our goal is to reach 50 million visitors per year by 2020. That is not political hyperbole — it is a target we can achieve by keeping our focus on the objectives set forth in this Action Plan.

By working together, our best years are in front of us!

Sincerely,

A handwritten signature in black ink, appearing to read "E. Garcetti".

**Mayor Eric Garcetti**  
City of Los Angeles



PHOTO ABOVE: The Board of Convention and Tourism Development Commissioners from left to right: Otto Padron, Nicole Duckett Fricke, Jon F. Vein (President), Gillian Zucker, and Ray Bidenost (Vice President).

# CREATING MIDDLE CLASS JOBS



The Leisure & Hospitality sector is well positioned to play a significant role in increasing local employment. In order for Los Angeles to reduce its June, 2013 unemployment rate of 9.7% to the national level of 7.6%, 82,000 Angelenos would need to secure a job. Leisure & Hospitality is already one of the largest sectors in our local economy—employing over 400,000 people (see table). Moreover, from July 2012 to July 2013 the Leisure & Hospitality sector added 22,400 new jobs—the largest total increase of any sector.

## BUILDING THE MIDDLE CLASS

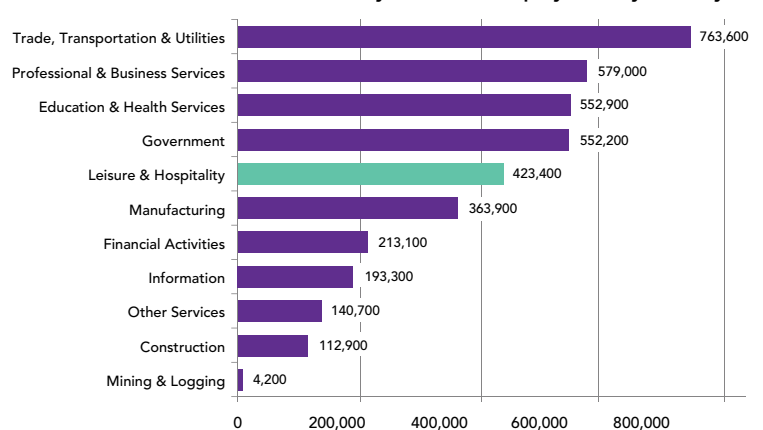
The travel industry is one of the top 10 largest employers of middle class wage earners in the United States. More than half of all travel industry employees (53%) earn a middle class salary or higher.

The tourism sector also offers large numbers of entry level, low skilled jobs that are constantly available to people with lower levels of education, training, and professional experience that are not available in most other segments of the economy.

June 2013 Unemployment Rates



L.A. County Estimated Employment by Industry



REPORTED BY THE EMPLOYMENT DEVELOPMENT DEPARTMENT

### LEADING TO REWARDING CAREERS

Employees who work in travel jobs build valuable skills that can translate into rewarding careers, both in travel and other industries. This industry also offers a variety of work opportunities to support all levels of education, training, and professional experience. Many of these are first jobs that serve as a launch pad to long, lucrative, and rewarding careers. 19% of all United States workers start their careers working in tourism and travel. One-third of the 5.6 million Americans who work part-time while getting an education do so in the tourism and travel industry. Two out of five workers who start their careers in the travel industry go on to earn more than \$100,000 per year.



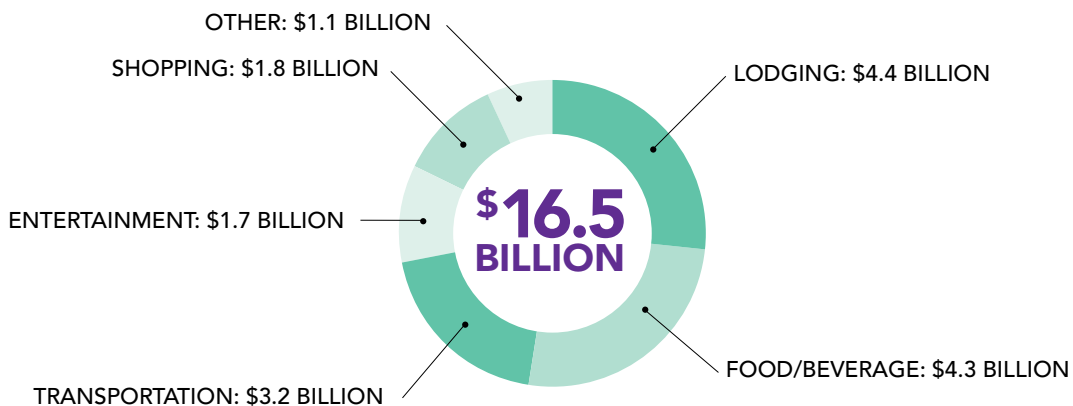
### VISITOR SPENDING INFUSES LOCAL ECONOMY

In addition to the beneficial impact the Leisure & Hospitality sector has on employment, it has perhaps an even greater effect on the local economy and to the City of Los Angeles' budget. According to the Los Angeles Tourism & Convention Board (L.A. Tourism), in 2012, the \$16.5 billion direct spending associated with tourism led to an additional secondary economic impact of \$14 billion, for a total benefit of \$30.5 billion to L.A. County.



Taxes and assessments generated by this economic activity contributed over \$2 billion in local revenue. As the national and international economies continue to improve, tourism and leisure activities will likely grow faster than most other sectors. Rather than merely riding the wave of a restored economy, Mayor Garcetti's administration is leading a variety of initiatives designed to spur growth beyond a "normal recovery."

### Direct Spending from Tourism



# NEW GOVERNANCE MODEL



PHOTO ABOVE: From left to right: Brad Gessner, Vice President of Convention Centers at AEG Facilities; Bud Ovrom, Executive Director of the Department of Convention and Tourism Development; Ernest Wooden Jr., President and CEO of the Los Angeles Tourism & Convention Board

As part of stimulating increased middle class job creation, City Council and Mayor Garcetti approved an ordinance designed to facilitate a comprehensive citywide tourism development strategy. The plan provides for an empowered LACC Department Commission, a newly created Executive Director position and an increased emphasis on large-scale citywide conventions, sports, entertainment, cultural tourism, and other activities that directly generate more Leisure & Hospitality jobs for Angelenos and enhanced economic impact. In order to reflect this broader mandate and the expanded scope of tourism and marketing responsibilities now assigned to the LACC, the Department and its Board of Commissioners will now officially be known as the Los Angeles Department of Convention and Tourism Development (CTD).

A new operating structure was also established to promote a seamless “hand in glove” working relationship between the new CTD Department, Los Angeles Tourism & Convention Board (L.A. Tourism), and Anschutz Entertainment Group (AEG), the new private operator

of the Convention Center, with the new Executive Director position managing the contracted deliverables from all three entities.

## Governance Structure



# PRIVATIZATION OF THE CONVENTION CENTER



This Action Plan is based on four primary pillars—(1) leveraging the new governance structure to better market the City’s Leisure & Hospitality sector; (2) privatizing Convention Center operations; (3) modernizing and expanding the Convention Center; and (4) promoting hotel construction within walking distance of the Convention Center.

Early in 2013, the City issued a Request for Proposal (RFP) for management of the Convention Center and thereafter, AEG Facilities was selected by the Los Angeles City Council to manage the day-to-day operations of the LACC, with oversight from the redesigned Department of Convention and Tourism Development (CTD).

AEG Facilities, one of the world’s leading venue management organizations, has more than 20 years of experience in the management of convention centers,

as well as arenas, stadiums, and other facilities. The Los Angeles-based organization has a presence in more than 100 venues on five continents, including Los Angeles’ own STAPLES Center and L.A. LIVE.

Enlisting the services of a private sector operator is consistent with top performing convention centers across the country, including our competing neighbors in San Diego and San Francisco, as well as the major convention cities of Las Vegas and Chicago. The CTD Department will work closely with AEG Facilities and the Los Angeles Tourism & Convention Board (the organization charged with selling the Convention Center as a premier event venue) to maximize the City of Los Angeles’ competitive success.

AEG Facilities will be laser-focused on taking the LACC’s facility capabilities and service-orientation to even greater heights.

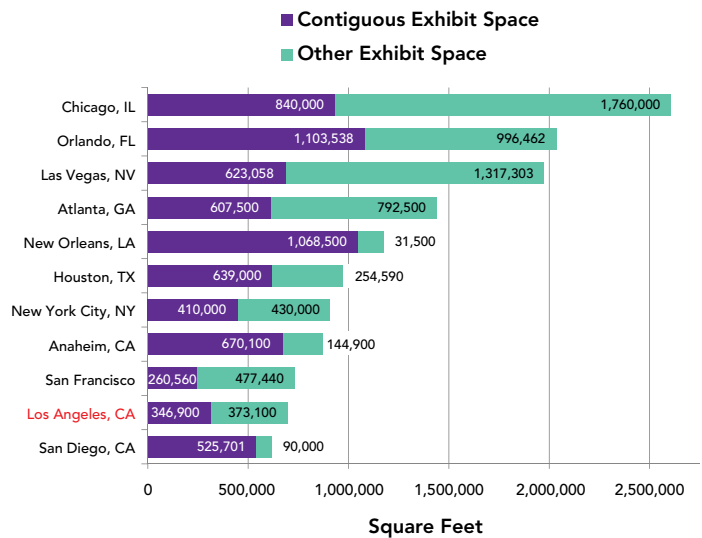


# CLOSE COLLABORATION WITH L.A. TOURISM



The Los Angeles Tourism & Convention Board (L.A. Tourism), is contracted by the City of Los Angeles to market and sell Los Angeles globally as a premier destination for leisure and business travel.

Now, with the CTD Department, L.A. Tourism, and AEG Facilities teams working as an integrated unit, the groups have the opportunity and ability to maximize date and space options for a variety of conventions and events. L.A. Tourism will concentrate on booking future conventions and events attracting out-of-town guests; the AEG team at LACC will focus on shows designed to attract local and area residents within a single calendar year, and will deliver world-class service to all clients. With enhanced communication and collaboration, the teams will work together to facilitate all event opportunities and maximize the facility's use.



|               | Existing LACC in sq. ft | Modernized LACC w/Event Center in sq. ft |
|---------------|-------------------------|--|
| Exhibit Space | 720,000                 | 846,000                                  |
| Multi-Purpose | 48,000                  | 173,000                                  |
| Meeting Space | 102,000                 | 102,000                                  |
| <b>TOTAL</b>  | <b>870,000</b>          | <b>1,121,000</b>                         |





# LACC EXPANSION

There is an opportunity to better leverage the rich and diverse industry clusters throughout the L.A. area and L.A.'s geographic position as the gateway to Asia by attracting larger and more global conventions. Central to fully capitalizing on this opportunity is the modernization and expansion of the Convention Center to offer increased contiguous exhibit space, increased meeting space, and adding a state of the art ballroom.

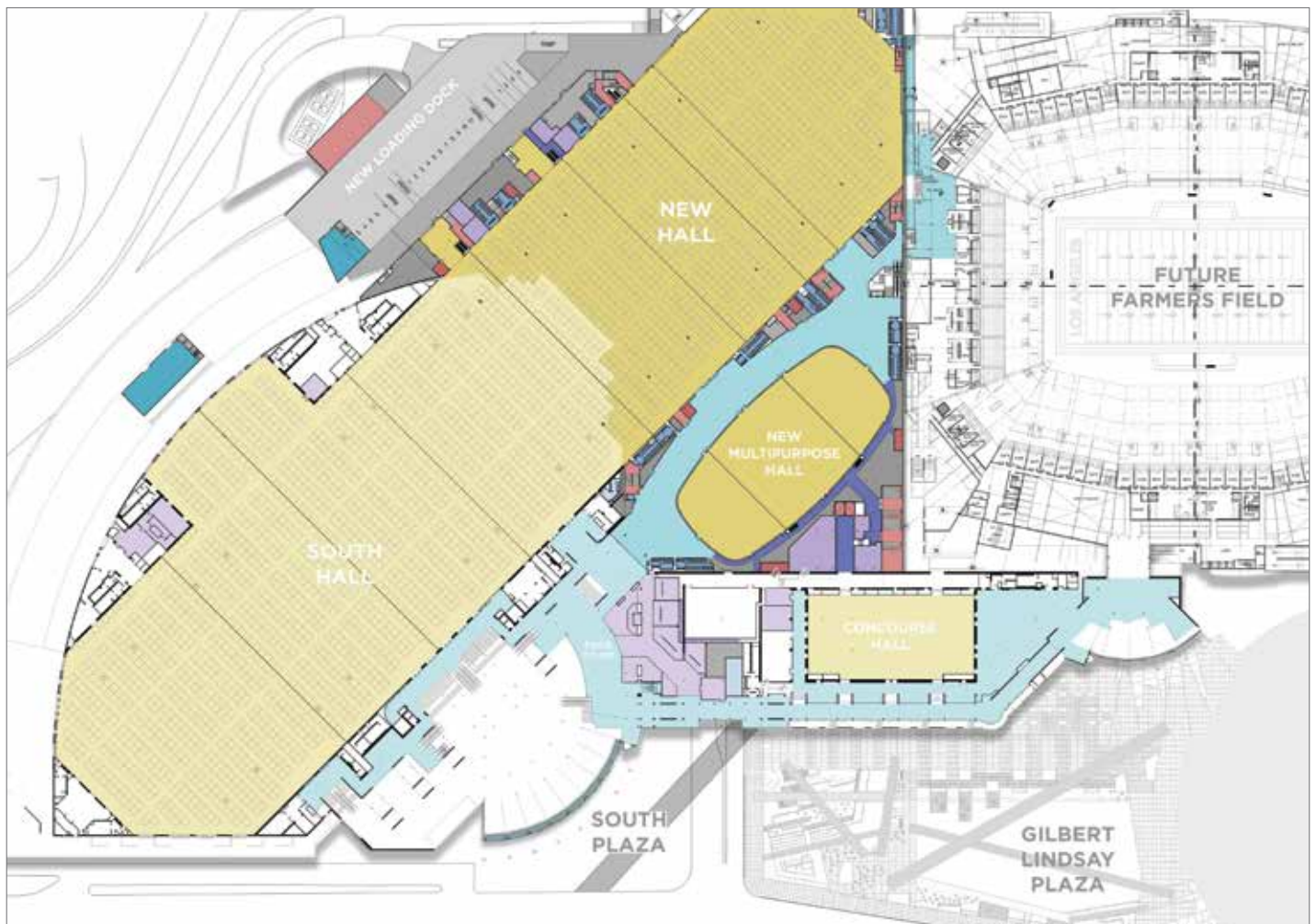
Currently, the LACC offers approximately 720,000 sq ft of total exhibit space, including Kentia Hall, and approximately 347,000 sq ft of contiguous space – numbers that rank below the majority of comparable and competitive centers.

As a result, the Department of Convention and Tourism Development (CTD) is working closely with many other city departments including the Bureau of Engineering (BOE), Bureau of Contract Administration (BCA), Office of Chief Legislative Analyst (CLA), and City Administrative Officer (CAO) on the design and development of the proposed

LACC New Hall project and proposed Farmer's Field/Event Center project. The combination of projects (currently referred to as "Plan-A") increases the City's marketing position by creating 543,000 sq ft of contiguous exhibit space, a 47,000 sq ft ballroom, new kitchen facility and food court, new lobby and arrival area, and 225,000 sq ft of additional exhibition and meeting space via the proposed Event Center.

The CTD Department, along with its City partners, is also working on the development of an alternative expansion and modernization plan that is currently referred to as "Plan-B," in the event Plan-A does not come to fruition. The development of Plan-B would include many of the essential elements and criteria contemplated in Plan-A.

The project is also being scoped to lead the way in technology and sustainability enhancements, as one would expect from L.A., the world's creative capital.



# DEVELOPMENT OF MORE HOTELS

As a City on the move, Los Angeles is also focused on enhancing its convention-host competitiveness through the development of more hotel rooms within walking distance of the Convention Center. The chart below shows a comparison of other major convention centers and the number of hotel rooms within walking distance. And, as noted on the map, there are ample sites available in Downtown L.A. for new hotel construction, including at least one additional convention headquarter hotel offering upwards of 900 rooms.

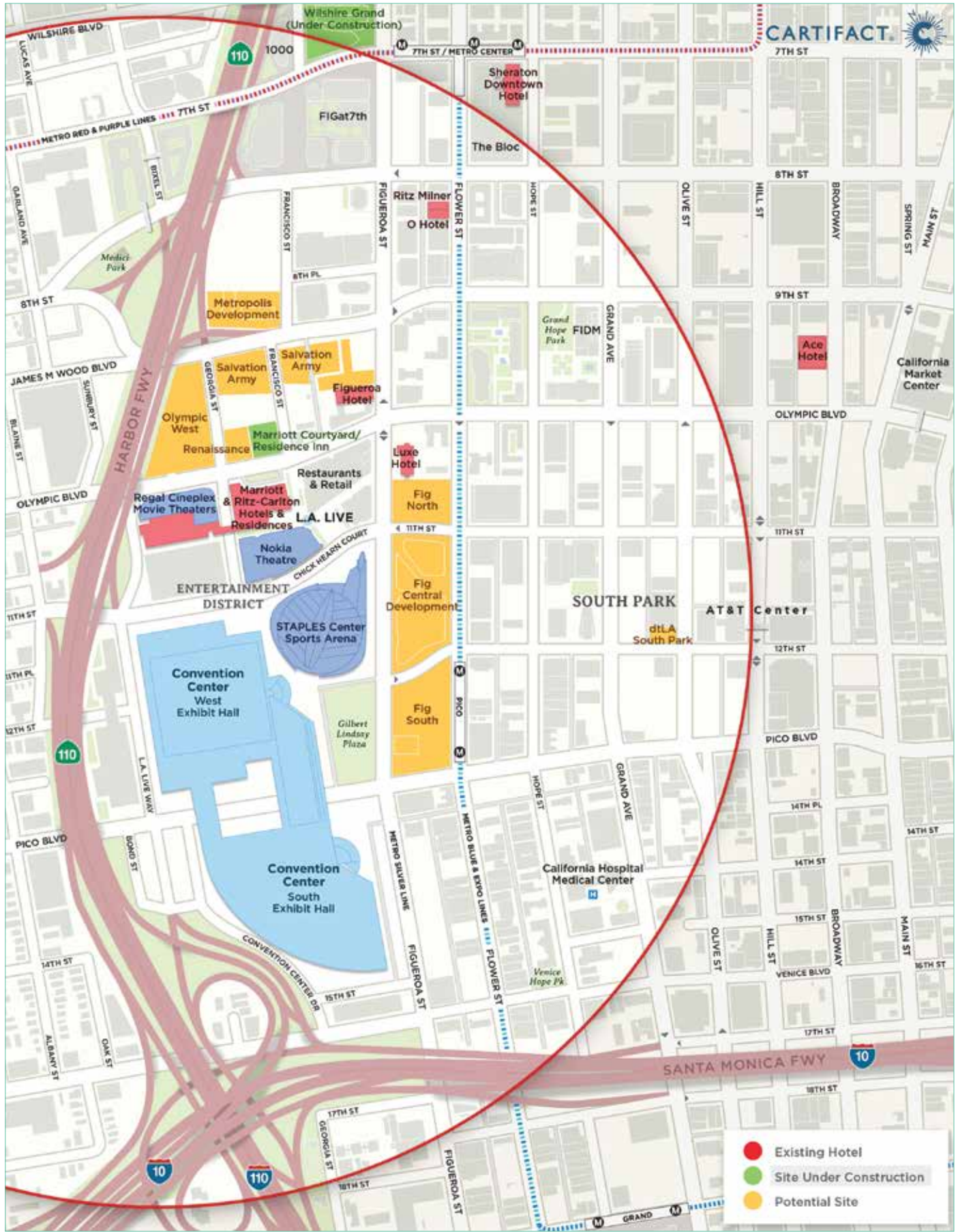
Together, the Mayor, City Council, the new Economic Workforce Development Department (EWDD), and the new Department of Convention and Tourism Development (CTD) Executive Director intend to promote the development of 3,000- 5,000 more hotel rooms citywide (with a concentration in the Sports and Entertainment District adjacent to the Convention Center) by 2020.



Artist rendering of the future Wilshire Grand Hotel

| Facility  | Hotel Rooms Within Walking Distance |
|---|-------------------------------------|
| Las Vegas Convention Center                       | 16,700                              |
| Moscone Center (San Francisco)                    | 14,600                              |
| Orange County Convention Center (Orlando)         | 11,000                              |
| Ernest M. Morial Convention Center (New Orleans)  | 8,600                               |
| Georgia World Congress Center (Atlanta)           | 8,300                               |
| San Diego Convention Center                       | 8,270                               |
| Anaheim Convention Center                         | 6,700                               |
| George R. Brown Convention Center (Houston)       | 3,300                               |
| Los Angeles Convention Center                     | 2,335                               |
| Jacob K. Javits Convention Center (New York City) | 1,700                               |
| McCormick Place (Chicago)                         | 1,100                               |

| HOTEL STATUS TRACKING<br>(Walking Distance from LACC) |              |
|---|--------------|
| GOAL: 6,335   |              |
| EXISTING  |              |
| JW Marriott   | 878          |
| Sheraton (The Bloc)                                   | 485          |
| Figueroa Hotel  | 285          |
| Ace Hotel   | 182          |
| Luxe  | 178          |
| Ritz Milner   | 137          |
| Ritz Carlton  | 123          |
| O Hotel   | 67           |
| <b>Subtotal</b>                                       | <b>2,335</b> |
| UNDER CONSTRUCTION                                    |              |
| Wilshire Grand  | 900          |
| Residence Inn   | 219          |
| Courtyard   | 174          |
| <b>Subtotal</b>                                       | <b>1,293</b> |
| OPPORTUNITY SITES                                     |              |
| Metropolis  | 900          |
| Olympic West  | 600          |
| Fig South   | 500          |
| Renaissance   | 450          |
| Fig North   | 400          |
| Salvation Army  | 400          |
| dtLA South Park                                       | 300          |
| Fig Central   | 225          |
| <b>Subtotal</b>                                       | <b>3,775</b> |
| <b>GRAND TOTAL</b>                                    | <b>7,403</b> |



- Existing Hotel
- Site Under Construction
- Potential Site

# TRAVEL INFRASTRUCTURE DEVELOPMENT



PHOTO ABOVE: Tom Bradley International Terminal (TBIT) at Los Angeles International Airport (LAX).

## LOS ANGELES INTERNATIONAL AIRPORT

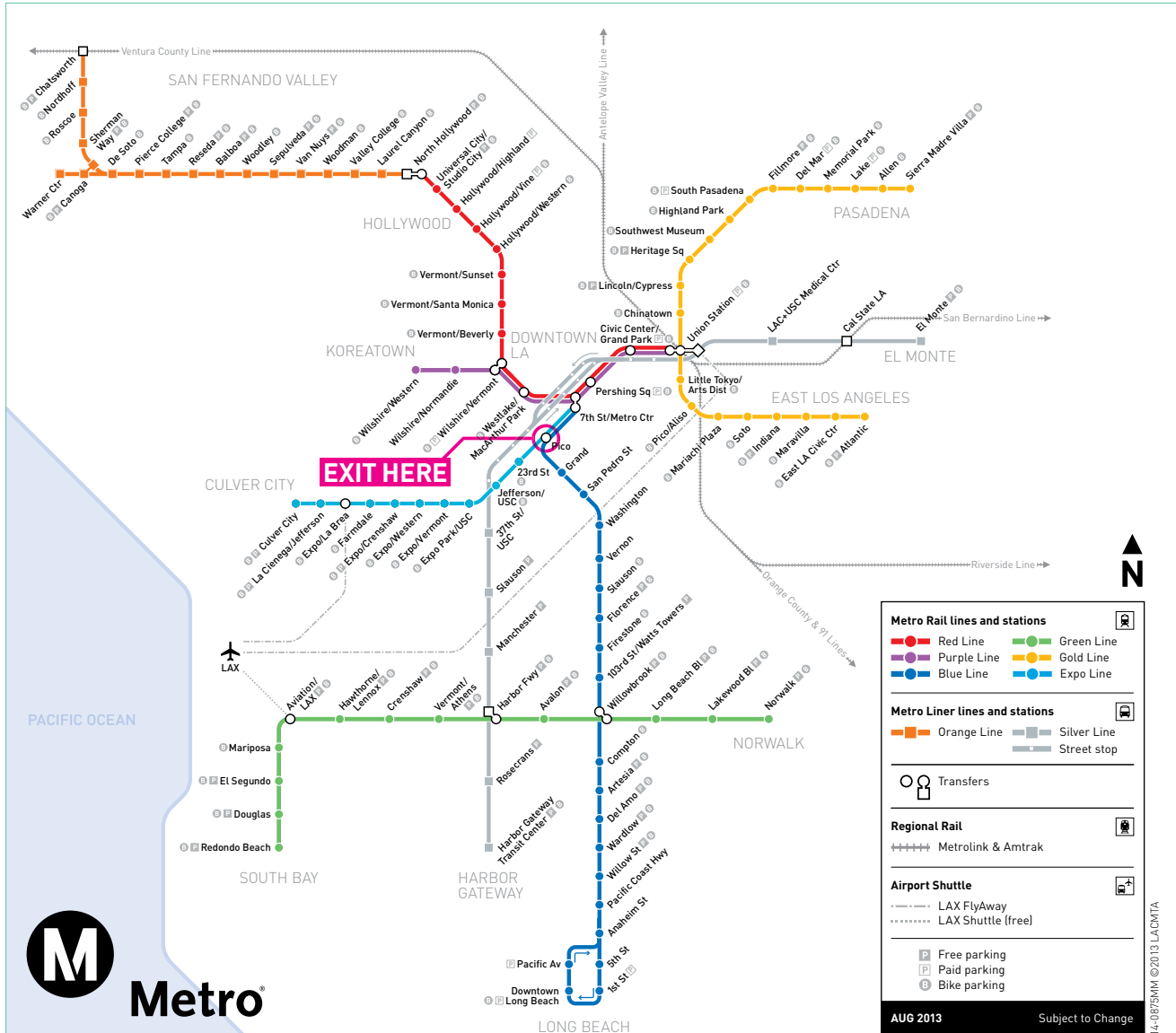
The \$4 billion LAX modernization program and its centerpiece, the new \$1.9 billion Tom Bradley International Terminal (TBIT), is a game-changer for Los Angeles. Specifically, TBIT represents an opportunity to attract more international attendees who will enjoy expanded, modernized TSA screening, customs, and immigration areas, along with 60 top-of-the-line dining and shopping options, setting the bar for airports worldwide. In addition, the Department of Convention and Tourism Development (CTD) will partner with Los Angeles World Airports (LAWA) and L.A. Tourism to enhance relationships with the foreign consulates in Los Angeles to promote and facilitate international travel to the City.

According to L.A. Tourism, international visitors to Los Angeles represent 20% of overnight visitors to the destination, but account for over one-third of all overnight visitor spending. In fact, international visitors spend 70% more per visit to Los Angeles than domestic travelers; they tend to stay longer and shop more. In particular, growth in travel from Asia (especially China) is buoying the goal of 50 million visitors by 2020.

## PORT OF LOS ANGELES

As the cruise industry works to rebuild the western coast of the Mexico cruise market, the Port of Los Angeles (POLA) stands ready to capitalize with long-term plans for the construction of the new Cruise Terminal. Currently, L.A.'s waterfront area is enjoying a renaissance with a surge of new attractions from the shops, restaurants, and harbor cruise experiences at the soon-to-be-renovated Ports O' Call Village, which will also serve as the new home for the country's greatest battleship of all time, the USS Iowa. The CTD Executive Director will work with POLA on the additional enhancements planned for this growing tourist area.

# SURFACE TRANSPORTATION



Los Angeles is undergoing a public transit revolution with an array of new public transit options completed, underway, or coming soon. The Exposition Line extension to Santa Monica, to open in 2016, will connect Downtown to the beaches, a major attraction to those visiting the City. The forthcoming Crenshaw Line, scheduled to open by 2018, will link the airport to the Exposition Line, enabling easy transfers to Downtown Los Angeles and Santa Monica. The new Department of Convention and Tourism Development (CTD) will also work with the City's Department of Transportation (DOT) to promote greater awareness of the City DASH system and regulated taxi service, as well as champion the proposed Downtown Streetcar.

An especially exciting project involves CTD collaboration with other city departments to be a destination leader in the creation of multilingual way-finding signage and digital tools.

In addition to advocating for the ongoing renaissance of Downtown Los Angeles with its ever burgeoning dining and retail outposts, the CTD Department will support the innovations and improvements to the L.A. transit network.

# ENTERTAINMENT VENUE EXPANSION



Los Angeles is now the fourth most visited destination in the country. It is critical to have an ever-expanding variety of attractions not only for the growing tourist base, but also for convention attendees and their families

## **RECORD 2013 AND COMING ATTRACTIONS**

According to a recent Los Angeles Tourism & Convention Board market study, the number one paid tourism and entertainment destination in L.A. is Universal Studios® Hollywood. Under the leadership of its parent company, Comcast Corporation, which purchased NBCUniversal in 2011, Universal Studios Hollywood<sup>SM</sup> is poised to benefit from its \$1 billion investment in theme park attractions and infrastructure.

2013 was a banner year for the theme park, achieving record-breaking attendance for a third consecutive year. 2013 was also a year that began Universal Studios® Hollywood's overall transformation. The Universal Plaza, an art deco-inspired, open-air venue reminiscent of the Golden

Age of Hollywood, made its reveal. In 2014, Minions will have their own area of the theme park when the much anticipated ride, "Despicable Me: Minion Mayhem," based on the blockbuster film franchise opens.

## **WIZARDING WORLD OF HARRY POTTER**

But this is only the beginning. The Wizarding World of Harry Potter — which broke ground in late 2013 and is slated to open in the coming years — will cast a spell over the Southern California economy, positively impacting tourism and jobs for years to come. The arrival of The Wizarding World of Harry Potter at Universal Orlando in 2010, led to a double digit attendance increase the first year after opening.

Conveniently located on the Metro Red Line, it will also be readily accessible by mass transit from the San Fernando Valley, Hollywood, and even Downtown Los Angeles. The future is bright for The Entertainment Capital of L.A. as it will continue to capture audiences bewitched by the magic of Hollywood.

## PORT OF LOS ANGELES

The USS Iowa, one of America's greatest battleships, the ever-growing Ports O' Call Village, and CRAFTED at the Port of Los Angeles, the new local artisan marketplace, are new anchor attractions revitalizing L.A.'s cruise terminal and port/waterfront area. The revitalization extends into the charming historic San Pedro center, which now boasts new storefronts, shops, art galleries, restaurants, a farmer's market, and historical maritime and fishing industry.



PHOTO ABOVE: USS Iowa ©NAVSOURCE



DETAIL PHOTO: Space Shuttle Endeavour by Leroy Hamilton

## SPACE SHUTTLE ENDEAVOUR

The Samuel Oschin Endeavour Display Pavilion at the California Science Center in Exposition Park is now the permanent home of the Space Shuttle Endeavour. Visitors can view this national treasure up-close and marvel at the spectacular engineering that made this the only space vehicle to make multiple flights into orbit.

## RECREATION & PARKS

Griffith Park, the largest urban park in the U.S., and Grand Park, the newest urban park located across from City Hall, are highlights of the unique public lands to be promoted and highlighted throughout marketing efforts.



## THE LOS ANGELES ZOO AND BOTANICAL GARDENS

Located conveniently by major freeways, the Zoo is home to over 1,100 rare mammals, reptiles, and birds, including 29 endangered species. With over 1.5 million visitors each year, the Los Angeles Zoo is a great asset to the City of Los Angeles.

# SPORTS VENUE EXPANSION



PHOTO ABOVE: Farmers Field – Los Angeles, CA.

Downtown Los Angeles has gone through an incredible transformation during the last ten years. Many factors contributed to that success, but no other single factor has been more essential than the phenomenal success of L.A. LIVE (and its relationship with STAPLES Center).

While at a slower pace, the transformation continued through the recession with the opening of new restaurants, shops and art galleries, and numerous hotel renovations. Now, a new generation of economic growth is on the horizon spurred by the proposed new Event Center/NFL stadium—a catalytic game changer. Los Angeles is already fortunate to have such outstanding professional sports teams as the Lakers, Dodgers, Clippers, Kings, and Sparks. After an absence of over 20 years, the possibility of the return of a professional football team now seems within reach.

The LACC campus provides an incredibly strategic location—within blocks of major mass transit lines, at the intersection of two freeways, accessible by a grid of major arterial surface streets, adjacent to L.A. LIVE, STAPLES Center, and the Convention Center, with thousands of vacant parking spaces available on weekends and evenings, as well as a certified Environmental Impact Report (EIR) and an executed agreement with the City for the site. It is truly positioned to be one of the premier sports and entertainment districts in the nation, if not the world.

Although often referred to in the context of, “the return of the NFL to Los Angeles,” the new Event Center is designed to be much more than that. By being integrated into the Convention Center and adjacent to L.A. LIVE and STAPLES Center, it provides a uniquely large venue that can be used for innumerable events and activities far beyond just football. The City will know by October 2014 whether or not this project will move forward. Simultaneously, city leaders are putting the finishing touches on plans to move forward with expanding and modernizing the Convention Center even without a stadium.



## LOS ANGELES DODGERS

In addition to 2013's success on the field, Dodger Stadium, originally opened in 1962, has benefited from many upgrades, including a major renovation designed to enhance the game day experience for fans as well as create new spaces for special event opportunities. The Top of the Park and Reserve Levels host new expanded entry plazas, new concessions and restrooms, and two team stores which can double as banquet and kids play areas. The Top of the Park and Reserve Level Plazas have further enhanced the space, making them suitable for hosting a myriad of events, and providing spectacular vistas of the Downtown skyline and the San Gabriel Mountains.

With a capacity of 56,000 fans, 81 home games plus the post season, numerous luxury suites, clubs and expansive concourse spaces with incredible "wow" factors, as well as a renowned premium caterer (Levy), Dodger Stadium promises to increase its impact on the City's local economy. Sitting on over 260 acres of land, the parking



lots at Dodger Stadium have served as home for events as varied as the L.A. Marathon, concerts and festivals. The Dodger Stadium team is looking to pursue more group ticket sales opportunities and event rentals by working with L.A. Tourism and the Convention Center, and tapping into a growing international market.

## USC: THE MEMORIAL COLISEUM & SPORTS ARENA

One of the most tarnished jewels in all of Los Angeles is the sad state of affairs at the Memorial Coliseum brought on by decades of mismanagement and neglect. Fortunately, there is a light at the end of the tunnel with USC taking over management control of the legendary stadium and returning it to its former glory as a major sports and entertainment venue in Los Angeles. The Sports Arena has deteriorated to a point of perhaps being beyond repair, but that strategic location has limitless potential.

An additional benefit to the City of Los Angeles would be to host a professional soccer team. USC has a certified Environmental Impact Report (EIR) to contract a 10,000–15,000 seat stadium for its women's soccer team. The possibility of a professional soccer team along the Figueroa Corridor would further enhance Los Angeles as the premier sports and entertainment center in the nation.



# CULTURAL TOURISM



PHOTO ABOVE: The Broad Museum (to open in 2015).

If every great city is measured by the quality of art it creates and presents, Los Angeles is fast becoming the world's yardstick.

Described by Paris' Centre Pompidou as "the most important art-making city of the second half of the 20th century" and by The New York Times as the "center of art-making in America," Los Angeles has been celebrated recently for its contributions to contemporary art with major exhibitions and at cultural festivals in Australia, France, Germany, Japan, Mexico, Spain and the United Kingdom, to name just a few admirers.

And with good reason.

With nearly 3,000 professional arts organizations and the highest concentration of artists of any city in the world, Los Angeles has emerged as one of the premier cultural destinations. And there is no shortage of cultural offerings for residents and visitors alike.

## L.A. is home to:

- 705 professional musical ensembles
- 364 annual cultural celebrations and festivals
- 220 professional live theater companies
- 105 museums
- 61 major historical sites
- 55 major architectural landmarks
- 54 annual film festivals
- 52 major performing arts venues
- 35 major libraries & archives
- 24 professional dance companies
- 16 major botanical gardens

These and other L.A. cultural assets prove to be magnets in attracting major culturally-affiliated meetings and conventions year after year, while nearly half of L.A.'s 42.2 million annual visitors engage in some cultural activity during their stay.

And L.A.'s cultural inventory is poised to garner more worldwide attention in the next few years with the openings of three new, unparalleled museums.

The Broad, a new contemporary art museum and architectural landmark in Downtown Los Angeles, and the Wende Museum, the world's largest and most important collection of Cold War artifacts, are scheduled to open their doors in 2015 and 2014, respectively.



PHOTO ABOVE: Walt Disney Concert Hall (opened in 2003).

## BRINGING BACK BROADWAY

Led by Councilmember José Huizar, Bringing Back Broadway is an ambitious 10-year plan to revitalize the Historic Broadway corridor in the heart of Downtown L.A. Through focused city policies encouraging economic development, the initiative is reactivating Broadway's vacant iconic theaters and commercial space while preserving beautiful architectural landmarks. The Broadway corridor has already experienced a surge in new retail and restaurants, and will continue to look forward to improved parking, transit, and pedestrian options — including the return of the beloved streetcar — and the creation of much-needed jobs.

PHOTO BELOW: Academy Museum of Motion Pictures (AMMP) .



In 2017, the Academy of Motion Picture Arts & Sciences is slated to open the Academy Museum of Motion Pictures, a 290,000 sq ft venue on the Miracle Mile's "Museum Row" that will feature galleries, movie theaters, educational centers, and special event venues. The Academy Museum of Motion Pictures will be the world's premier museum devoted to exploring and curating the history and future of the moving image.

L.A.'s unrivaled cultural output will continue to inform and influence people around the globe, and LACC will continue to capitalize on L.A.'s cultural assets to attract leading meetings and conventions to sustain one of the region's major economic engines, tourism.



# 2013-2014 LACC INITIATIVES

In addition to the foundational pillars of new governance, privatization, expansion/modernization, and hotel construction, this Action Plan will undertake the following additional initiatives in concert with Mayor Garcetti's "Back to Basics" Agenda:

## SUSTAINABILITY

The Los Angeles Convention Center already has an excellent track record for being "green," as exemplified by the fact that it was the first convention center of its size to receive LEED Gold Certification for an existing building. Moreover, both AEG and L.A. Tourism have excellent programs to promote sustainability. By joining forces, we seek to raise the standards to even higher levels. During this first year, LACC will put solar roofing on South Hall with the potential

of generating one megawatt of power. The planned New Hall and Event Center will be designed to achieve at least LEED Gold Certification, with the goal of being the greenest football stadium in the nation. AEG will introduce its worldwide sustainability practices to the Los Angeles Convention Center. L.A. Tourism will increase the number of hotels in its Green Seal program and will use the City's environmental initiatives in its marketing of the LACC.



## ENHANCED USE OF TECHNOLOGY

Another critical element to Mayor Garcetti’s Agenda is to deploy technology to modernize our operation. The new CTD Department will implement this directive from our most basic operations, such as automating our parking system, to exploring the forefront of international best practices for “way-finding” travel apps.

By utilizing smart technology, transit users will be able to use cell phones or strategically located kiosks to find information

that will make their transfers more seamless to their final destinations. Travelers will also gain access to information about nearby activity centers and cultural, historic, and entertainment venues that are within walking distance. Both visitors and residents will benefit from the guidance by these apps as they will save time and encourage the exploration of the City.



PHOTO ABOVE: Automated parking at AEG's L.A. LIVE!



PHOTO ABOVE: Metro's prototype for an interactive way-finding kiosk.



## PUBLIC SAFETY

One of the most critical elements of Mayor Garcetti’s “Back to Basics” Agenda is to make our communities the safest in the nation. Already, L.A. is enjoying its lowest crime rates since 1952. In carrying the Mayor’s mandate forward, the new governance structure of the CTD Department will ensure the close collaboration between AEG security and the Los Angeles Police Department (LAPD) to deploy both manpower and technology to make the Sports and Entertainment District the archetype for public safety.

The high public visibility of AEG security and LAPD officers (left) will help guests feel safe and secure while enjoying their visit. Rapid response times and diligent watchfulness are already priorities constantly enforced by AEG and LAPD.

# THE GOAL: INCREASED ECONOMIC IMPACT



PHOTO ABOVE: City of Los Angeles Mayor Eric Garcetti speaking at the Los Angeles Tourism Market Outlook Forum

As national and international economies continue to improve, Leisure & Hospitality is projected to be one of the fastest growing sectors. The role of the new Department of Convention and Tourism Development (CTD) is not to simply ride the wave of the restored economy, but rather to promote and support a variety of initiatives to further spur positive economic impact and job growth from this important sector. Tourism represents the totality of business that benefits from leisure and business visitors to Los Angeles and directly supports hotels, restaurants, shopping and retail, airports, transportation, entertainment, arts and culture, and theme parks. Key performance measures of increased economic impact are:

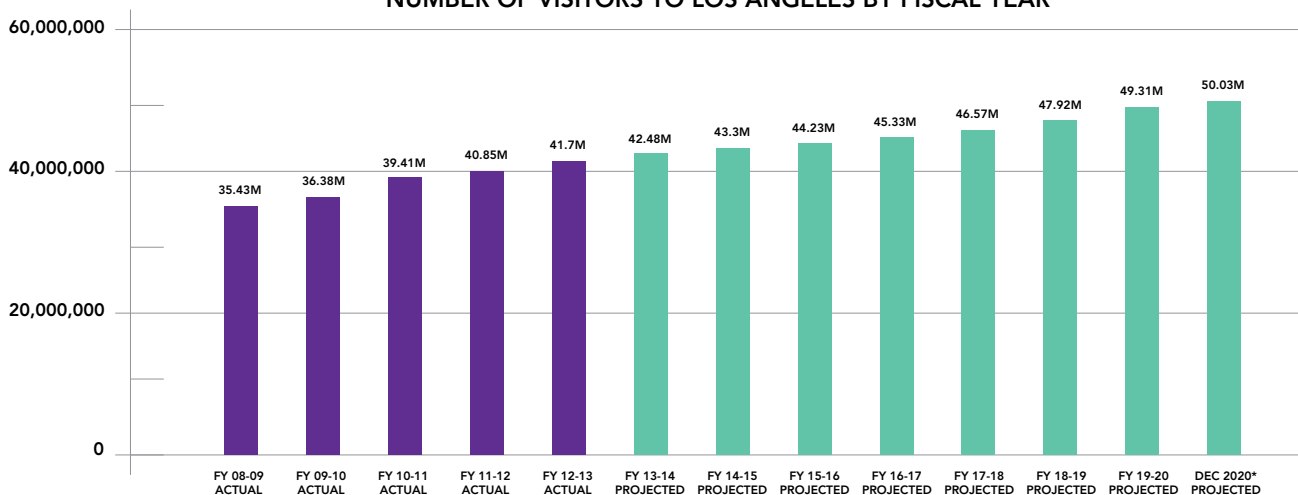
- Number of visitors to the region
- Number of Citywide conventions
- Tax revenue generation
- Direct employment numbers

## L.A.'S CULTURE OF TOURISM

To reach the goal of 50 million visitors by 2020, L.A. Tourism is introducing new marketing initiatives aimed at motivating the entire tourism industry to proactively engage in L.A.'s culture of tourism. L.A. Tourism anticipates when the goal is reached, those 50 million visitors will generate an economic benefit of \$44.5 billion.

**FY 2012-2013 YOY % change: 2.09%**  
**Goal: 50 Million Visitors by 2020,**  
**requiring a 20% increase from FY 2012-2013**

NUMBER OF VISITORS TO LOS ANGELES BY FISCAL YEAR



REPORTED BY LA TOURISM

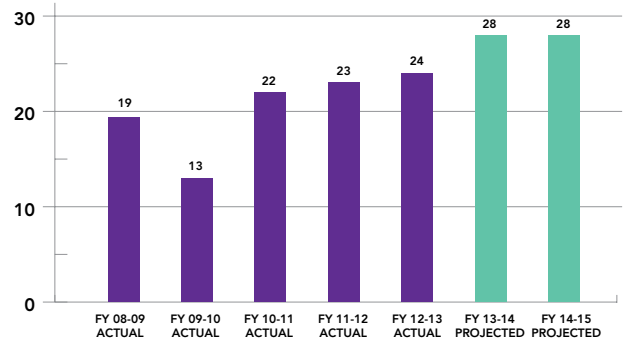
\*GOAL BASED ON CALENDAR YEAR

### MORE CITYWIDE CONVENTIONS

The core mission of a convention center is to provide the facilities to support the production and hosting of events across an array of industries and markets. These events fall into major categories of conventions, trade shows, assemblies, consumer shows, filmings, and banquets. The greatest economic impact is from the citywide conventions which attract non-resident national and international overnight delegates. Over the past five years, L.A. Tourism has increased the number of citywide conventions by 26%.

**FY 2012-2013 YOY % change: 4.3%**  
**FY 2008-2009 to FY 2012-2013 5 year increase: 26%**

### HOSTED CITYWIDE CONVENTIONS BY FISCAL YEAR



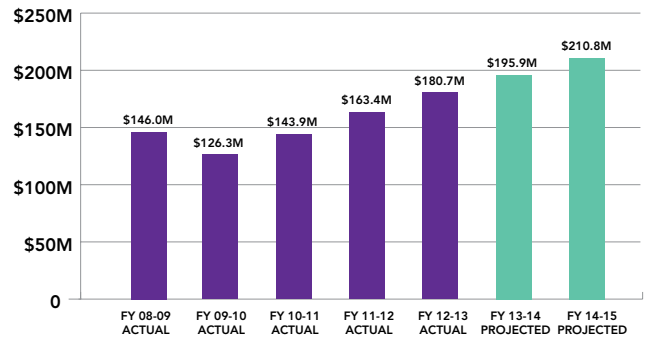
REPORTED BY LA TOURISM

### INCREASED TOT

There is a direct correlation between the number of citywide conventions and the Transient Occupancy Tax generated. Citywide convention delegates stay in our hotels, spend more money and stay for a longer amount of time than visitors for other types of events. In the same 5-year span, the City realized a 24% increase in TOT revenue.

**FY 2012-2013 YOY % change: 10.7%**  
**FY 2008-2009 to FY 2012-2013 5 year increase: 24%**

### TRANSIENT OCCUPANCY TAX REVENUE BY FISCAL YEAR



REPORTED BY CITY OF LOS ANGELES, OFFICE OF FINANCE; PROJECTIONS BY LA TOURISM

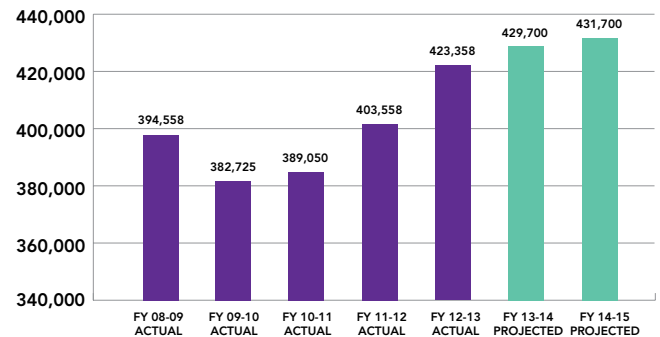
### 20,000 LEISURE & HOSPITALITY JOBS ADDED

Tourism continues to fuel job growth. In FY 2012-13, tourism supported a record 423,358 leisure and hospitality jobs, a 4.9% increase over last year, while the total workforce in the greater Los Angeles area increased by 2%.

**Leisure and Hospitality 2013 YOY % change: 4.9%**  
**Total workforce 2013 YOY % change: 2.0%**

During FY 2012-2013, a time when the City's economy continued to lag, the tourism industry rose to the occasion and established the critical role it plays, and will continue to play in moving the City forward. The LACC team is excited and honored to be part of turning Los Angeles' new tourism infrastructure vision into reality.

### LOS ANGELES COUNTY LEISURE AND HOSPITALITY JOB GROWTH BY FISCAL YEAR



REPORTED BY LAEDC

# 2012-2013 HIGHLIGHTS AND FINANCIALS

**\$34.5 million**  
Gross revenue

**309**  
Number of hosted events

**1.9 million**  
Total number of attendees

**24**  
Number of hosted citywide conventions\*

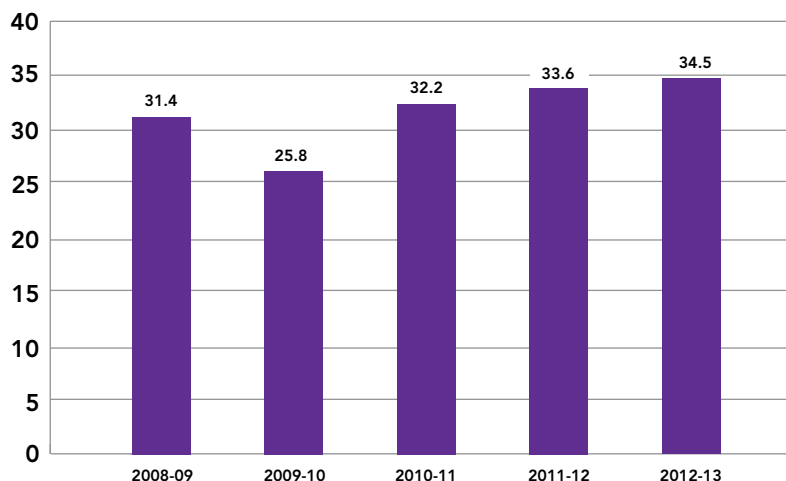
**30%**  
Percent of energy from renewable resources

**244,419**  
Number of room nights from citywide conventions\*

**2.5%**  
Percent increase in TOT from citywide conventions\*

**\$310 million**  
Economic impact from citywide conventions\*

LACC GROSS OPERATING REVENUE  
IN MILLIONS



\*Reported by LA Tourism



# 2012-2013 STATEMENT OF OPERATING INCOME AND EXPENSES

PERIOD ENDED JUNE 30, 2013  
PRELIMINARY UNAUDITED

## Operating Revenue

|                                       |                   |
|---------------------------------------|-------------------|
| Exhibit Hall and Meeting Room Rentals | 11,403,227        |
| Utility Services                      | 11,648,452        |
| Parking Fees                          | 7,733,499         |
| Food Concession                       | 2,292,370         |
| Miscellaneous                         | 1,460,484         |
| <b>Total Operating Revenue</b>        | <b>34,538,032</b> |

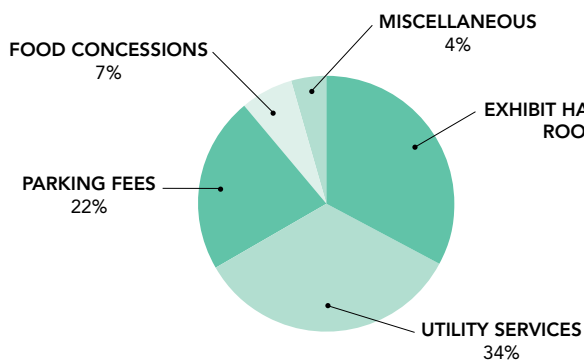
## Operating and Administrative Expenses

|  |                   |
|--|-------------------|
| Salaries   | 14,311,547        |
| Utilities  | 4,307,454         |
| Contractual Services                               | 2,502,567         |
| Repairs, Materials, and Supplies                   | 652,115           |
| Office and Administration                          | 146,345           |
| Advertising and Other Promotion                    | 65,838            |
| Miscellaneous                                      | (280,137)         |
| <b>Total Operating and Administrative Expenses</b> | <b>21,705,729</b> |
| <b>Income (Loss) from Operations</b>               | <b>12,832,303</b> |

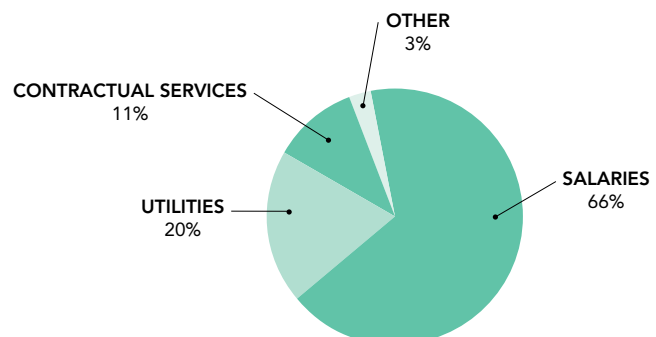
## Deductions from Operating Income

|  |                    |
|--|--------------------|
| L.A. Tourism & Convention Board Discounts                              | (6,318,230)        |
| City Council Discounts   | (7,259)            |
| <b>Total Deductions from Operating Income</b>                          | <b>(6,325,489)</b> |
| <b>Income (Loss) from Operations before Depreciation and Transfers</b> | <b>6,506,814</b>   |

TOTAL OPERATING REVENUE



TOTAL OPERATING EXPENSES



# MAYOR ERIC GARCETTI'S "BACK TO BASICS" AGENDA

- 1 Promote good jobs for Angelenos all across Los Angeles ✓
- 2 Restore the City services that make our neighborhoods livable and attractive ✓
- 3 Make our communities the safest in the nation ✓
- 4 Create a more sustainable and livable city ✓
- 5 Live within our financial means ✓
- 6 Provide outstanding customer service to our residents and businesses ✓
- 7 Deploy innovation and technology to modernize city government ✓
- 8 Restore pride and excellence in public service ✓
- 9 Partner with citizens and civic groups to build a greater city ✓

✓ **LACC is committed to using this Action Plan to contribute to Mayor Garcetti's vision for the City of Los Angeles!**

# MAYOR

Eric Garcetti

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District 2 — Paul Krekorian

District 3 — Bob Blumenfield

District 4 — Tom LaBonge

District 5 — Paul Koretz

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District 12 — Mitchell Englander

District 13 — Mitch O'Farrell

District 14 — Jose Huizar

District 15 — Joe Buscaino

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Special thanks to the Los Angeles Tourism & Convention Board for their support



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