

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

Regular Meeting Minutes  
July 15, 2020

The Board of Los Angeles Convention and Tourism Development Commission (Board) convened a regular meeting on Wednesday, July 15, 2020 at 9:00 a.m. via Zoom.

**PRESENT:**

President Jon F. Vein  
Vice President Otto Padron  
Commissioner Noel Hyun Minor  
Commissioner David Stone

**ABSENT:**

Commissioner Bricia Lopez

**PRESENTERS:**

Ellen Schwartz, ASM  
Ben Zarhoud, ASM  
Doane Liu, CTD  
Kim Nakashima, CTD  
Darren Green, LATCB  
Don Skeoch, LATCB  
Jamie Simpson, LATCB

***Item 1. Call to Order / Roll Call***

President Vein called the meeting to order at 9:03 a.m.

***Item 2. Vote for 2020-2021 Board Positions***

Commissioner Minor moved to reappoint Jon Vein as President, Commission Stone seconded. Commissioner Vein moved to reappoint Otto Padron as Vice President, Commissioner Minor seconded.

UNANIMOUSLY APPROVED BY ROLL CALL VOTE

***Item 3a. Public Comment***

None

***Item 3b. Neighborhood Council***

None

***Item 4a. Approval of the regular meeting minutes from June 3, 2020***

UNANIMOUSLY APPROVED BY ROLL CALL VOTE

***Item 5a. Executive Director Report***

Mr. Doane Liu provided an overview of his activities since the last Board meeting, which included: hosting meetings with Airbnb and LA Tourism, Safe parking, Salesforce and LATCB; discussions with LATCB on reopening communications with the Mayor's office, and with Ted Fikre, AEG, regarding AEG LA Live campus projects, which have been delayed but are progressing; presenting the LATCB contract extension to Trade, Travel, and Tourism committee; joining the Zoom swearing in of Commissioner Otto Padron, who was reappointed and; participated in FIFA World Cup 2026 workshop and LA presentation led by LASEC. Mr. Liu reported that the FMS has been extended through July 31, 2020.

***Item 5b. ASM Monthly Update***

Ms. Ellen Schwartz reported that the contract with Enterprise to house cars expires July 31, 2020. Mr. Ben Zarhoud presented the financial data for May, reporting an operating loss of \$0.38M for the month, \$1.17M in gross revenue as a result of rent from the FMS, Enterprise contract and F&B revenue from the Senior Meals program. Mr. Zarhoud reported \$1.19M in operating expenses as cost saving measures, which have been in place since March, continues as does maintenance and improvements. Mr. Zarhoud reported a 29% occupancy rate and a 48% occupancy year-to-date which is well below prior years and is due to COVID related cancellations of events. In response to President Vein's question about the state of the reserves versus expected expenses, Mr. Zarhoud stated that staff was watching cashflow and with \$9.1M in reserves fund could be stretched until the end of May 2021. Ms. Schwartz responded that they have received several inquiries for filmings and commercials and are hopeful for some income.

Ms. Schwartz presented an overview of the LACC Recovery Plan, which included an outline of the six pillars of the plan: Smart Infection Control; Environmental Hygiene; A Safe Workplace; The Art of the Show; Food Service and; Communication and Public Awareness. Ms. Schwartz reported that the LACC was one of the first convention centers in the country to be awarded GBAC certification and has also created the LACC "Blue Tower Program".

***Item 5c. LATCB Monthly Update***

Mr. Green reported that LATCB processed 160 leads YTD and have booked 460,331 room nights, with year-end goals of 220 leads and projected 390,000 room nights, noting that while leads are behind last year, the room nights, driven by multi-year Adobe bookings, are still ahead of last year's actuals and this year's goal. Mr. Green discussed recent bookings and recent virtual tours, which have become a big part of sales. Mr. Green reported that the virtual tours include LACC space, LA Live campus, hotels, stadiums and are tailored to client needs and noted that clients are very optimistic. Mr. Green stated that LATCB staff is meeting with groups booked in early 2021 to discuss how events will work, attendee expectations, space use and other pertinent items.

Ms. Kathy McAdams reported that LATCB is part of a task force with New York, Houston, Chicago and are discussing hybrid events, part live and part virtual, and that this type of events can reach wider audiences.

Mr. Don Skeoch reported that Los Angeles is 4<sup>th</sup> in room demand, which 300,000 (the highest since March) and 3<sup>rd</sup> in Rev Par at \$54. Mr. Skeoch gave an overview of the 5 waves of recovery program, noting that Los Angeles is in Phase 2, the “Stay-cation”.

Ms. Jamie Simpson gave an overview of virtual programming, noting that 58% of American travelers agree road trips will be for those wanting to travel surrounding areas, LATCB marketing will target Angelinos, including messaging on how to travel in Los Angeles and safety measures, giving them a reason to stay local. LATCB presented a video on the message.

***Item 6a. Discussion***

None

***Item 7a. Event Policy Recommendations for the Los Angeles Convention Center – Board Report #20-003***

Mr. Doane Liu noted that the current policies need to be updated to be flexible for Citywide designation during the COVID crisis and through construction.

Ms. Kim Nakashima reported the immediate need to generate revenue and that changes to the Administrative Code would be required to address lodging impacts, dramatic decrease room nights, and possible ADR decreases. Ms. Nakashima noted that the industry expectation for hotel demand recovery is 2023 and 2024 for ADR which may result in FY20 TOT receipts to be \$50-60M below budget as well as lower than expected in future years. Ms. Nakashima provided recommendations for changes in the Administrative Code, Internal Protocol, and other terms and conditions and closed with the recommendation that the Board approve the recommend adjustments to the Citywide Discount Policy and internal protocol as noted in Board Report No. 20-003.

**UNANIMOUSLY APPROVED BY ROLL CALL VOTE**

**ADJOURNMENT**

The meeting was adjourned at 10:33 a.m.