

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

Regular Meeting Minutes
September 16, 2020

The Board of Los Angeles Convention and Tourism Development Commission (Board) convened a regular meeting on Wednesday, September 16, 2020 at 9:00 a.m. via Zoom.

PRESENT:

President Jon F. Vein
Commissioner Noel Hyun Minor
Commissioner David Stone

ABSENT:

Vice President Otto Padron
Commissioner Bricia Lopez

PRESENTERS:

Ellen Schwartz, ASM
Ben Zarhoud, ASM
Doane Liu, CTD
Tigran Avetisyan, CTD
Victoria Wigle, CTD
Adam Burke, LATCB
Darren Green, LATCB
Kathy McAdams, LATCB
Bruce McGregor, LATCB

Item 1. Call to Order / Roll Call

President Vein called the meeting to order at 9:07 a.m.

Item 2a. Public Comment

None

Item 2b. Neighborhood Council

None

Item 3a. Approval of the regular meeting minutes from August 19, 2020

UNANIMOUSLY APPROVED BY ROLL CALL VOTE

Item 4a. Executive Director Report

Mr. Doane Liu provided an overview of his activities since the last Board meeting, which included: attending Councilmembers Wesson and Price press conference announcing Kobe Bryant Blvd., a Women's Equality day event, the LASEC SoFi Virtual tour, and an

Angel's Landing briefing; meeting with Deputy Mayor Chun; annual performance review with Mayor Garcetti; and providing an update on the hiring freeze and austerity plan.

Item 4b. ASM Monthly Update

Ms. Ellen Schwartz reported that the only activity in July was the Emergency Medical Facility and provided an overview of how LACC employee engagement is pivoting during the pandemic. Ms. Schwartz also reported the LACC was once again awarded LEED Gold-EB and if the pandemic had not resulted in event cancellations they would have received Platinum. Ms. Schwartz noted that Levy's participation in the senior meal program has been extended through October 9, 2020, and that any overage is donated to the Midnight Mission. Mr. Ben Zarhoud presented the financial data for July, reporting an operating loss of \$0.13M for the month, \$1.6M in gross revenue driven by the rent from the EMF and F&B, and \$1.17M in net revenue which is \$1.85M below prior year with parking and F&B being the largest losses. Mr. Zarhoud reported \$1.04M in operating expenses, noting that cost saving measures are paying off. Mr. Zarhoud reported a 29% occupancy rate for July while past years average has been 72%.

Item 4c. LATCB Monthly Update

Mr. Darren Green reported that LATCB processed 21 leads YTD and have booked 63,635 room nights which is down due to planers pivoting and going to virtual hybrid events, with year-end goals of 176 leads and projected 362,725 room nights. Mr. Green reported that 17 of the 2020 events have cancelled or rebooked, and that the reduced sales team is focusing on rebooking clients and that the 17 of the 2021 events still on the books are fluid, noting that Q1 is especially challenging. Ms. Kathy McAdams provided a "Timeline of a Citywide Convention", noting that clients select a host city 2-10 years prior to the event, while securing housing blocks 12-18 months prior to the event. Ms. McAdams noted that pre-pandemic there had been an uptick in registrations with strong room nights and discussed the challenges clients are now facing due to the unknowns, such as travelers booking flights now for first quarter events, but are questioning if LA is "open". Ms. McAdams gave an overview of the 2021 groups noting that the first event is moving to the summer and is one-half the size. Mr. Bruce McGregor reported on roomnights leads since March 2020 noting that June had the fewest room nights but that the numbers were moving upwards for future years and they expect a positive trend going into fall. Mr. Green gave an overview of destination reopenings noting that the majority are in a similar place as Los Angeles. Mr. Adam Burke provided LACTB's plan on managing recovery, noting that the approach is looking at meetings separately from convention and trade shows and includes three phases: stabilization, preparation, and recovery. Mr. Burke reviewed a recovery dashboard which included key indicators and market segments. Mr. Burke also reported that the LALove campaign has the support of local media and has been provided extended coverage.

Item 4d. CIP Update

Ms. Victoria Wigle provided an overview of the CIP projects, including the completed projects and the projects that are in progress or in the planning stage.

Item 5a. LACC Reserve Funds – Board Report #20-004

Mr. Tigran Avetisyan gave an update on the LACC reserve fund, noting that the fund is currently at \$9.1M, while providing the reasons and authorization to use the fund. Mr. Avetisyan described the proactive steps taken by AEG-LACC to reduce spending while increasing revenue and provided the projected uses of the fund. Mr. Avetisyan reported that the information provided and the use of the fund assumes no events at the LACC through the end of FY 2020-21 and the receipt of \$2.7M in June from FEMA reimbursement. Mr. Avetisyan concluded by informing the Board that AEG-LACC will draw from the LACC Reserve Fund as needed during the FY 2020-21 to fund critical operations of the LACC.

Item 6a. Action Items

None

ADJOURNMENT

The meeting was adjourned at 10:06 a.m. without objection.