

WELCOME TO THE CTD COMMISSION MEETING

September 18, 2024





CITY TOURISM COMMISSION



Commissioners: Jon F. Vein, President; Kathleen Rawson, Vice President;
Taelor Bakewell; Juan Camacho; Cameron Onumah

Public comments will be taken in person only. Members of the public who wish to speak during the meeting must submit a "Request to Speak" form for each agenda item of interest to the Board Secretary prior to the commencement of the public comments. 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 Comments." Public speaking will be limited to a total of three minutes per speaker. Meeting agendas and minutes may be found on the City Tourism Department website, tourism.lacity.gov.

Regular Meeting
Wednesday, September 18, 2024
9:00 a.m.
1201 S. Figueroa St.
Los Angeles, CA 90015

1. CALL TO ORDER / ROLL CALL

2. COMMENTS FROM THE PUBLIC

- a. General and Agenda Item 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 the City Tourism Commission.

3. APPROVE MINUTES

- a. Approval of the regular meeting minutes from August 21, 2024

4. REPORTS

- a. Executive Director Report
- b. ASM Update
- c. LATCB Update

5. DISCUSSION ITEMS

- a. Expansion Update

6. ACTION ITEMS

- a. Proposed Appendix E for Fiscal Year 2024-25 to the Agreement between CTD and LATCB - Board Report # 24-004

7. ADJOURNMENT

NOTICE TO PAID REPRESENTATIVES

If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code 48.01 et seq. More information is available at ethics.lacity.org/lobbying. For assistance, please contact the Ethics Commission at (213) 987-1960 or ethics.commission@lacity.org.

Materials related to an item on this agenda submitted to the City Tourism Commission 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.

Item 3a

Approval of the

August 21, 2024 Minutes



CITY TOURISM BOARD OF COMMISSIONERS

Regular Meeting Minutes

August 21, 2024

Regular Meeting Minutes

Page 2 of 2

Augusts 21, 2024

The Board of City Tourism Commissioners (Board) convened a regular meeting on Wednesday, August 21, 2024, at 9:00 a.m. at the Los Angeles Convention Center, 1201 S. Figueroa St., Los Angeles, CA 90015.

PRESENT:

President Jon F. Vein
Taelor Bakewell
Juan Camacho

ABSENT:

Vice President Kathleen Rawson
Cameron Onumah

PRESENTERS:

Kim Weedmark, ASM
Ben Zarhoud, ASM
Doane Liu, CTD
Adam Burke, LATCB
Bryan Churchill, LATCB

Item 1. Call to Order / Roll Call

President Vein called the meeting to order at 9:06 a.m.

Item 2a. Public Comment

None

Item 2b. Neighborhood Council

None

Item 3a. Approval of the special meeting minutes from July 18, 2024

UNANIMOUSLY APPROVED

Item 4a. Executive Director Report

Doane Liu provided an overview of his activities since the last Board meeting, which included: attending Trade, Travel and Tourism Committee meeting with the first expansion report back from CLA & CAO; meetings with Deputy Mayor Freeman, LA28 and LACC staff, the Airport General Manager John Ackerman, The Kochi Prefecture Governor and delegation, Councilmember Raman regarding the 2028 Olympics and key tourist locations in CD4, ASM and AEG regarding the Chick Hearn Court project; hosting safety and security roll calls for AAPM and AFSCME events. Mr. Liu noted that the Sister City art will be delivered to the LACC and will be prepared for display.

Item 4b. ASM Monthly Update

Ms. Kim Weedmark reported on 11 events hosted during June 2024, which was a mix of meetings, consumer shows, assemblies, and one citywide event. The sales and marketing team licensed 12 events in the month of April. Mr. Ben Zarhoud presented the financial data for June reporting an operating loss of \$2.8M and \$4.9M in gross revenue, with approximately 69% from rent, food and beverage, and parking, noting parking did well due to the 9 Crypto events. Mr. Zarhoud also reported that operating expenses totaled \$5.3M with continued spending on building maintenance and repairs. Mr. Zarhoud reported that the solar panel project was a success as it was funded by bonds for \$5.9M, LACC received a \$2.2M rebate from the City, and has benefited from a 19% cumulative savings with a \$400K credit for the month of June. Mr. Zarhoud stated that June's exhibit hall occupancy rate was 55% resulting in an total economic impact of \$20.9M, \$5.4M generated by LACC events and \$15.5M generated by the citywide event.

Item 4c. LATCB Monthly Update

Mr. Adam Burke provided an overview of the U.S. Travel's IPW event which was in Los Angeles for the first time in twelve years, and the current market dynamics noting that they are hiring additional sales teams which will shift to short term business, 18 months or less, leads. Mr. Bryan Churchill reported that booked room nights are 321,803, which is 125% of the year-to-date goal of 258,000. This is attributed to the addition of the NBA All Star Game and the NFL Super Bowl, which was not part of the initial forecast. Mr. Churchill reported 24 bookings, which is 133% of the year-to-date goal of 18 with leads at 140 meeting the goal of 140. Mr. Churchill also reported that short term business is slowing down, in addition to increasing the short term sales team, LATCB has developed a new marketing campaign with a two prong approach, blockbuster incentives and hotel group offers. Mr. Churchill played the new campaign video.

Item 5. Action Items

None

Item 6a. Policy Recommendations for the Los Angeles Convention Center - FY 2023-24 Update

Ms. Kim Nakashima provided an update of the policy recommendations for the LACC, providing background, a summary of the discounting recommendations, current policies and application data, noting that the provisions are working as intended and will continue to serve as a useful tool for securing business at the LACC through 2028.

The meeting was adjourned at 10:22 a.m. without objection.

Item 4a

Executive Director's Report



Item 4b

ASM Update



LOS ANGELES CONVENTION CENTER MONTHLY UPDATE – JULY 2024

KIMBERLY WEEDMARK
GENERAL MANAGER

BEN ZARHOUD
ASST. GENERAL MANAGER



LACC LEADER OF THE 2nd QUARTER



DIANA HERRERA FLORES
Security, Sr. Supervisor

LACC TEAM MEMBER OF THE 2nd QUARTER



ALEX ULLOA

Ops, Utility Worker

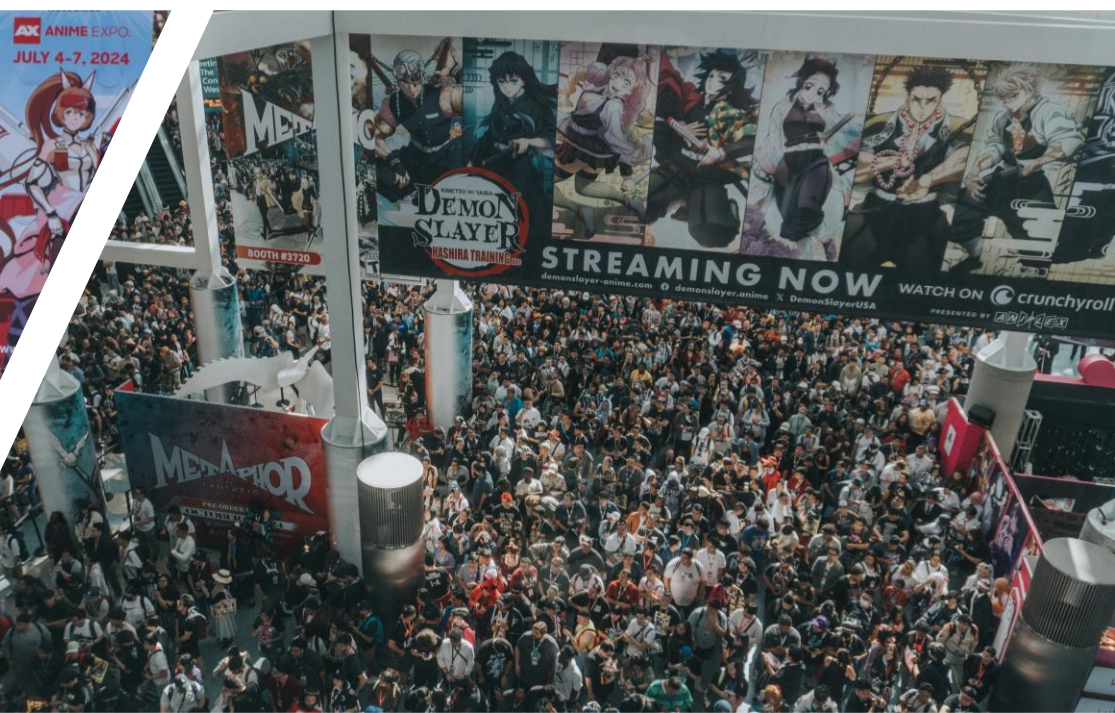
July 2024 Events

323,081 Total Attendees

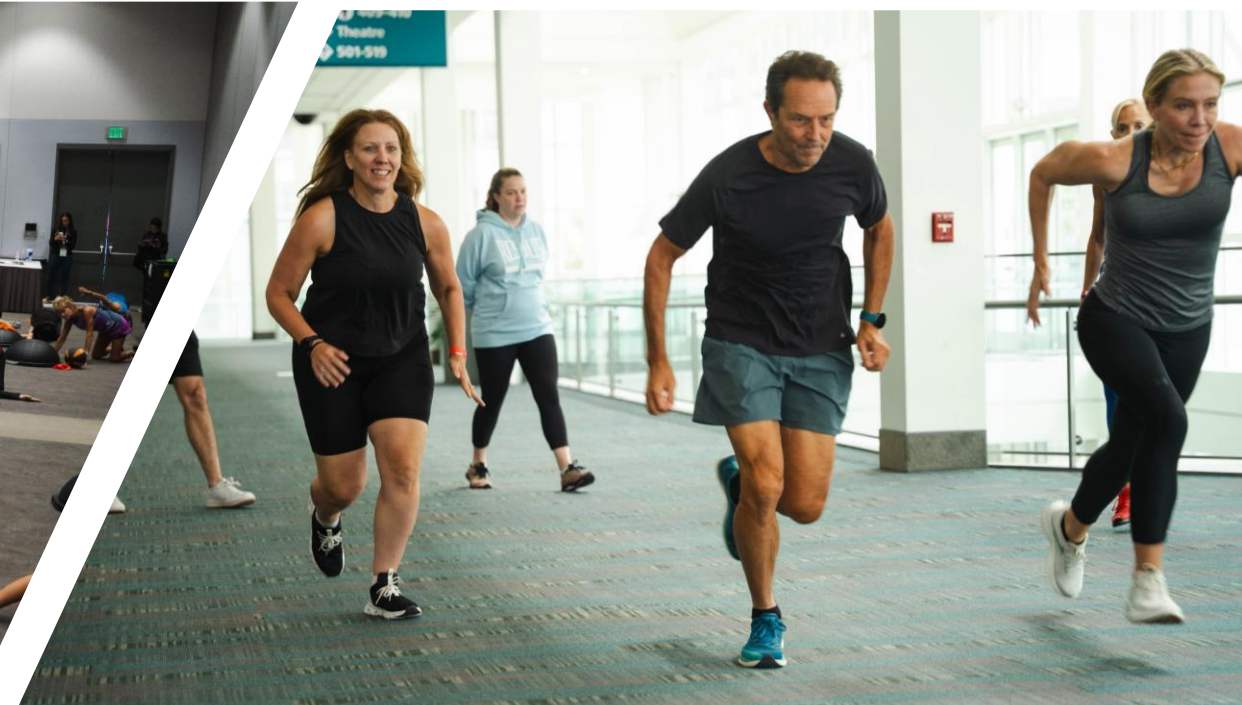
- 7/04 – 07/07 – Anime Expo 2024 (250,000 guests)
- 07/10 – 07/14 – IDEA World Convention 2024 (2,000 guests)
- 07/14 – Dia de las Ranflas y Viclas (2,500 guests)
- 07/18 – 07/20 – RuPaul's DragCon (23,581 guests)
- 07/19 – 07/20 - American Assoc. of Physicists in Medicine (13,000 guests)
- 07/25 – 7/28 – KCON (30,000 guests)
- 07/28 – 08/01 – World of Dance (2,000 guests)

*MEETING
*CITYWIDE
*CONSUMER SHOW
*ASSEMBLY
*TRADE SHOW

ANIME EXPO 2024



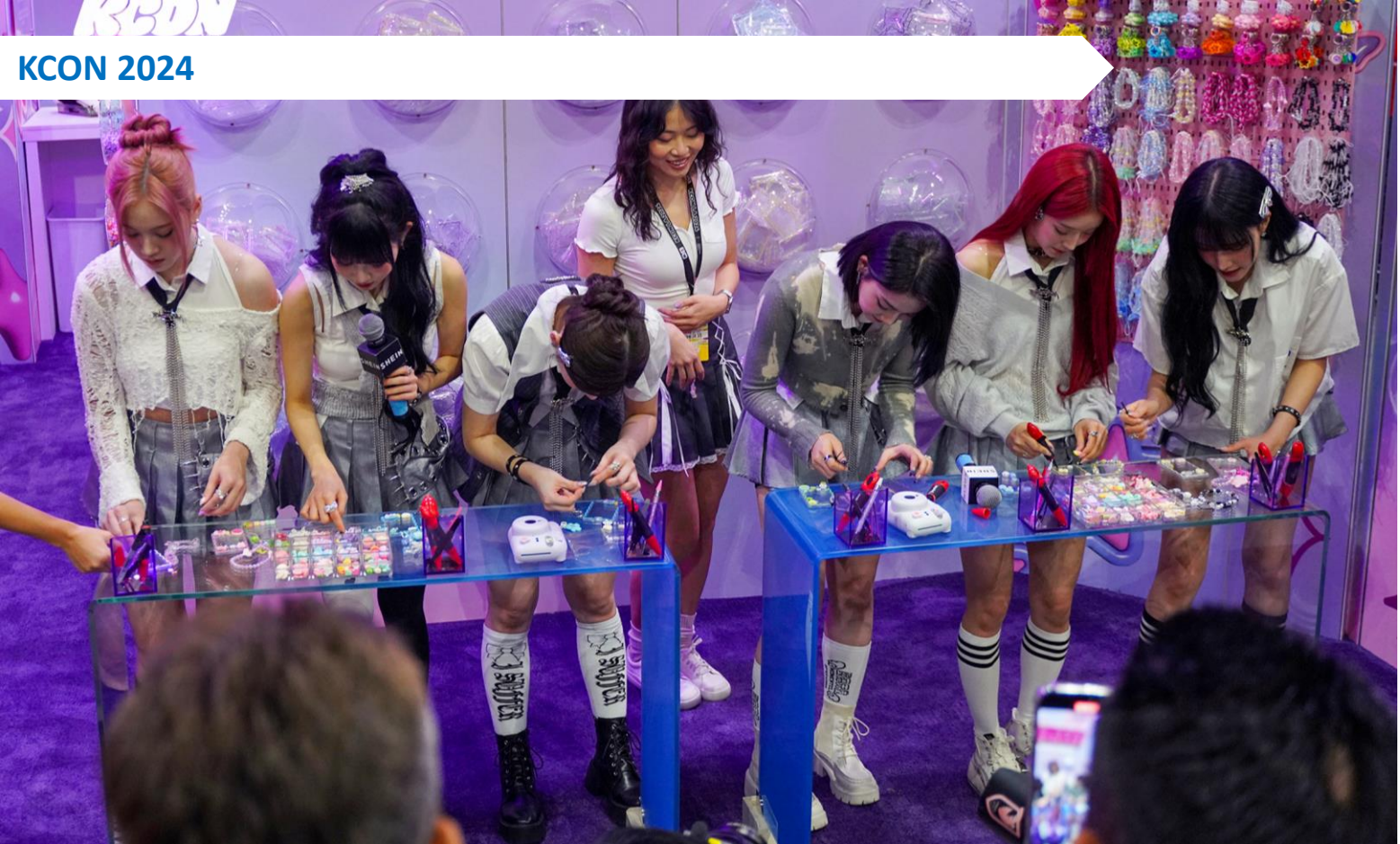
IDEA World 2024



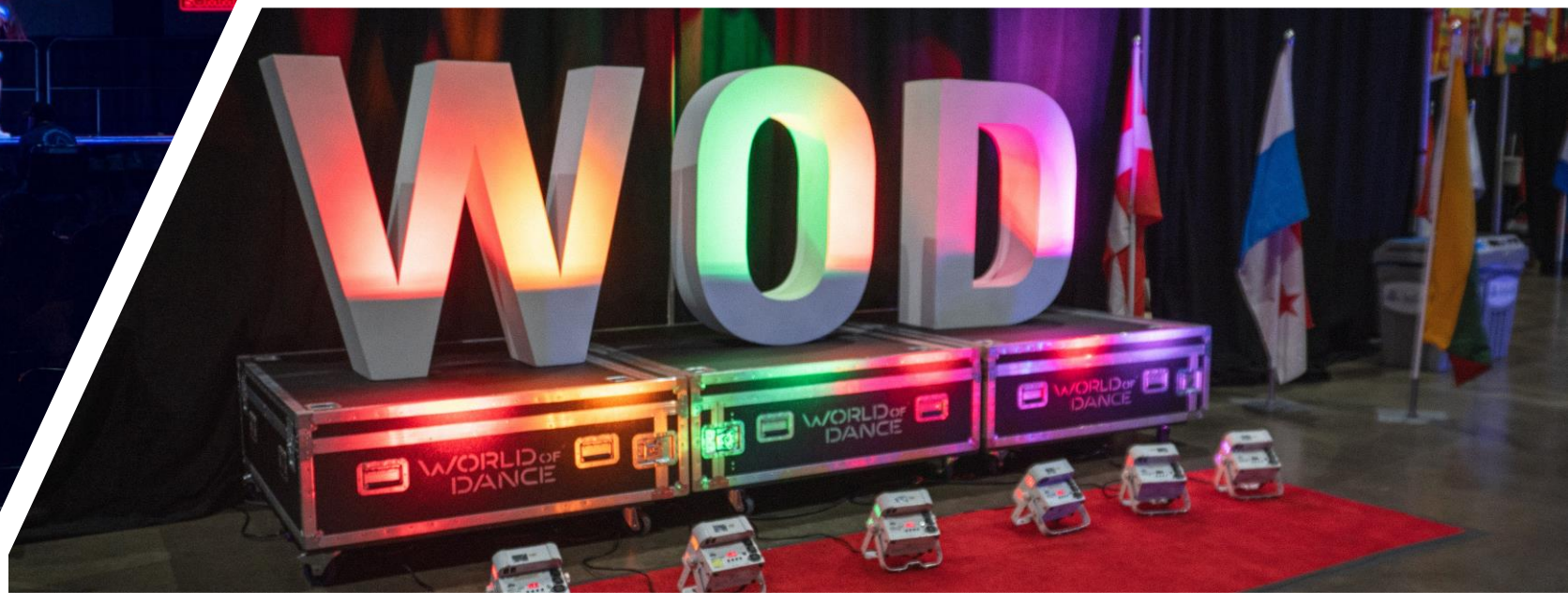


American Assoc. of Physicists in Medicine 2024





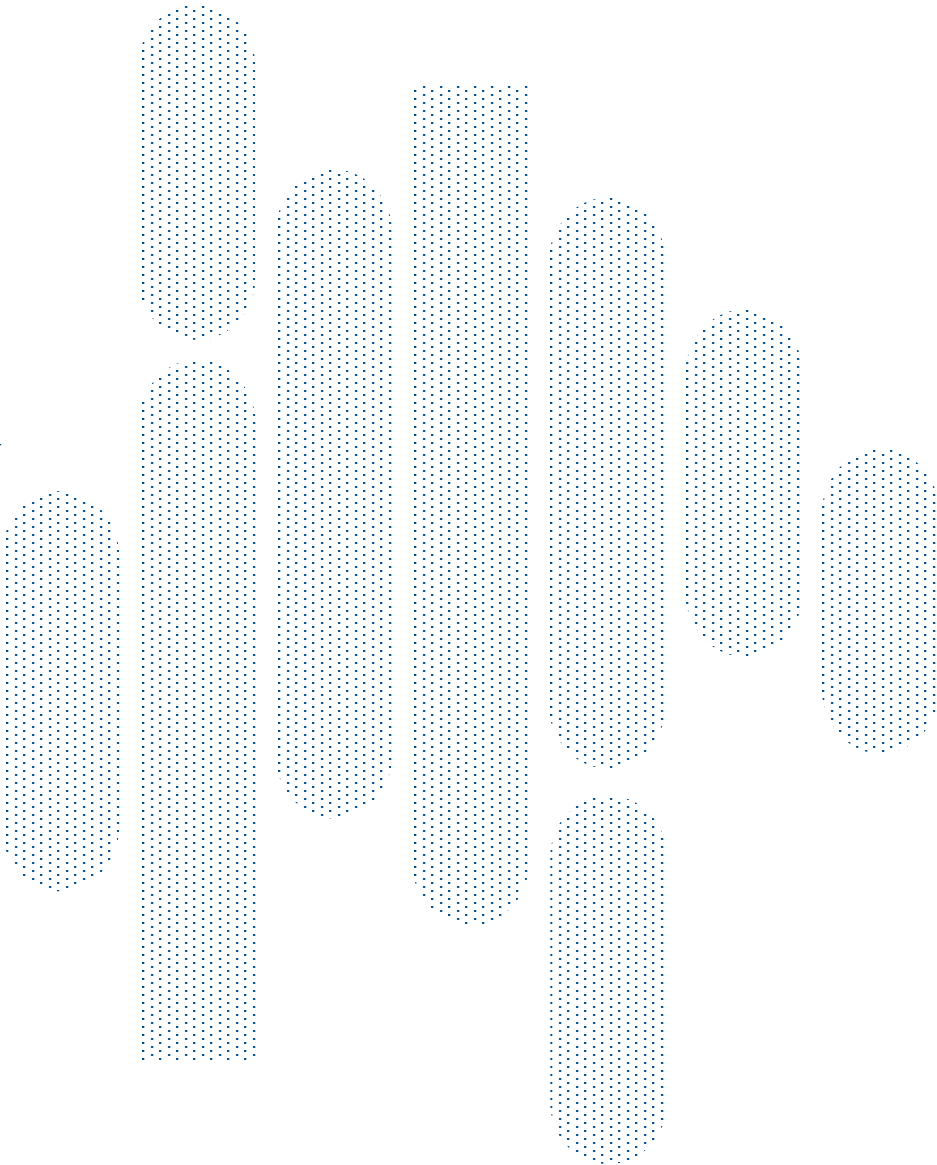
World of Dance 2024



Filming Event in July 2024

Total: \$22,536

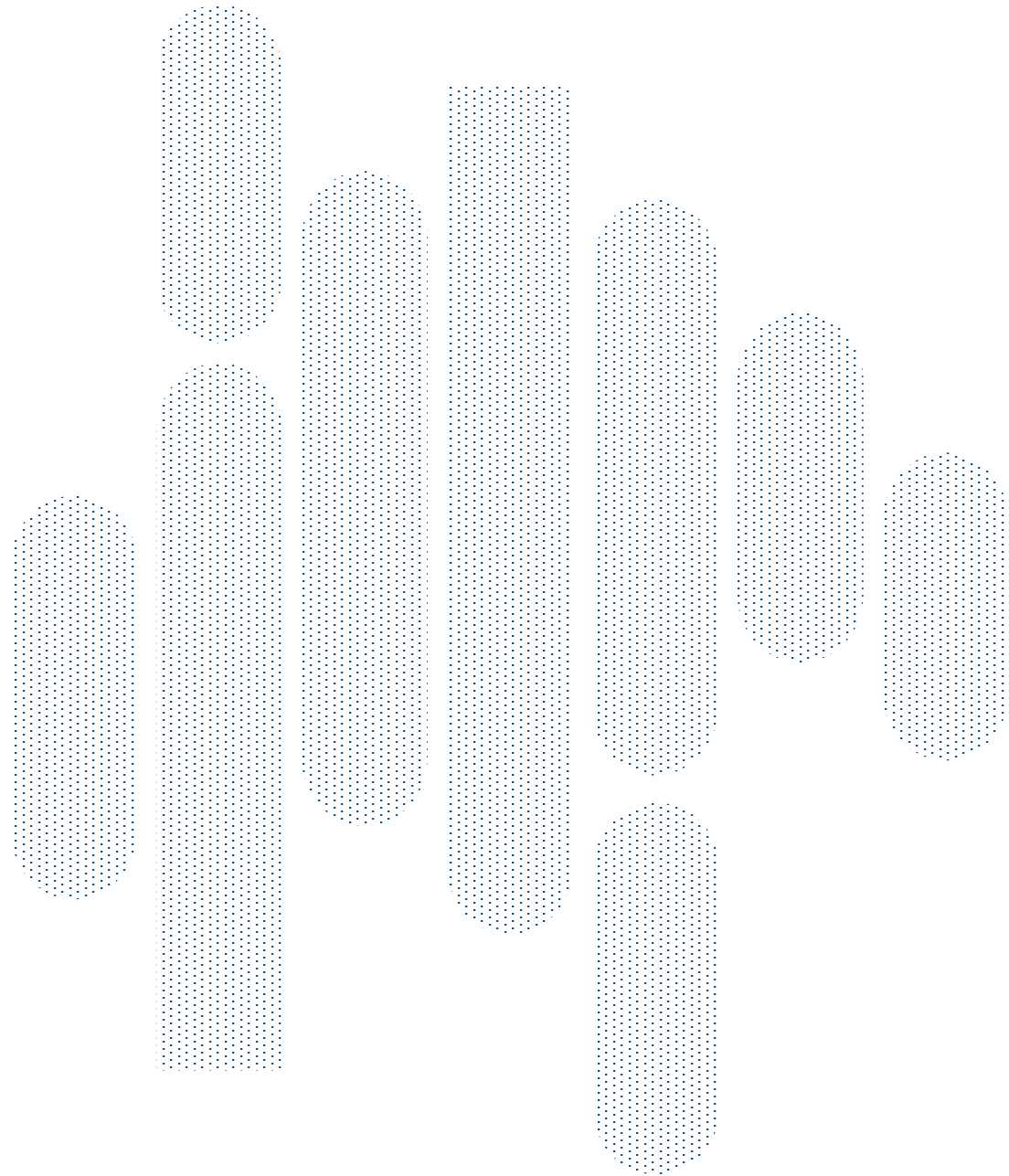
Name	Production Company	Space	Amount
July 10 – 12	Always Smiling Productions, LLC	Kentia Hall	\$22,536



Sales Activity

14 Events Licensed in July 2024

- Assemblies: 1
- Consumer Shows: 8
- Citywides: 1
- Meetings: 4
- Tradeshows: 0

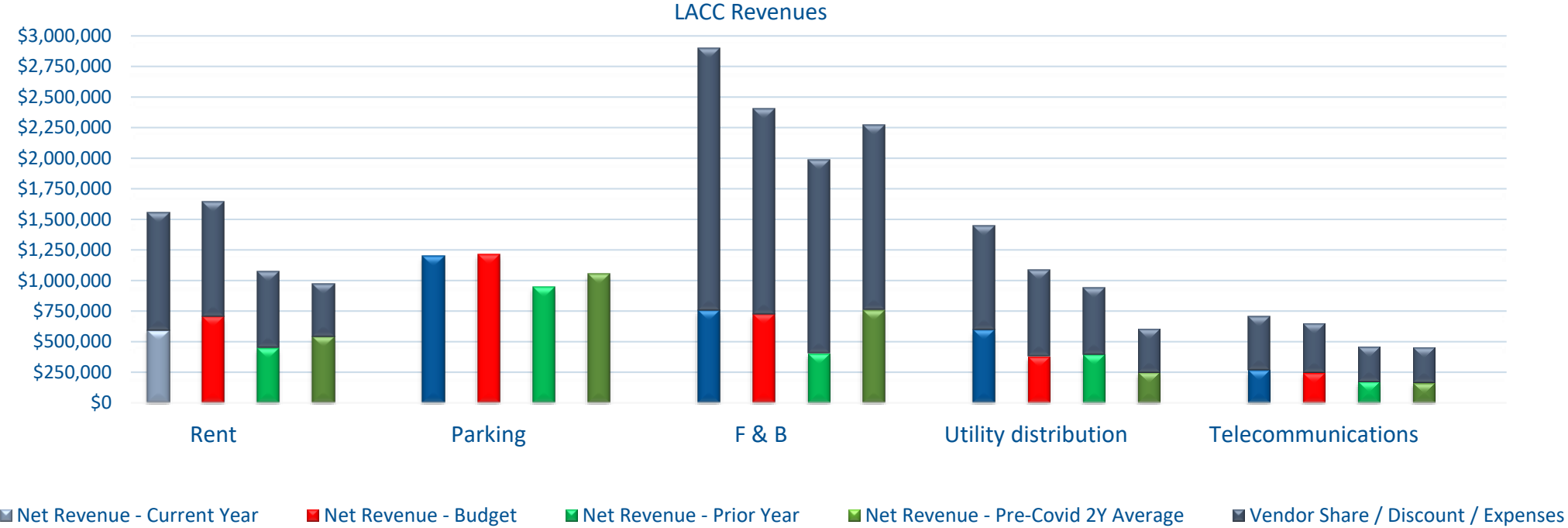


Operating Surplus (loss):

- \$1.4 million (before approved City Reimbursements, A & I and Capital Projects)
- \$0.9 million above budget
- \$0.7 million above prior year and \$0.8 million above Pre-Covid 2Y average

Revenues:

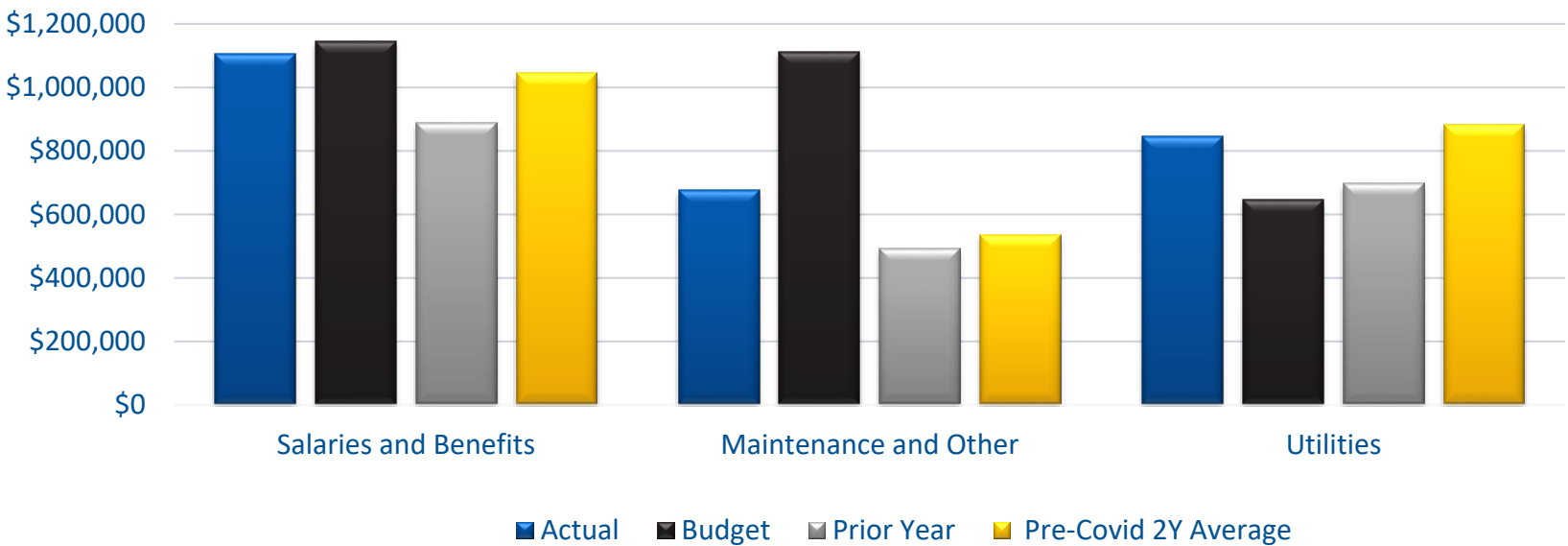
- \$8.6 million gross revenue (before discounts and service provider share)
- \$4.0 million net revenue
- \$0.6 million above budget
- \$1.2 million above prior year and \$1.1M above Pre-Covid 2Y Average



Financials July 2024

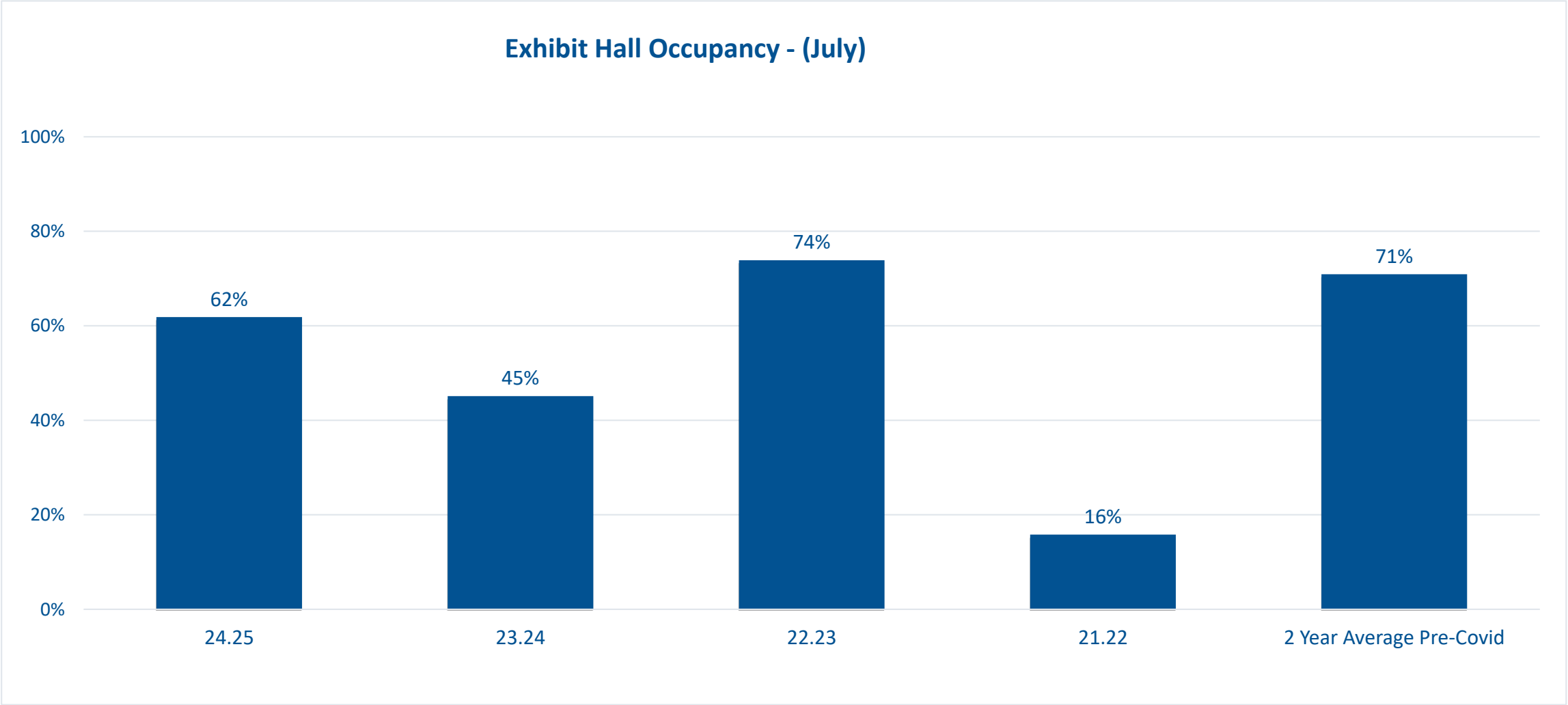
Operating Expenses:

- \$2.6 million (before approved A & I, Capital Projects, and City reimbursement)
- \$0.3 million below budget
- \$0.6 million above prior year and \$0.3 million above Pre-Covid 2Y Average

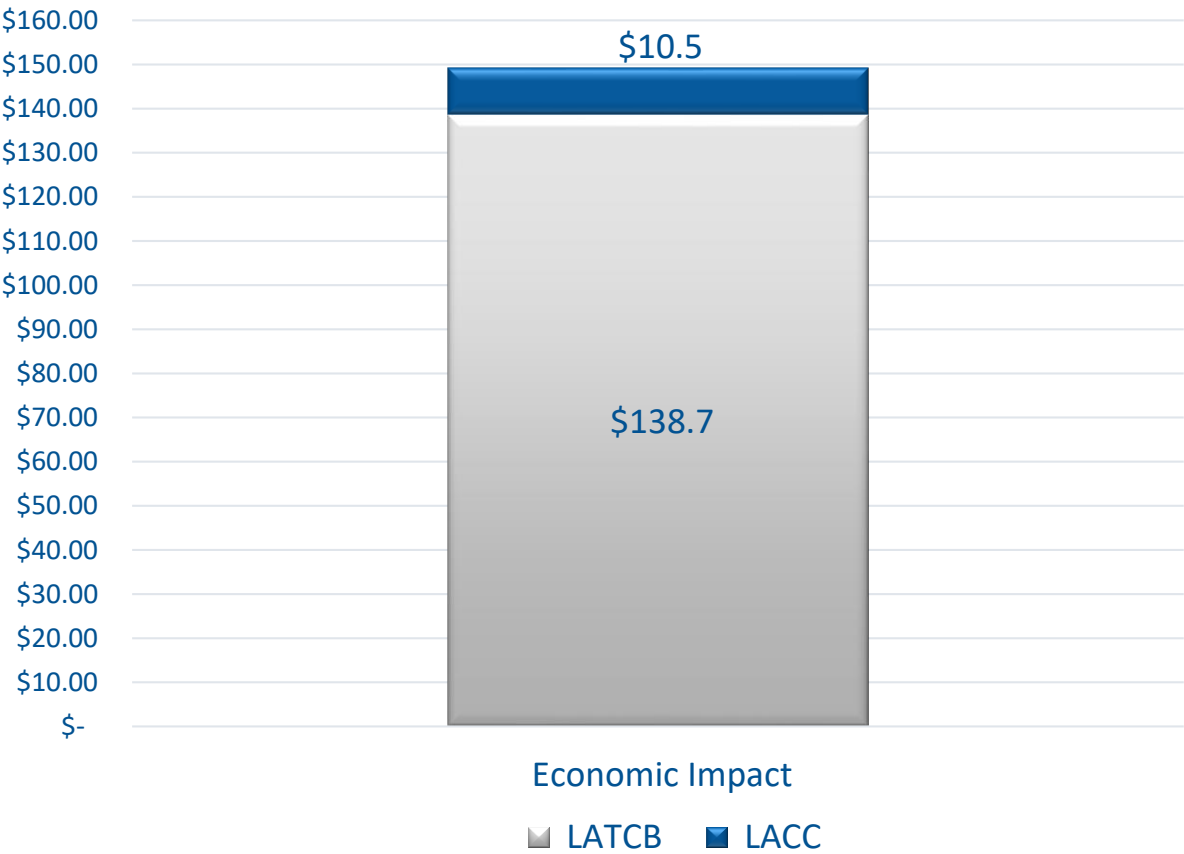


City Reimbursement – \$0.2 million (at budget)

Capital and Alterations & Improvements



\$149.2 million in Estimated Economic Impact





Los Angeles
CONVENTION
CENTER

THANK YOU



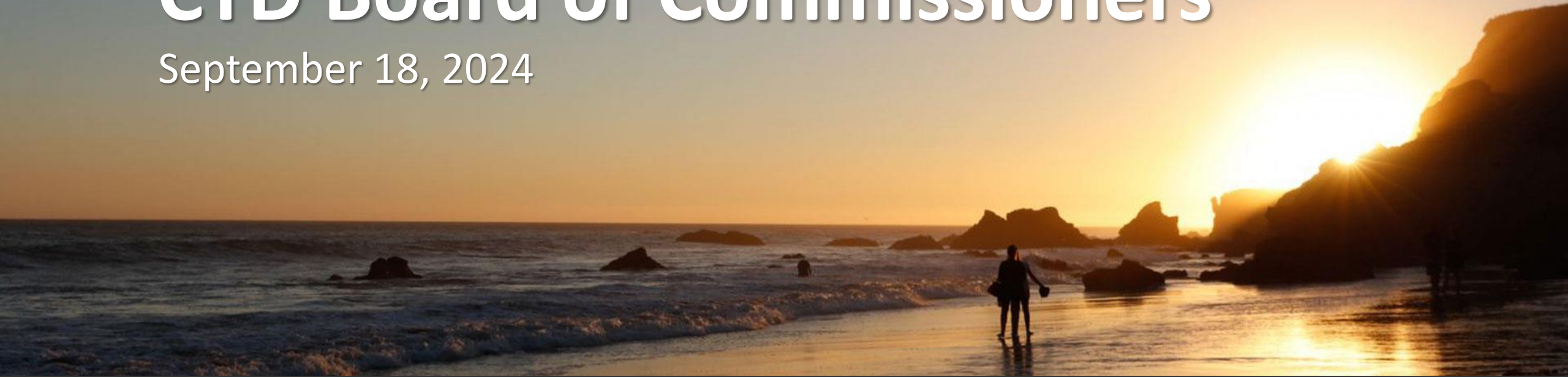
Item 4c

LATCB Update



CTD Board of Commissioners

September 18, 2024

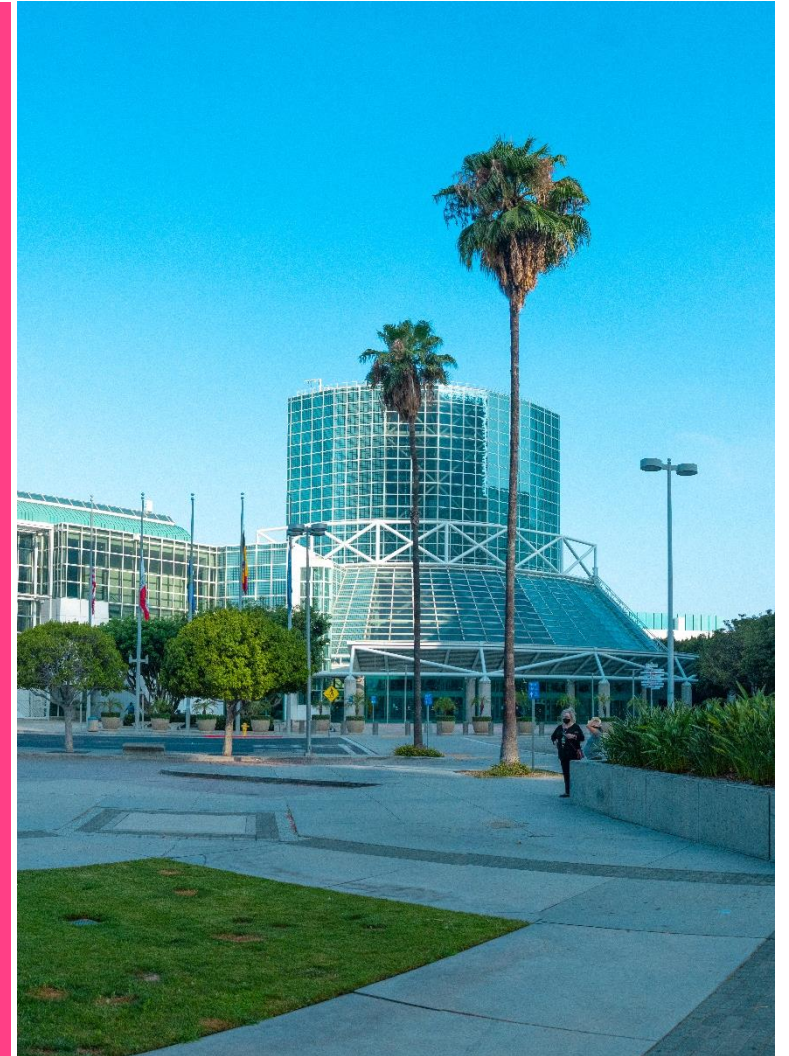


Los Angeles Tourism & Convention Board



Sales Update

Patti MacJennett
Chief Industry
Relations Officer



CITYWIDE CONVENTION SALES

Sales Production for FY 2025 through July

Data last refreshed 9/9/2024 11:02:44 PM

Calendar
Fiscal Year

Year
Latest Year

Month
July

Citywide

FY 2025 through July

Booked Room Nights	0% to ytd goal	0	57,144 ytd goal	303,257 annual goal
Bookings	0% to ytd goal	0	7 ytd goal	27 annual goal
Leads Produced	100% to ytd goal	12	12 ytd goal	146 annual goal



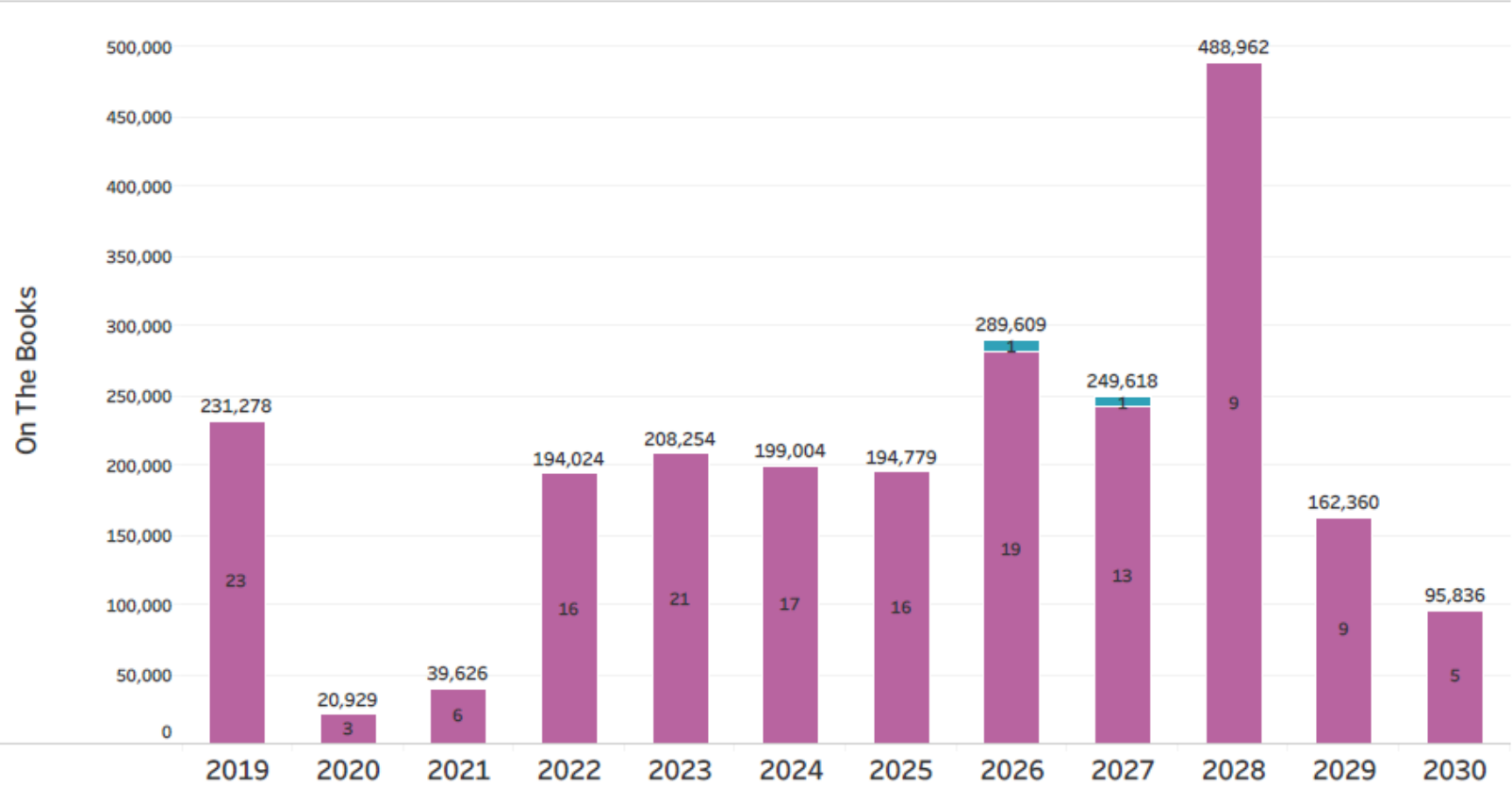
Citywide OTB by Arrival Year

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Selected Year
Latest Year

Citywide OTB Room Nights by Arrival Year

● Booked in FY 2025



OTB Meetings, Bookings in FY 2025 and Cancellations in FY 2025

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
OTB Meetings	23	3	6	16	21	17	16	20	14	9	9	5
Booked in Year	0	0	0	0	0	0	0	1	1	0	0	0
Cancelled in Year	0	0	0	0	0	0	0	0	0	1	0	0



Citywide Active Pipeline Summary

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Sales Type	Sales Manager	Peak Bucket	Corp or Assn	Vertical Market
Citywide	All	All	All	All

Leads

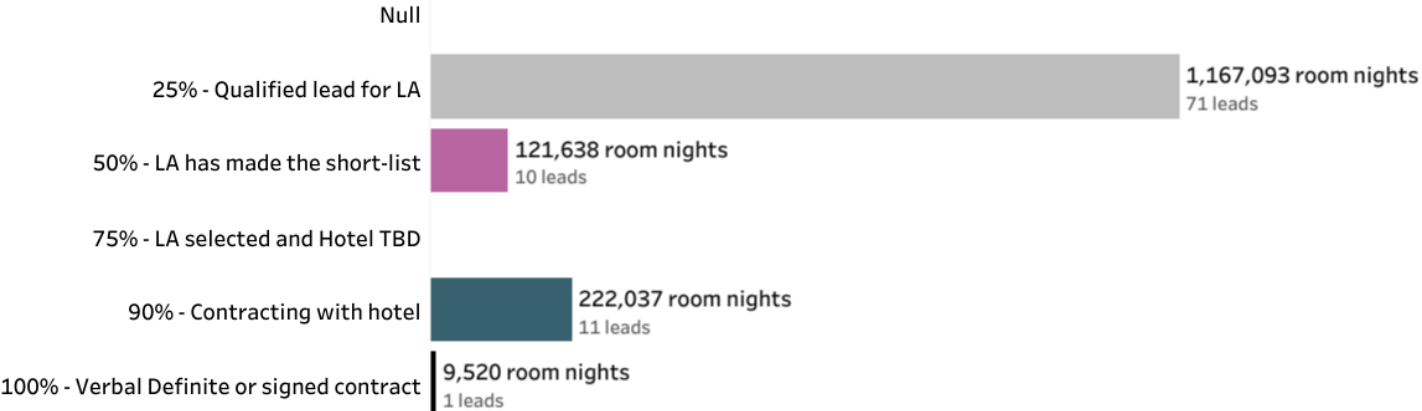
93

Lead Room Nights

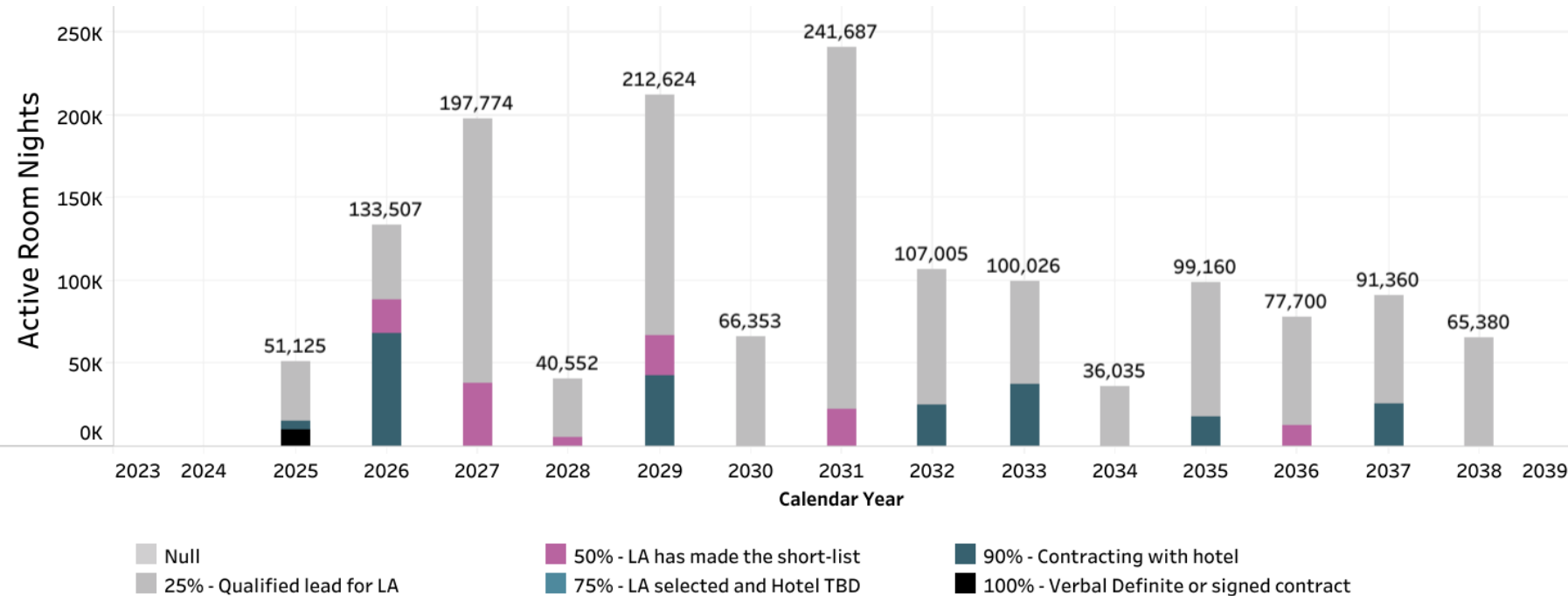
1,520,288

Attendees

1,322,334



Active Pipeline by Meeting Year



Production Comparison of FY 2025 through July

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Calendar
Fiscal Year

Year
Latest Year

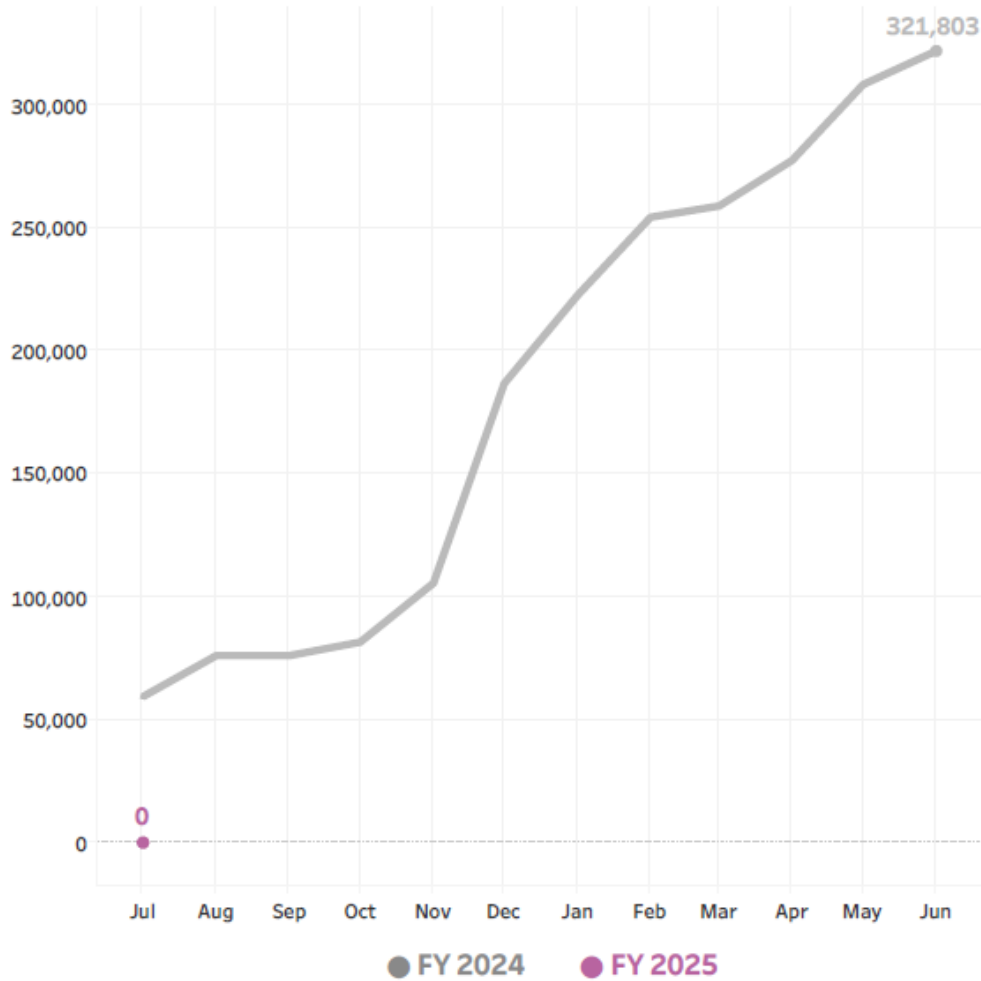
Comparison
Prior Year

Month
July

Citywide Booked Room Nights

FY 2025 through July

Booked Room Nights by Month



Key Metrics

	FY 2025
Bookings	0
Bookings YOY	-100%
Booked Room Nights	0
Booked Room Nights YOY	-100%
Attendees	
Attendees YOY	



Production Comparison of FY 2025 through July

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Calendar
Fiscal Year

Year
Latest Year

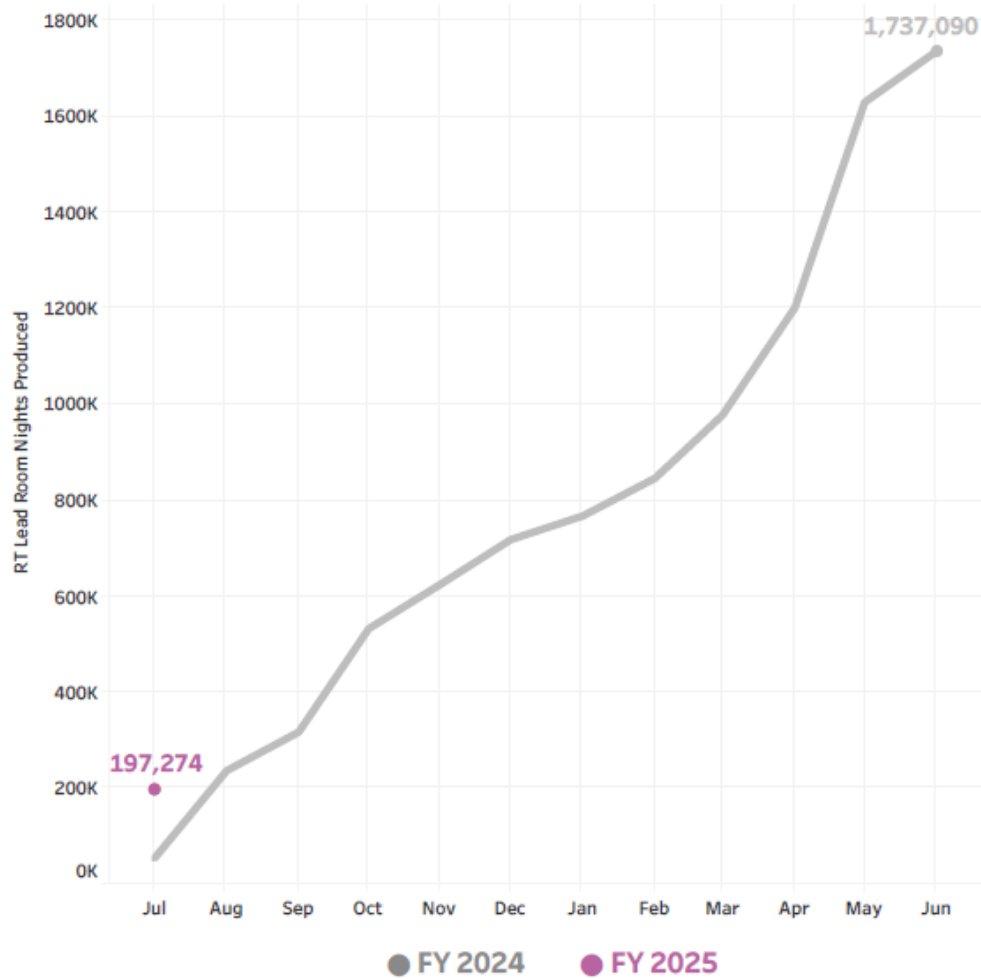
Comparison
Prior Year

Month
July

Citywide Lead Production

FY 2025 through July

Lead Production by Month



Key Metrics

	FY 2025
Leads Produced	12
Leads Produced YOY	71%
Lead Room Nights Produced	197,274
Lead Room Nights Produced YOY	272%
Attendees	86,650
Attendees YOY	60%





Market Outlook Forum



THANK YOU CTD FOR MAYOR'S WELCOME



**FUTURE
PRESENTATIONS:
MARKETING
CAMPAIGN FALL &
SPRING**

**NOW
PLAYING**

Item 5a

Expansion Update



Item 6a

Proposed Appendix E for Fiscal Year 2024-25
to the Agreement between CTD and LATCB –
Board Report #24-004



OVERVIEW OF 2024-25 APPENDIX E

LOS ANGELES TOURISM & CONVENTION BOARD

CONTRACT

BOARD OF CITY TOURISM COMMISSIONERS
SEPTEMBER 18, 2024



LATCB BACKGROUND

Los Angeles Tourism & Convention Board (LATCB)

- First contracted with the City of Los Angeles (City) in 1976
- City Tourism Department's (CTD) governance gives oversight of LATCB contract to CTD
- Current contract term through June 30, 2030

Services Provided

- To book and assist in licensing the Los Angeles Convention Center (LACC)
- To book meetings and conventions in hotels
- To promote Los Angeles in domestic and international markets

Constituents

- LACC, City of Los Angeles
- Hoteliers
- Hospitality and tourism industry partners
- Customers (meeting planners, travel industry, visitors)
- Consumer and travel trade media

LATCB FUNCTIONAL OVERVIEW

SALES & SERVICES

MARKETING

**INDUSTRY
RELATIONS &
MEMBERSHIP**

**BUSINESS
OPERATIONS**

**CITYWIDE
CONVENTION SALES**

**BRAND & DIGITAL
MARKETING**

MEMBERSHIP

**FINANCE &
ACCOUNTING**

HOTEL SALES

**GLOBAL
COMMUNICATIONS**

BOARD GOVERNANCE

HUMAN RESOURCES

**CLIENT &
DESTINATION SERVICES**

**GLOBAL TOURISM
DEVELOPMENT**

INDUSTRY RELATIONS

**TECHNOLOGY
SOLUTIONS**

**OPERATIONS &
MARKETING**

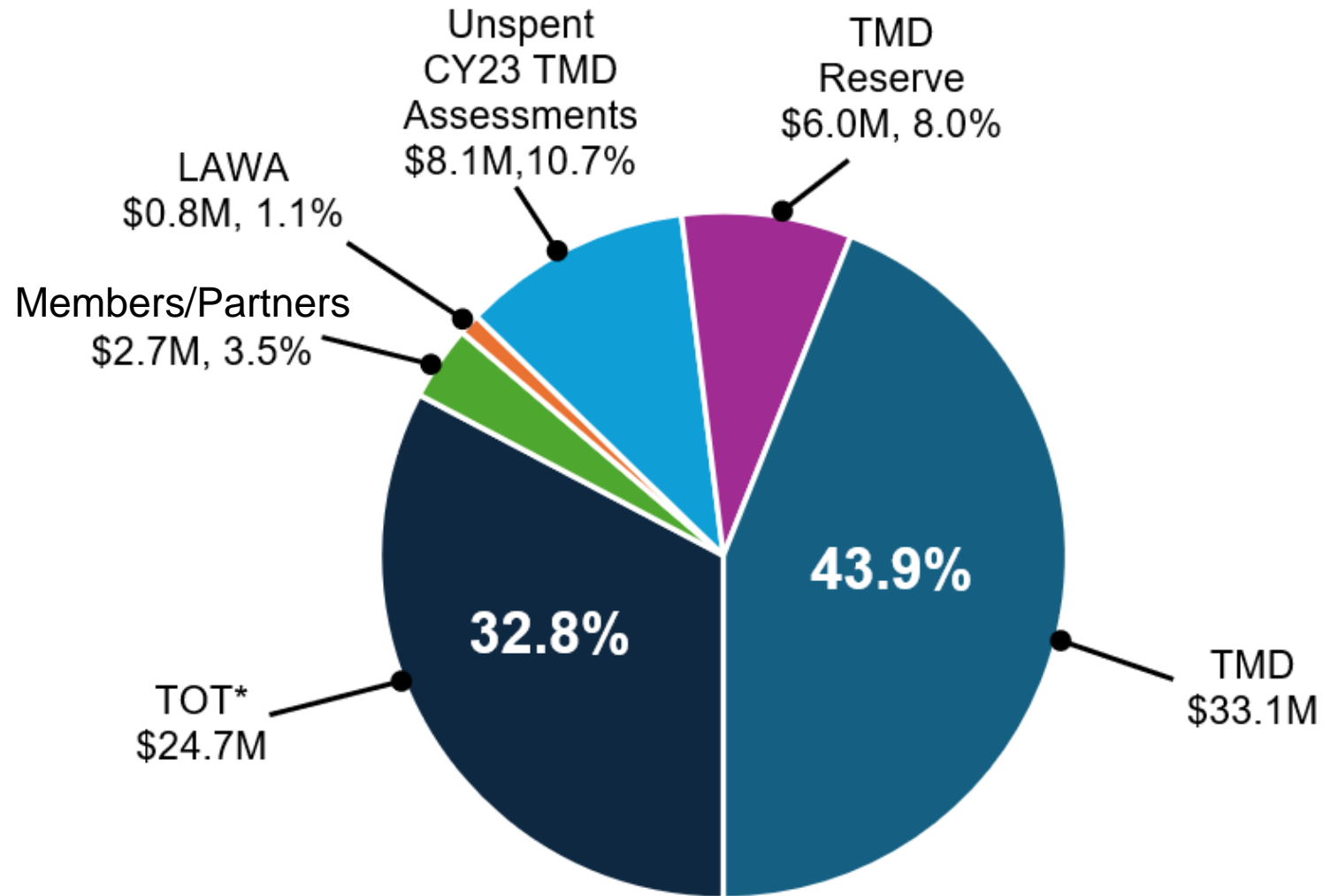
PRODUCT MARKETING

**CONTRACT
MANAGEMENT**

**BUSINESS
INTELLIGENCE**

LATCB RESOURCES FY 2024-25

Source: LATCB Budget, as of August 2024



TOTAL BUDGET = \$75.4M

*Gross collections less City Services

TOT FUNDS FOR LATCB CONTRACT

14% hotel/transient occupancy tax (TOT) collected by hotel/motel operators and short-term rentals and remitted to the City

- 1 percentage point - Los Angeles Tourism & Convention Board
- 13 percentage points - City's General Fund (GF)
 - 1 percentage point - Department of Cultural Affairs
 - 3.5 percentage points – was allocated towards LACC Debt Service

NET TOT ALLOCATION TO LATCB			
Actual 2021-22	Actual 2022-23	Actual 2023-24	LATCB Adopted Budget 2024-25
\$18,071,000	\$23,444,000	\$23,505,000	\$25,638,000

PRIMARY GOAL OF LATCB CONTRACT

- **To grow the local economy by promoting the City as a premier destination globally.**
- Four core objectives outlined in Appendix E to assist with achieving this goal.

CORE OBJECTIVES

1. Increase number of people visiting LA as both a convention and tourist destination to increase economic benefits derived from out-of-town visitors to the City;
2. Measure economic impact from citywide conventions and the tourism and hospitality sector;
3. Facilitate and track engagement with those visiting LA for conventions and leisure travel to enhance visitor experience with the intent of encouraging repeat visitation and longer stays; and
4. Effectively leverage TOT funds with other sources of funds to promote conventions and tourism to maximize yield from City's investment.

FISCAL YEAR 2024-25 CONDITIONS

- Increased domestic and global competition for leisure and group travel
- Factors impacting pace of international recovery
- Softening domestic sentiment/demand
- Challenges faced by Los Angeles and other major urban destinations
- Momentum from Olympic and Paralympic Games leading to 2028
- LACC Expansion & Modernization

FISCAL YEAR 2024-25 PRIORITIES

- Major Fall 2024 and Spring 2025 marketing campaigns
 - Target key domestic and international markets to balance high yield/high volume
 - Leverage partnerships with BrandUSA and Visit California
- Strategic use of booking incentives and other tools to drive short-term business and build awareness
- Focus on strengthening data-driven reporting with robust Business Intelligence program in order to inform strategies

METRICS HIGHLIGHTS

Objective 1: Increase the number of visitors to LA	FY 2022-23 Actual	FY 2023-24 Forecast	FY 2023-24 Actual	FY 2024-25 Forecast
Total visitors to LA County	47.8 M	50.8 M	49.9 M	51.1 M
Total overnight domestic visitors	24.8 M	26.0 M	25.4 M	25.5 M
Total international visitors	5.1 M	6.5 M	6.4 M	7.2 M
Citywide/center events hosted at the LACC				
Number of events	20	15	15	21
Reported number of delegates	376,525	201,000	233,064	270,000
Total number of room nights	163,689	160,000	155,230	201,000

METRICS HIGHLIGHTS

Objective 2: Measure the economic impact of citywide conventions and tourism	FY 2022-23 Actual	FY 2023-24 Forecast	FY 2023-24 Actual	FY 2024-25 Forecast
City of LA TOT revenue to General Fund	\$310.0 M	\$342.4 M	\$316.0 M	\$342.8 M
Number of room nights sold (LA County)	29.8 M	31.1 M	30.1 M	30.4 M
Hotel average daily rate (LA County)	\$201.31	\$204.80	\$195.46	\$197.58
Visitor direct spending	\$24.1 B	\$28.1 B	\$27.4 B	\$29.4 B
Leisure and hospitality sector jobs	533,535	512,400	538,992	547,077

RECOMMENDATION

The Board of City Tourism Commissioners approve the proposed Appendix E for Fiscal Year 2024-25 to the Agreement between the City Tourism Department and the Los Angeles Tourism & Convention Board.