

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

Regular Meeting Minutes
September 4, 2019

The Board of Los Angeles Convention and Tourism Development Commission (Board) convened a regular meeting on Wednesday, September 4, 2019 at 9:00 a.m. at the Los Angeles Convention Center (LACC), located at 1201 S. Figueroa Street, Los Angeles, CA 90015, in the Executive Board Room.

PRESENT:

President, Jon F. Vein
Vice President, Otto Padron
Commissioner Noel Hyun Minor (*arrived at 9:13 am)
Commissioner David Stone

ABSENT:

Commissioner Bricia Lopez

PRESENTERS:

Ellen Schwartz, AEG
Ben Zarhoud, AEG
Doane Liu, CTD
Darren Green, LATCB
Wendy Kheel, LATCB

Item 1. Call to Order / Roll Call

President Vein called the meeting to order at 9:02 a.m.

Item 2a. Public Comment

None

Item 2b. Neighborhood Council

None

Item 3. Approval of the regular meeting minutes from August 7, 2019

UNANIMOUSLY APPROVED

Item 4a. Executive Director Report

Mr. Doane Liu provided an overview of his activities since the last Board meeting, which included: meetings with Mayor's Cabinet, Deputy Mayor Chun, LATCB and AEG with President Vein, Global LA Steering Committee, Tourism Master Plan Steering Committee; attending the LATCB Market Outlook Forum; and meetings with MLB to discuss All Star Week and Play Ball Park.

Item 4b. AEG Monthly Update – July

Ms. Ellen Schwartz reported that LACC had hosted nine events, three of which were citywide events, resulting in over 463,850 attendees, noting SIGGRAPH had record breaking attendance. In addition, LACC hosted one filming. Mr. Ben Zarhoud, presented the financial data for July, reporting \$6.14M in gross revenue, 59% of which was generated by parking and F&B, and \$1.3M in operating expenses, \$1M of which was salaries and \$253,000 was utilities which was above prior year and driving expenses up. Mr. Zarhoud reported a 75% occupancy rate, which is consistent with prior years. Mr. Zarhoud also reported \$83M in economic impact, \$80.9M from citywide events, \$54M was from Anime and \$2.3M from short term business. Mr. Zarhoud also presented year-end financial data: \$8.3M in operating surplus; \$32.6M in revenue, down from prior year; \$24.3M in operating expenses, above prior year due to increased utility costs; \$683M in economic impact, down from prior years; 63% occupancy, down from prior years; and the addition of \$1M to the reserve which is now \$9.1M.

Item 4c. LATCB Monthly Update – July

Mr. Darren Green reported that LATCB processed 30 leads YTD, resulting in 86,166 room nights, with a year-end goals of 220 leads and projected 390,000 room nights, noting 64,273 room nights were recently booked for future years. Mr. Green noted that while only 23 events are booked for 2020, this resulted in over 300,000 room nights which is the best year in past and future years. Mr. Green reported on recent bookings. Mr. Green introduced Evelyn Taylor Carrion, Citywide Communications Director. Mr. Green provided a highlight video of the 2019 Market Outlook Forum. Ms. Wendy Kheel presented information on hotel softness in Los Angeles, reporting that a decline in hotel occupancy and attraction attendance with an increase in supply of inventory is resulting in hotels and home sharing companies lowering rates, reducing transit occupancy tax paid to the City. Ms. Kheel reported that fewer and smaller citywide events, a reduction in inbound international and business flights and a higher dollar value are driving the decline. Ms. Kheel reported that the strength of domestic leisure travel is the only bright spot.

Item 5. Discussion

None

Item 6. Action Items

None

ADJOURNMENT

The meeting was adjourned at 10:01 a.m.