

GREATER RICHMOND CONVENTION CENTER AUTHORITY
ANNUAL MEETING
January 20, 2023
Greater Richmond Convention Center
Administrative Offices
401 N. 3rd Street, Richmond, VA 23219
10:00 a.m.

Dr. Joe Casey, Chairman, called the Greater Richmond Convention Center Authority Annual Meeting to order at 10:00 a.m. A quorum was present. Dr. Casey noted that the Greater Richmond Convention Center Authority will celebrate its 25th anniversary. Dr. Casey gave some brief history and thanked those who were instrumental in creating the Authority 25 years ago.

APPROVAL OF MINUTES

The Authority reviewed the minutes from the November 29th meeting. A motion was made by Ms. Nancy Thomas, which motion was seconded by Mr. John Vithoukaskas. **The Board approved the motion by the following vote:**

Ayes:	Budesky, Casey, Saunders, Thomas, Vithoukaskas
Nays:	None
Absent:	None

ELECTION OF OFFICERS

Mr. John Budesky made a motion to nominate the following slate of officers for 2023. The motion was seconded by Ms. Nancy Thomas:

Chairman – Mr. Lincoln Saunders
Vice-Chair – Mr. John Vithoukaskas
Secretary/Treasurer – Ms. Nancy Thomas

The Board approved the motion by the following vote:

Ayes:	Budesky, Casey, Saunders, Thomas, Vithoukaskas
Nays:	None
Absent:	None

REPORTS OF COMMITTEES

Finance

Mr. Brandon Hinton, chair of the Finance Committee, reported on the lodging tax collections for FY23. Hotel tax remittances are greater than budget by \$4,033,610 or 27.2% and are greater than prior year's collections by \$3,470,257 or 22.5%. Jurisdiction results compared to prior year: Region 22.5%, Chesterfield 3.7%, Hanover 3.7%, Henrico 16.9%, and Richmond 52.3%.

Legal

Mr. Brennen Keene, legal counsel, stated that he has no report but that there would be a closed session at the end of the agenda.

OVC360

Mr. Michael Meyers, General Manager, reported that there is still no news on the sales tax assessment appeal. In December, during the cold spell near Christmas, approximately 5 pipes froze resulting in damages around \$35,000. Staff is currently working with Chesterfield's risk

management team regarding the insurance claim. Several fraudulent checks with fraudulent bank accounts passed through the facility and staff is working with Wells Fargo on an investigation and the potential to recover the funds. The Finance Committee and Chesterfield County's Finance team were consulted on the implementation of fraud services for GRCCA's bank accounts, and those recommendations are being implemented. Mr. Meyers reported that the Jehovah's Witness conventions will not be coming back to the Greater Richmond Convention Center which will hurt the Center's FY24 budget more than normal due to \$85,000 in funding that had been secured from the Commonwealth to offset the license fee discounts granted by the Authority. The good news is that the JW events will stay in the region so GRCCA will continue to benefit from the economic activity generated by them and approximately \$150,000 in incentives offered to the group by RRT will no longer be needed and can be used to secure additional events for the Center. For November there were 17 groups in the building with a budget of 17. Attendance was up over 6,000 for the month. Groups included a cheer event and a Lego event. Revenue was up over \$84,000 and expenses were down. Overall, the finances for November were good and under budget by \$177,000. For December, 23 events were held vs. a budget of 30. Attendance was 20,000 for the month and revenue was under budget as were expenses. For the month \$97,000 under budget and over \$1million under budget for the fiscal year mostly due to staff vacancies.

Mr. Meyers reported that the facility still struggles with staffing issues and that Bobby O'Brien, Events Manager, has resigned to accept another position that does not require nights and weekends. Recently, a sales coordinator was due to start but declined the day before indicating she had accepted another position.

Aramark

Mr. Blaine Scalard, General Manager for Aramark, reported on activity for November which was slower and did not include a Marine dinner. Sales were \$251,000, which is \$45,000 less than budget. Groups included a cheer and dance event, Virginia Classical League, an architect group, Virginia Theatre Association, VACO and a few other groups. Cost of sales for the month was above budget and payroll was 7% over budget. Overall, for November, profit was \$46,000. December was a struggle with sales being normal. Holiday parties have not returned. Groups included Valor Awards, Virginia Chamber Economic Forum, Mid Atlantic Asphalt, Cheer/dance group, Virginia Retirement System. Cost of sales was down 3% and overall 31% above budget. For the fiscal year, Sales is at \$242,000 and profit is up \$31,000. Labor struggles continue and the Director of Catering Sales, Richard Moseley was promoted to the Capital One Arena in Washington, DC. A new local person has been hired to fill the vacancy but overall, the culinary department is struggling with a shortage of two culinary managers and only one executive chef.

Richmond Region Tourism

Mr. Jack Berry, President & CEO, reviewed the Smith Travel summary for the region for December which includes the entire 2022 calendar year. Rates in 2022 have increased and occupancy is regaining. Business travel and government travel are slow to return but overall it was a good year. Mr. Berry distributed a page from the 1999 CH Feasibility Study showing a summary of occupancy tax projections for future years. Mr. Berry added actual totals for 2019, 2020, 2021 and 2022 which demonstrated the accuracy of the feasibility study from 1999.

A new GRCCA micro site has been established which outlines the Authority's meeting dates and houses documents such as meeting agendas, minutes and other public documents.

Katherine O'Donnell, Executive Vice President, reported that the Tourism Improvement District has met the petition requirements and is entering the ordinance and resolution phase of the project. All petitions have been delivered to the attorneys for the jurisdictions and resolutions are expected

to be passed in February, public hearings in March and ordinances passed in April. Collections will begin in July. Colonial Heights will be further behind the process while waiting for one remaining hotel to open later in the spring. A governing sub-committee of RRT's board is being formed to govern the TID and will consist of a minimum 9 hoteliers representing varying sizes and all jurisdictions.

CLOSED SESSION
GREATER RICHMOND CONVENTION CENTER AUTHORITY
General Meeting
20 January 2023

Pursuant to Sections 2.2-3711(A)(3), (5), and (6), and Section 2.2-3712 of The Virginia Freedom of Information Act (Code of Virginia Section 2.2-3700 *et. seq.*), I move that the Board go into closed session to consult with legal counsel and staff for the following purposes:

- (1) Consultation with legal counsel and staff regarding the possible acquisition or disposition of real property;
- (2) Consultation with legal counsel and staff regarding a prospective business or industry; and
- (3) Consultation with legal counsel and staff regarding the potential investment of public funds where competition or bargaining may be involved.

Motion -- Mr. Budesky

Second – Ms. Thomas

Vote:

	<u>Ayes</u>	<u>Nays</u>
John A. Budesky	<u>X</u>	_____
Joseph P. Casey	<u>X</u>	_____
Lincoln Saunders	<u>X</u>	_____
Nancy C. Thomas	<u>X</u>	_____
John A. Vithoukas	<u>X</u>	_____

Absent during session: None

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Board of Commissioners (the “Board”) for the Greater Richmond Convention Center Authority (the “Authority”) convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed, or considered by the Authority.

The following roll call vote was taken:

Vote:

	<u>Ayes</u>	<u>Nays</u>
John A. Budesky	<u>X</u>	_____
Joseph P. Casey	<u>X</u>	_____
Lincoln Saunders	<u>X</u>	_____
Nancy C. Thomas	<u>X</u>	_____
John A. Vitoulkas	<u>X</u>	_____

Absent during session: None

RESOLUTION OF GREATER RICHMOND CENTER CONVENTION AUTHORITY
REGARDING A JOINT SOLICITATION WITH THE CITY OF RICHMOND ECONOMIC
DEVELOPMENT AUTHORITY OF A REQUEST FOR OFFERS FOR THE CITY CENTER
REDEVELOPMENT

WHEREAS, the Greater Richmond Convention Center Authority (the “Authority”) Board of Commissioners (the “Board”) is responsible for oversight of the ownership, management and operations of the Greater Richmond Convention Center (the “Convention Center”); and

WHEREAS, pursuant to an authorization made by the Board as outlined in that “Resolution of the Greater Richmond Convention Center Authority Regarding a Joint Solicitation with the City of Richmond Economic Development Authority of a Request for Offers for the City Center Development” dated October 5, 2022 (the “RFI Resolution”), the Board authorized then-chair Dr. Joseph Casey to approve a joint solicitation with the City of Richmond Economic Development Authority (the “Richmond EDA”) of a Request for Interest for the City Center Development (the “RFI”), as such solicitation and development is further described in the RFI Resolution; and

WHEREAS, Dr. Casey approved a final version of the RFI, and the Authority and the Richmond EDA issued the RFI on November 3, 2022; and

WHEREAS, an evaluation panel (the “Panel”) was appointed to review responses to the RFI, which Panel includes representatives from the City of Richmond and from the Authority; and

WHEREAS, the Panel received responses from five development groups (the “Respondents”); and

WHEREAS, the Panel has evaluated the submissions from the Respondents for the purpose of identifying which of the Respondents will be asked to submit a detailed offer for the City Center Development (a “Request for Offer” or “RFO”); and

WHEREAS, upon completion of its review, the Panel will recommend to the Authority and the Richmond EDA which Respondents will be asked to submit a Request for Offer; and

WHEREAS, before RFOs can be submitted to Respondents, the Board and the Richmond EDA will need to approve the final list of Respondents selected to receive a Request for Offer.

NOW, THEREFORE, BE IT RESOLVED BY THE GREATER RICHMOND CONVENTION CENTER AUTHORITY AS FOLLOWS:

1. Subject to the terms contained in this resolution, the Board authorizes and directs the Chair of the Board (i) to review the Panel’s recommendations for which Respondents should receive an RFO, (ii) if the Chair deems it necessary, to consult with the Finance Committee and legal counsel as part of the Chair’s review of those recommendation, (iii) to confirm that selection of the Respondents to receive RFOs align with the Authority’s strategic objectives as set forth by the Board as further described in the RFI Resolution, (iv) to confirm to the Richmond EDA that the Authority is satisfied with the Panel’s recommendation to submit RFOs to the selected Respondents, and (v) to take any other actions necessary and consistent with this resolution. Notwithstanding the foregoing, the Chair of the Board may elect to delegate the authorizations contained in this paragraph 1 to the Board’s Vice Chair by providing notice to the Board of such election, and thereafter the Vice Chair shall be authorized to perform the tasks described in the first sentence of this paragraph.

2. This resolution shall take effect immediately upon adoption.

ADOPTED the 20th day of January, 2023.

NEW BUSINESS

There being no further business to discuss, the meeting adjourned at 10:45 a.m. The next meeting will be held on Friday, March 17, 2023 at 10:00 a.m.