

GREATER RICHMOND CONVENTION CENTER AUTHORITY
MEETING
July 15, 2022
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 Meeting to order at 10:05 a.m. A quorum was present.

APPROVAL OF MINUTES

The Authority reviewed the minutes from the May 26, 2022 meeting. A motion was made by Mr. John Budesky, which motion was seconded by Ms. Nancy Thomas. **The Board approved the motion by the following vote:**

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

REPORTS OF COMMITTEES

Finance

Mr. Brandon Hinton, chair of the Finance Committee, reported that the past fiscal year has been the best year of lodging tax collections, beating FY19 by almost 3%. For FY 2022, hotel tax remittances were greater than budget by \$9,642,571 or 45.5% and were greater than prior year's collections by \$12,750,335 or 70.6%. Jurisdiction results compared to FY2019 (pre-COVID): Region 2.7%, Chesterfield 15.6%, Hanover 15.9%, Henrico 5.8% and Richmond (12.1%). Chairman Casey requested that Richmond Region Tourism work with the Finance Committee to release a press release regarding the successful year.

The Finance Committee is looking for approval of the first distribution of the hotel tax rebate to the counties in the amount of \$5,727,193.72. This is in accordance with the Interlocal Agreement, an amount equal to 25% of the aggregate amount of tax payments made by jurisdictions whose tax payments exceeded their allocated share of the Authority's annual costs. The schedule of 2% rebate to localities based on FY22 lodging taxes was reviewed and Mr. John Budesky made a motion to approve the rebate schedule. The motion was seconded by Mr. John Vithoulkas. **The Board approved the motion by the following vote:**

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

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.

Spectra Venue Management

Mr. Michael Meyers, General Manager for Spectra Venue Management, introduced Mr. Tom Uphold, the new Director of Sales & Marketing. Mr. Uphold is from Memphis, TN. Mr. Bryan Panhorst, Director of Event Services, was also acknowledged and appreciated as he was interim for more than a year while we had the vacancy in sales. Mr. Meyers reported that the sales tax audit appeal is ongoing and there is no new information to report other than the current tax commission is from the past administration and is familiar with our appeal.

The new uniforms for the Greater Richmond Convention Center staff were shown to the Authority members and Mr. Meyers stated that departments will represent different colors with the uniforms. Some new promotional items were also shared with the Authority members.

Mr. Meyers reported that Spotsylvania County has a new Convention Center and resort that is located on I-95 in Thornburg. The 900 room hotel will be competition to our facility. It was also reported that for the first time in a long time, the building has a positive gain of full-time staff in place.

For May, 34 events were held vs. a budget of 25. Attendance was down 44,000 vs. 67,000 contributed by one Amway conference that did not take place. Revenue is ahead by \$2,950 and expenses were under budget for the month. For June, 17 events were held vs. 15. Attendance was down as the Jehovah's Witness Conference did not occur. June was a good month exceeding revenues by \$47,000. Expenses were over for the month, due to supplies being purchased at year end. Overall, for the fiscal year, 180 events were held vs. 184 budgeted. Attendance was down for the year, but revenue was up over \$310,000. Expenses were under budget. Mr. Meyers reported \$1.3 million ahead of budget for the fiscal year.

For FY23, there will be a 30% increase in business. The next three weeks will be very busy with a new basketball tournament and the Delta Sorority conference for 3,200 attendees.

Note: Mr. Lincoln Saunders arrived at 10:15 a.m.

The Authority inquired about the re-purpose of the old visitor center and gift shop space on the 1st floor and Ms. Katherine O'Donnell, Executive Vice President of Richmond Region Tourism, reported that the space will be outfitted to be similar to the Administrative Boardroom inside the old Gift Shop area and the space will be used for meeting space. There will be a new lounge area with casual seating for small meetings in the old theatre space. The area will be used to welcome motorcoaches. The signage inside and outside of the building will be updated to remove references to the Gift Shop and Visitor Center. Richmond Region Tourism will also investigate having the interstate signage for the Richmond Coliseum and Visitor Center removed.

Aramark

Mr. Blaine Scalard, General Manager for Aramark, reported on activity for May and June. For May, Sales were at \$175,000, which is \$6,700 more than budget. Groups such as Dance Educators, VCU, Virginia State Bar, YWCA Luncheon, Henrico Teacher's Dinner and the International Association of Operative Millers were among the groups utilizing the building. Cost of sales was down 4.3% and payroll was up 3% with profit for the month at \$26,000. June was a strong month with \$254,000 in Sales. Groups such as Volleyball, Chamber healthcare conference, Home Educators, Star City, VA Women Veterans conference, Richmond Public Schools, and an MMA Fighting group with 900 people utilized the building. Cost of sales for the month was 27% and payroll was 23% less than budget. Mr. Scalard reported that one freezer was lost, and supports were at \$32,000 due to repairs and maintenance and equipment issues in June. Fiscal year end sales were \$2,700,000 with a profit of \$270,000. The weeks ahead look positive with the Delta Sorority Conference for 3,000 people.

Richmond Region Tourism

Ms. Katherine O'Donnell, Executive Vice President, reported for Jack Berry who was out of town. Ms. O'Donnell announced that Nancy Bass, National Destination Sales Manager would be retiring from Richmond Region Tourism after 16 years on September 2nd. Nancy joined the RRT team in 2006 after working in hotels and private clubs for over 20 years. She served most of her tenure as

Convention Sales Manager and was promoted in August of 2017 to National Sales Manager. Nancy has traveled extensively promoting Richmond and brought hundreds of conventions to our region during her time at RRT. Some of the recent and upcoming conventions to highlight include: United States Association of Cider Makers 2022 CiderCon, National Main Street Center 2022 Main Street Now Conference, National Genealogical Society 2023 Family History Conference, and National Council on Education for Ceramic Arts 2024 Conference. It was Nancy's hard work and dedication that created a multiyear relationship with GalaxyCon back in 2019 that extends through 2024. The Authority thanked Ms. Bass for her dedication to RRT and to the Greater Richmond Convention Center.

Ms. O'Donnell reported that the culture at RRT is to promote from within where possible, therefore, it was announced that Mr. Jason Whitt will be promoted on August 1st to the National Destination Sales Manager position, previously held by Nancy. Jason has been with RRT for almost five years. During this time, he has proven himself as a dedicated Destination Sales Manager. He and Nancy Bass have the same market segments: Association, Corporate, and Hobby making the transition from single property to city-wide sales seamless for Jason and our clients. He has 20+ years of experience in the hospitality industry and is respected by our hotel partners. There will be an open house reception for Nancy on August 29th from 3-5pm at the Richmond Region Tourism office and all are welcome to attend.

Ms. O'Donnell announced that the market trends show that hotel recovery is strong in our region. While Occupancy was down a point in May over 2019, RevPAR was up by nearly \$7 per room. There were no fee waivers to present.

Mr. John Vithoulkas reported that all four jurisdictions are working together to create a local teen summit and he asked the Authority to consider being flexible and offering the Greater Richmond Convention Center as the space for the event. Mr. Vithoulkas made a motion to give the group a full fee waiver of space, which was seconded by Ms. Nancy Thomas. **The Board approved the motion by the following vote:**

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

Dr. Casey asked about inflation trends and hotel room rental rates and how inflation is affecting hotels. Ms. O'Donnell stated that she would report back to the Authority regarding this topic.

Ms. O'Donnell reported on the Tourism Improvement District (TID). To date, we have completed four in person hotel meetings at end of June. We received good feedback and gained consensus from key stakeholders and hotel owners. We held the Steering Committee meeting to refine the TID Governance Structure. The Steering Committee will be a subcommittee of the Richmond Region Tourism Board of Directors. The Steering committee will represent each jurisdiction and a variety of sized hotels. The next steps will be to finalize the district plan (legal plan) and work with the consultants at CIVITAS to socialize the plan with the jurisdictions over the summer. A brochure on the Tourism Improvement District was distributed.

An update on the Inspiration Campaign was given to the Authority. Out of the 17 intent to bids, RRT received 13 proposals, but one included a partnership of 5 agencies. The subcommittee met July 12th and narrowed the selection to 5 to bring forward to present to the full committee with jurisdictional representatives. Wire transfers have been received of the first half of the ARPA funds from all jurisdictions except for the City of Richmond. The Ordinance is on the agenda for City

Council’s July 25th meeting, per Jason May, director of budget. Ms. O’Donnell thanked Debbie Baicy and Loretta Otey for their help in getting the agreement written between the jurisdictions to allocate their tourism ARPA money to this project.

CLOSED SESSION
GREATER RICHMOND CONVENTION CENTER AUTHORITY
General Meeting
15 July 2022

Pursuant to Sections 2.2-3711(A)(3), (5), and (6), and Section 2.2-3712 of The Virginia Freedom of Information Act, 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 -- John Vithoukaskas
Second – John Budesky

	<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. Vithoukaskas	<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, 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:

	<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. Vithoulkas	<u>X</u>	_____

Absent during session: None

NEW BUSINESS

There being no further business to discuss, the meeting adjourned at 11:00 a.m. The next meeting will be held on Friday, September 16, 2022 at 10:00 a.m.