

**GREATER RICHMOND CONVENTION CENTER AUTHORITY**  
**MEETING**  
**July 21, 2023**  
**Greater Richmond Convention Center**  
**Administrative Offices**  
**401 N. 3<sup>rd</sup> Street, Richmond, VA 23219**  
**10:00 a.m.**

Mr. Lincoln Saunders, Chairman, called the Greater Richmond Convention Center Authority Annual Meeting to order at 10:00 a.m. A quorum was present.

**APPROVAL OF MINUTES**

The Authority reviewed the minutes from the May 19<sup>th</sup> 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:**

<b>Ayes:</b>	<b>Budesky, Casey, Saunders, Thomas, Vithoukas</b>
<b>Nays:</b>	<b>None</b>
<b>Absent:</b>	<b>None</b>

**REPORTS OF COMMITTEES**

Finance

Mr. Brandon Hinton, chair of the Finance Committee, reported on the lodging tax collections for FY23. Hotel tax remittances exceeded budget by \$6,667,889 or 23.2% and were greater than prior years collections by \$4,560,918 or 14.8%. Jurisdiction results compared to prior year collections are as follows: Chesterfield 6.5%, Hanover 3.0%, Henrico 10.5% and Richmond 32.0%.

Richmond Region Tourism has taken the lead in developing a press release regarding the record tax collections for the fiscal year. The Finance Committee is looking for approval of the first distribution of the hotel tax rebate to the counties in the amount of \$6,234,045.30. 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 FY23 lodging taxes was reviewed and Mr. John Vithoukas made a motion to approve the rebate schedule. The motion was seconded by Mr. John Budesky. **The Board approved the motion by the following vote:**

<b>Ayes:</b>	<b>Budesky, Casey, Saunders, Thomas, Vithoukas</b>
<b>Nays:</b>	<b>None</b>
<b>Absent:</b>	<b>None</b>

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.

OVG360

Mr. Michael Meyers, General Manager, reported on the sales tax audit that has been ongoing for the last 26.5 months. Originally the taxes owed were \$1.2 million but after working with the Commonwealth of Virginia to modify the tax code and audit the report, the tax bill was lowered to \$8,000. Work continued with the Commonwealth to dispute the amount owed and finally it was agreed that the amount owed was zero. Mr. Meyers reported on activity in the facility for May with 30 events vs. a budget of 29. Attendance was down by 10,000. Revenue and expenses were both under budget and there was a positive variance for the month of May of \$18,000. For June 15

events were held vs. a budget of 18. Attendance was 34,000, which was down. Expenses were over for the month and June resulted in a negative variance of \$85,000. For the fiscal year, 222 events were held vs. a budget of 235. Attendance for the year was 380,353 vs. 405,700. Revenue was up for the year and expenses were under budget. Overall, \$1.2 million to the good for the year. FY19 was the best attendance on record, over 400,000 people. Mr. Meyers distributed some new promotional items to the Authority members.

### **Aramark**

Mr. Blaine Scalard, General Manager for Aramark, reported on activity for May and noted that sales were \$227,000. Repeat groups such as dance and VCU graduations as well as Henrico County Public Schools and other groups. The cost of sales for the month was down and the payroll was up. Profit for the month of May was \$26,000 for the convention center. June was a solid month at \$289,000 in sales, which was \$96,000 higher than budget. Repeat groups such as Volleyball, Home Educators and Virginia Healthcare Chamber were held. Cost of sales was up 1.4% for the month and payroll was down. Profit for June was \$26,000. Fiscal year end, sales were \$3.3 million, which was \$632,000 above budget. Profit for the year was \$457,000, which was \$92,000 better than budget.

### **Richmond Region Tourism**

Mr. Jack Berry, President & CEO, introduced Mike Kerr, Richmond Region Tourism's new Director of Finance. Mr. Berry reviewed the latest market trends and noted that hotel occupancy rates have flattened out but average daily rates and REVPAR continue to rise. March 2023 was the highest in REVPAR, followed by May 2023. Three group waivers were presented for approval:

- 1) Virginia Music Educators Association in November 2026 and 2027. Room nights each year are 1,410 and attendance will be 1,400 music educators and their families in the region for 3 days. The group is interested in signing a 2-year deal to lock in 2026 and 2027. RRT helped the client negotiate a \$10.00 rebate on hotels to help offset venue rental costs. The total licenses fee for 2026 would be \$46,636 and in 2027 - \$48,066. The waiver requested is 50% venue rental waiver for each year contingent upon 80% of block picked up or 1,060 total sleeping rooms and food and beverage spend of \$50,000++ spent.
- 2) USA Fencing November 29-December 4, 2023 – Total room nights is 1,820 and attendance is 2,500. This group has hosted events with us over the last few years and would like to continue to meet in our region. The total licensing fee is \$89,274 and the waiver requested is 60% facility license fee waiver.
- 3) Alpha Kappa Alpha Sorority – March 2025 – Total room nights 3,327 with an attendance of 3,000 – 4,000 people. This is a repeat citywide. The total licensing fee is \$100,066. Waiver/Concession requested is a full waiver of rental contingent upon group utilizing 80% of the room block and a minimum food and beverage consumption of \$150,000++.

Mr. John Vithoulkas made a motion to accept all three waivers. The motion was seconded by Ms. Nancy Thomas. **The Board approved the motion by the following vote:**

<b>Ayes:</b>	<b>Budesky, Casey, Saunders, Thomas, Vithoulkas</b>
<b>Nays:</b>	<b>None</b>
<b>Absent:</b>	<b>None</b>

Mr. Jack Berry introduced Katherine O'Donnell, Executive Vice President of Richmond Region Tourism to update the Authority on the Tourism Improvement District. Ms. O'Donnell announced that the TID is 21 days into collections. Only one phone call has been received from a guest. The TID Governance Committee met in early June as an orientation and will meet again on July 31<sup>st</sup> to hold their first budget work session. Their budget and work plan will be presented to the Richmond Region Tourism board of directors in September for approval. Dr. Casey suggested that GRCCA finance capture the 2% TID collections and display them on the GRCCA rebate schedule as comparison and tracking of the TID collections going forward.

Mr. Berry updated the Authority on the Inspiration Campaign. After only 4 weeks, the results are trending very positively. Public relations, digital ad buys and social media influencers are the focus of the campaign outreach. PR efforts have led to 23 media outlets picking up the story and three significant travel writers wanting to visit the region. The first three social media influencer's posts have reached over 150k people. Our targeted audiences are our drive markets and selected direct fly markets.

Dr. Casey inquired about the screen actors guild strike and if it was affecting the Comic Con group business. Mr. Meyers stated that to his knowledge the strike has not affected the group and that plans were underway for staff to visit the Comic Con event happening in Raleigh next week.

## **NEW BUSINESS**

CLOSED SESSION  
GREATER RICHMOND CONVENTION CENTER AUTHORITY  
General Meeting  
19 May 2023

Pursuant to Sections 2.2-3711(A)(3), (5), (6), and (7) 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;
- (3) Consultation with legal counsel and staff regarding the potential investment of public funds where competition or bargaining may be involved;

Motion -- Nancy C. Thomas  
Second – John A. Budesky

Vote:

	Ayes	Nays
John A. Budesky	X	
Joseph P. Casey	X	
Lincoln Saunders	X	
Nancy C. Thomas	X	
John A. Vithoukias	X	

## 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:

	Ayes	Nays
John A. Budesky	X	
Joseph P. Casey	X	
Lincoln Saunders	X	
Nancy C. Thomas	X	
John A. Vithoukas	X	

Absent during session: None

### NEW BUSINESS

The Authority discussed the need to possibly change the date of the September meeting. The dates of September 7 and 8 were discussed.

On a motion made by Mr. Vithoukas, seconded by Mr. Budesky, the Board authorized the Board chair to designate up to two members of the Board to be liaisons from the Board to the group comprised of GRCCA and Richmond EDA representatives who are reviewing proposals related to the Convention Center-oriented hotel that is identified as part of the City Center Project. **The Board approved the motion by the following vote:**

**Ayes:** Budesky, Casey, Saunders, Thomas, Vithoukas  
**Nays:** None  
**Absent:** None

There being no further business to discuss, the meeting adjourned at 11:30 a.m. The next meeting date is tentatively scheduled for Friday, September 15, 2023 at 10:00 a.m. but will most likely be rescheduled to an earlier date and time.