

GREATER RICHMOND CONVENTION CENTER AUTHORITY
ANNUAL MEETING
March 18, 2022
Greater Richmond Convention Center
Administrative Offices
401 N. 3rd Street, Richmond, VA 23219
10:00 a.m.

Mr. John Budesky, Chairman, called the Greater Richmond Convention Center Authority Meeting to order at 10:10 a.m. A quorum was present.

APPROVAL OF MINUTES

The Authority reviewed the minutes from the November 19 meeting. A motion was made by Ms. Nancy Thomas, which motion was seconded by Dr. Joe Casey. **The Board approved the motion by the following vote:**

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

ELECTION OF OFFICERS

Mr. John Vithoukas made a motion to nominate the following slate of officers for 2022. The motion was seconded by Ms. Nancy Thomas:

Chairman – Dr. Joe Casey
Vice-Chair – Mr. Lincoln Saunders
Secretary/Treasurer – Mr. John Vithoukas

The Board approved the motion by the following vote:

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

REPORTS OF COMMITTEES

Finance

Mr. Brandon Hinton, chair of the Finance Committee, reported on the hotel lodging taxes. For FY 2022, hotel tax remittances were greater than budget by \$5,714,971 or 41.7% and were greater than prior year's collections by \$8,758,419 or 82.1%. Jurisdiction results compared to prior year collections are as follows: Chesterfield 51.6%, Hanover 101.5%, Henrico 75.1% and Richmond 134.5%. Jurisdiction results compared to FY2019 (Pre-COVID): Region (0.7%), Chesterfield 13.4%, Hanover 14.0%, Henrico (0.8)% and Richmond (12.0%).

The S&P performed their routine surveillance review of GRCCA's Series 2015 Bonds and the team along with key staff members met with S&P on March 7th. The analysts were amazed at the resilient Richmond region market considering how other regions are fairing since the pandemic.

Mr. Hinton noted that staff is prepared to discuss the sales tax update in closed session along with one other item.

Legal

Mr. Brennen Keene, legal counsel, reported on the Replacement Guaranty document which has been updated to reflect the new name of the parent of the Operator, OVG Business Services, LLC. The document has been updated and the Chair will execute the document if approved. Mr. John Vithoulkas made a motion to approve the Replacement Guaranty, motion made by Mr. Lincoln Saunders. **The Board approved the motion by the following vote:**

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

It was noted that Retail Merchants Association has changed their name to InUnison. The Authority Articles of Incorporation include wording for successors so the language in the governing documents do not need to be updated. Ms. Thomas indicated that the legal name is still Retail Merchants Association, but they are just doing business as InUnison.

Spectra Venue Management

Mr. Michael Meyers, General Manager for Spectra Venue Management, reported that a last minute event for February was booked by Fox News Network. A live broadcast was held on Primetime at 7:00 p.m. and then the following day a 3 hour podcast was held live on the subscription service of Fox Nation. The event had good revenue and lots of public relations value to the facility. Mr. Meyers reported that the facility is still struggling with the effects from the pandemic and still having some cancellations occur as well as downsizing of events. The auto show cancelled due to supply chain issues and the boat/RV show downsized due to a shortage of RVs to showcase.

Staff shortages continue with the recent loss of three managers. Galaxy Comicon will be held this coming weekend and ticket sales are up with attendees expected to be 15,000 – 20,000 people. The activity for November was 13 events vs. the 14 booked and attendance was over 10,000 with the revenue up \$56,000 for the month. December was a slower month with 18 events vs. 30 and attendance only 13,000. Revenue was under budget and expenses were also under budget by \$19,000.

For January, 14 events were held vs. a budget of 18. Attendance was 26,000 and revenue and expenses were down and under budget. For February, 12 events were held vs. 15 booked and attendance was 40,000. Revenue was up and expenses were under budget. Year to date, the building is down 13 events and revenue is over budget and expenses are under budget. Overall finances are looking good. Events are picking up, but staff concerns continue to be the main issue. A salary compensation review study is underway to determine ranges within the market.

Dr. Casey inquired about the current COVID regulations for clients and Mr. Meyers stated that there are no regulations and that the customer or show organizer states what regulations they require for their event. As for regulations for staff, it is still mandatory to wear a mask but that mandates are due to be lifted soon state-wide.

Aramark

Mr. Blaine Scalard, General Manager for Aramark, reported on the last four months of activity:

November was a busy month with a lot of last minute changes and cancellations. Sales were \$225,500 – 75% catering, up \$9,500 to budget. Some of the groups were Henrico Excellence in Education Dinner (an annual, second time here), Va Army Natl Guard Yellow Ribbon Conference, CTA Convention (Community Transportation Assoc.) a national convention which was scaled down a lot from original expectations (cancellations from Canada & Europe), Va.

Classical League which was about 50% of normal and ICOM (National Convention Conference of Missions) – similar restrictions as well. Cost of Sales was down by 3.6% to budget. Payroll was down by 5.4% to budget and profit was \$78,545, up \$48,900 to budget.

For December, sales were \$102,665 - \$46,440 over budget. Some of the groups were the Annual Valor Awards Breakfast, which was back to normal, Va. Chamber Economic Summit which was social distance so much smaller than usual, Cheer & Dance Extreme and the Mid Atlantic Asphalt Expo (2nd time here / annual). Cost of Sales was down 3.8% and payroll was down 56.9%. Profit / Loss: we lost \$16,790 which was \$48,900 better than budget.

January was a busy and tough month. Sales were \$177,500, up \$85,000 to budget. Some of the groups were Va. State Bar, NCA Cheerleading Competition, Commonwealth Prayer Breakfast (an annual about 50% of normal attendance), The Winsome Sears Celebration, which was really nice, RVA Volleyball Tournament which was back to normal but with (76) less teams which haven't returned from COVID, Fox Nation and RAMMY Awards Dinner Celebration (an annual much smaller than past years). Cost of sales was up by 2.1% and payroll was down by 32%. Profit was \$24,323 – a \$63,300 improvement over budget.

February was a good solid sales month with sales at \$181,000, up \$68,500 to budget. Some of the groups were Mother-Daughter Invitational a new group, Dance Makers an annual group, Cider Con a national convention unfortunately scaled back considerably from normal, Cheer & Dance Extreme our largest one ever, RVA Sports Award Gala – a first annual, Turn It Around – another dance competition, Richmond Fencing a first time event and Catholic Diocese Youth Conference. Cost of Sales was around budget and payroll was down 28% to budget. For profit, \$34,800 was made, which was \$62,500 better than budget. Year to date, Sales are \$1,034,000 up \$422,000 to budget. Profit is \$402,076 vs. a budget loss of \$346,000.

Richmond Region Tourism

Ms. Katherine O'Donnell, Executive Vice President of Richmond Region Tourism, reported on behalf of Jack Berry who is out of town for the wedding of his daughter in Baltimore. Ms. O'Donnell reported that no waivers will be presented, and she shared the current market trends through February which shows an overall outpacing of hotel occupancy and REVPAR compared to 2019. It was noted that Richmond Region Tourism will hold its annual Awards & Annual Meetings on April 27th at the Hilton Short Pump Hotel.

CLOSED SESSION

CLOSED SESSION
GREATER RICHMOND CONVENTION CENTER AUTHORITY
General Meeting
18 March 2022

Pursuant to Sections 2.2-3711(A)(3), (5), (6) and (7), 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;
- (3) Consultation with legal counsel and staff regarding the potential investment of public funds where competition or bargaining may be involved; and
- (4) Consultation with legal counsel and staff pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Authority.

Motion -- Mr. Vithoulkas

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. Vithoulkas	<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:

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. Vithoukaskas	<u>X</u>	_____

Absent during session: None

NEW BUSINESS

After the closed session, Mr. Meyers presented Ms. Nancy Thomas two medallion plaques in recognition of her service to first responders through the Valor Awards. Ms. Thomas was humbled and expressed the reasons for her passion towards the importance of supporting the first responders. She thanked the members of the Authority for their generosity to the Valor Awards and to her over the years.

Mr. Lincoln Saunders made a motion to establish a Convention Hotel Task Force to be tasked with feasibility of exploring a Convention Hotel. The 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

There being no further business to discuss, the meeting adjourned at 11:30 a.m. The next meeting will be held on Thursday, May 26, 2022 at 10:00 a.m. (Note the change in date pattern due to the ChamberRVA InterCity Visit).