

**GREATER RICHMOND CONVENTION CENTER AUTHORITY**

**MEETING**

**October 5, 2022**

**Greater Richmond Convention Center**

**Administrative Offices**

**401 N. 3<sup>rd</sup> Street, Richmond, VA 23219**

**1:00 p.m.**

Dr. Joe Casey, Chairman, called the Greater Richmond Convention Center Authority Meeting to order at 1:05 p.m. A quorum was present.

**APPROVAL OF MINUTES**

The Authority reviewed the minutes from the July 15, 2022 meeting. A motion was made by Mr. John Vithoukas, which motion was seconded by Mr. John Budesky. **The Board approved the motion by the following vote:**

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

*(Note: Mr. Saunders joined the meeting immediately following the minutes approval vote at 1:07 p.m.)*

**REPORTS OF COMMITTEES**

**Finance**

Mr. Brandon Hinton, chair of the Finance Committee, reported on the lodging tax collections for the 1<sup>st</sup> two months of the fiscal year and noted that they are substantially higher and are the highest collections that the Authority has ever received. For FY23, hotel tax remittances were greater than budget by 25.6% and were greater than prior year's collections by 36.1%. Jurisdiction results compared to prior year: Region 36.1%, Chesterfield 17%, Hanover 7.2%, Henrico 27.3% and Richmond 73.6%.

Mr. Hinton reported that the due to/due from calculation will be presented at the November meeting for their approval. Excess tax rebates totaling \$12,310,069 will be made to the jurisdictions as follows: Henrico \$7,371,500, Chesterfield \$3,987,846, Hanover \$931,931 and Richmond \$18,792.

It was reported that the Finance team met with Cherry Bekaert and received the audit report which was an unmodified opinion and clean audit. Mr. Hinton expressed his gratitude to Debbie Baicy for outstanding financial reporting.

Lastly, Mr. Hinton reported that Chesterfield County's Risk Management Department successfully negotiated property insurance coverage that resulted in approximately \$51,000 savings in annual cost while maintaining similar coverages and limits.

**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 Ms. Jacqueline Rowley, Director of Finance & Administration, who recently joined the team from Florida. Ms. Donna Reid returned in a part time capacity to assist through the audit. Mr. Meyers reported on the damage to the window on the side of the parking garage that occurred over the weekend. There has been no new information regarding the tax appeal with the Commonwealth. December will be one year since filing the appeal. Mr. Meyers reported that hiring is improving with only 9 vacant positions out of 50. The building is still experiencing hourly staff and maintenance and sales position issues with hiring.

Mr. Meyers reported that since the building opened 20 years ago, they still have approximately 1,200 drink tumbler glasses marking the grand opening and encouraged anyone to take a set of glasses. It was recommended that the glasses be donated to CARITAS or something similar.

For July, 14 events were held vs. a budget of 13. Attendance was down 3,500 for the month but revenue was up, and expenses were under budget. There was a savings on salary and benefits for the month. For August, 12 events were held vs. a budget of 14. Attendance was up and revenue was under budget by \$3,900 for the month, but expenses were kept under budget. For the first two months of the fiscal year, Mr. Meyers reported \$306,000 to the good. Over the summer, Virginia Tourism Corporation offered grants for sports events and meetings & conventions and GRCC was able to apply for grants for six events that total \$348,458. The grants were reopened and GRCC has since applied for three more events and is awaiting the results.

### Aramark

Mr. Blaine Scalard, General Manager for Aramark, reported on activity for July and August. July was a strong month with \$166,000 in sales, \$20,000 over budget and concessions revenue was very good. Groups consisted of Basketball, Amway and a 1<sup>st</sup> time National conference for Women in Nuclear. Cost of sales was down, and payroll was down for the month. For August, the toughest food and beverage month, it was a challenge with the large Delta conference for over 3,000 people. Approximately 140 temporary workers were called into assist with the 4 day Delta conference. For the month, cost of sales was up, and payroll was up 10%. Profit for the month was \$139,000, which is up \$77,000. Year to date at \$269,000 with profit up \$60,000.

### Richmond Region Tourism

Mr. John Vithoulikas acknowledged Jack for receiving the Golden Pineapple Lifetime Achievement Award from the Virginia Restaurant Lodging & Travel Association on October 3<sup>rd</sup>. The prestigious award was bestowed to Mr. Berry due to his efforts with the Greater Richmond Convention Center and regional collaboration in tourism.

Mr. Jack Berry, President & CEO, reported on market trends through August and noted that the average daily rates continue to rise. The following fee waivers were presented:

1. **USA Field Hockey 2024, 2025, 2026.** Waiver amounts for the three years are:  
2024 \$54,863  
2025 \$57,095  
2026 \$59,400

Richmond Region Tourism will incentivize the client with \$35,000 – 40,000 annually. Ms. Nancy Thomas made a motion to approve the waivers for three years, seconded by Mr. John Vithoulikas. **The Board approved the motion by the following vote:**

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

2. **National Speech & Debate Association 2026.** Waiver amount is \$109,996. The group would use other venues such as the Altria Theatre as well as public school venues. Group is approximately 8,000 students and the group is looking at Cleveland or Richmond. Group is 14,000 – 16,000 room nights and be \$7,743,962 in potential economic impact for the region.

Mr. John Vithoukas made a motion to accept the waiver, seconded by Mr. John Budesky. **The Board approved the motion by the following vote:**

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

3. **PlanRVA** – Nine regional meetings from October 28, 2022 – January 27, 2023. Waiver amount is \$3,560 each. Parking fees for staff and board members are included but complimentary parking will be offered on a first-come, first-served basis. Internet bandwidth costs in the amount of \$49,725 will be reduced to \$5,525 due to the uniqueness of holding 9 events over a three-month period.

Mr. Lincoln Saunders made a motion to approve the waiver, seconded by Ms. Nancy Thomas. **The Board approved the motion by the following vote:**

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

4. **USA Karate 2023** – Waiver amount \$46,674. Group was also looking at Norfolk and notified us this week that they had decided to choose Norfolk but were alerted again that we were back in the decision process. Richmond Region Tourism would incentivize the event with \$20,000 - \$30,000. Mr. John Budesky made a motion to approve the waiver, seconded by Mr. John Vithoukas. **The Board approved the motion by the following vote:**

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

Mr. Berry introduced Tom Loftus, Vice President of Marketing for Richmond Region Tourism who gave an updated on the Inspiration Campaign. The committee released an RFP and 13 agencies submitted proposals. The committee reviewed and selected finalists down to 5 agencies. Padilla Agency, located in the Manchester area of Richmond, was awarded the contract. Padilla has locations in other cities and was previously Carter, Riley, Thomas (CRT). By the end of October, creative will be presented and the campaign will launch in the 1<sup>st</sup> quarter of 2023. Dr. Casey stated that we should add the Inspiration Campaign as an agenda item to either the November or January agenda for them to report back to the Authority.

CLOSED SESSION  
GREATER RICHMOND CONVENTION CENTER AUTHORITY  
General Meeting  
October 5, 2022

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 -- John A. Vithoukas  
Second – Lincoln Saunders

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. Vithoukias	<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 INTEREST 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, after multiple consultations with staff and reviewing relevant data, the Board has determined that the long-term success of the Convention Center will be enhanced if a large-scale hotel with available room nights for the Convention Center were to be built in close proximity to the Convention Center; and

WHEREAS, on September 26, 2022 the City Council for the City of Richmond approved a rezoning of the twenty-block area known as the “City Center” area, and that rezoning creates opportunities for new development that could be beneficial for the Convention Center, inclusive of a large-scale hotel; and

WHEREAS, the City of Richmond Economic Development Authority (the “Richmond EDA”) is assembling several parcels of land, including the site of the Richmond Coliseum (the “Parcels”), that are subject to the City Center rezoning, for the purpose of promoting development of those Parcels; and

WHEREAS, the Parcels occupy most of the city block north of East Marshall Street and directly across North Fifth Street from the Convention Center; and

WHEREAS, the City of Richmond’s Economic Development Department (“Richmond Economic Development”) is preparing a draft request for interest (an ‘RFI’) that will be the first step in gauging interest from potential development partners for development of the Parcels; and

WHEREAS, Richmond Economic Development will present the final draft of RFI to the Richmond EDA at a future meeting; and

WHEREAS, the Richmond Economic Development and the Finance Committee for the Authority (the “Finance Committee”) have discussed including a large-scale hotel development on a portion of the Parcels as part of the RFI; and

WHEREAS, the Finance Committee has recommended to the Board that the Board cooperate with the Richmond EDA on the issuance of a joint RFI, subject to final review and approval of the final draft RFI.

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

1. The Board hereby determines that it is in the Authority's strategic interest to cooperate with the Richmond EDA on issuance of a joint RFI so that Authority can promote the development of a large-scale hotel adjacent to the Convention Center that aligns with the Authority's strategic objectives, subject to final review and acceptance of the hotel components of the RFI.

2. Subject to the terms contained in this resolution, the Board authorizes and directs the Chair of the Board (or the Vice Chair, as provided herein), (i) to consult with the Finance Committee and legal counsel as part of the Chair's (or Vice Chair's, as applicable) final review of the draft RFI to confirm that the RFI aligns with the Authority's strategic objectives as set forth by the Board, (ii) to confirm to the Richmond EDA that the Authority is satisfied with the hotel development provisions of the RFI and that the Authority has approved the joint solicitation by the Authority and the Richmond EDA, and (iii) 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 2 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.

3. This resolution shall take effect immediately upon adoption.

ADOPTED the 5<sup>th</sup> day of October, 2022.

#### **NEW BUSINESS**

There being no further business to discuss, the meeting adjourned at 2:05 p.m. The next meeting will be held on Friday, November 18, 2022 at 10:00 a.m.