

**GREATER RICHMOND CONVENTION CENTER AUTHORITY  
MEETING**

**September 27, 2024**

**Greater Richmond Convention Center  
Administrative Offices  
401 N. 3<sup>rd</sup> Street, Richmond, VA 23219  
2:00 p.m.**

Mr. John Vithoukas, Chairman, called the Greater Richmond Convention Center Authority Meeting to order at 2:05 p.m. A quorum was present.

**APPROVAL OF MINUTES**

The Authority reviewed the minutes from the May 17<sup>th</sup> meeting. A motion was made by Dr. Joe Casey, which motion was seconded by Mr. John Budesky. **The Board approved the motion by the following vote:**

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

**REPORTS OF COMMITTEES**

Finance

Mr. Brandon Hinton, chair of the Finance Committee, reported that lodging tax receipts are above 25% for the first two months of FY25. The lodging tax collection discrepancies that the City of Richmond noted have been fixed, and the city is up 80% year over year. For the first two months of FY 2025, hotel tax remittances exceeded budget by \$612,151 or 9.7% and were greater than prior year's collections by \$1,381,932 or 25.0%. Jurisdiction results compared to prior year collections are as follows: Chesterfield 12.0%, Hanover 19.7%, Henrico 9.8% and Richmond 79.9%.

Mr. Hinton reported that the chair needs to sign the Certificate of Compliance, which is required by Series 2021 bond. Mr. Jack Berry introduced the new facility General Manager, Mr. Nate Harris to the team. The Authority welcomed Mr. Harris.

Legal

Mr. Brennen Keene had no report.

OVG

Mr. Bryan Panhorst, Assistant General Manager of OVG, updated the Authority on some new artwork and painting that will occur in the Administration offices. Other approved capital improvement projects that are underway include the Food Court window frosting and the parking deck automation that should be complete by the end of October. Two new sweepers have been purchased and the elevator at 5<sup>th</sup> & Marshall will be repaired in November. The FY24 Audit is wrapping up and will be completed next week.

For July, the month was quiet with some smaller events with the exception of the Jalsa Salana USA group which was at the end of June through July 1<sup>st</sup>. Seven events were held in July with attendance and finances better than projected. Revenue was up with a positive variance for the month of July. August was a good month overall with new events such as the Ultimate Backpack supply event. Approximately 35,000 backpacks were assembled for over 88 schools in Central Virginia. Collect-A-Con was held over two days with 12,000 attendees. Revenue for

August was \$138,000 which was flat. With staff vacancies and lower utilities, there was a positive variance for the month at \$140,000. Dr. Casey thanked Mr. Panhorst for his assistance while we were in transition and noted that if Mr. Harris would like to make any reporting changes to work with the finance team.

### Aramark

Mr. Blaine Scalard, General Manager of Aramark, reported that it was a great summer of events, but many were not catering groups therefore food and beverage sales were much lower for July and August. Sales for July were \$21,500, which is \$80-\$100,000 lower than normal. For August, sales were \$37,000 which again was off from normal sales years. There were some Pepsi invoices from March/April that were not accounted for until August which impacted the COS results.

Mr. Scalard noted that Aramark sent Executive Chef Kevin Ramkissoo to the CIA for Pro Chef II certification training which is a distinguished honor. Expenses related to the training were \$12,000. September looks to be a good rebound month with profit \$100,000 above budget.

### Richmond Region Tourism

Ms. Katherine O'Donnell, President & CEO of Richmond Region Tourism reported on the Tourism Improvement District (TID) impact on the facility with the following statistics:

- 24 TID incentives approved for events that will use GRCC | 47,730 estimated room nights
  - \$1,861,863 in incentive dollars for events that will use GRCC | \$594,054.42 offered in GRCC rental discounts for those event bids (which would have likely been full or higher waivers if not for the TID)
  - Conversion of events incentivized by TID:
    - o FY24 - 1 event
    - o FY25 - 2 events
    - o FY26 - 3 events
    - o FY27 - 3 events
    - o FY28 - 4 events
    - o 5 events undecided
    - o 5 lost: Lost reasons: (2) hotel package/availability (2) board decision/preferred different destinations (1) preferred date pattern didn't match
    - o 1 canceled
- Conversion rate: 54.17%

### Hotel Package Still Challenging

- Since 2019, RRT booked 11 conventions with more than 700 hotel rooms on peak.
- It takes an average of 11.24 hotels to get the blocks needed.

### Lost Business Update

Since 2019, we have lost the following GRCC business:

- Total # of Events: 181
- Total Estimated Room Nights: 307,560
- Total Estimated Attendees: 200,652
- Total Estimated Economic Impact: \$247,303,822

Reasons cited (tracked in our system): Hotel Package Insufficient, Hotel Proximity (meaning hotels are too far away), Lack of Hotel Options, No Availability Due to Occupancy (meaning the hotels that we do have are already full)

Mr. Vithoukaskas inquired about the number of waivers from GRCCA before the TID existed. Ms. O'Donnell stated that she will do a complete waiver analysis for the November meeting showing the full picture of GRCCA waivers, GRCC rental discounts, RRT incentives and TID Incentives. She noted that the TID can only be used on incentive new business post formation of the TID and may not be used to supplant previous incentives awarded to existing businesses.

The Blue Room Research occupancy statistics were shared, and Ms. O'Donnell noted that while average daily rate was high, occupancy trailed during August leaving the RevPAR flat. The softening is related to the start of the school year in August and leisure travel softening.

It was also noted that RRT hosted a Mayoral forum with Venture Richmond and ChamberRVA to share the hotel package with the Mayoral candidates and to express to them the reasons that a headquarter hotel is needed via the City Center project. The group also took a walking tour down Broad Street to discuss safety, security and blight.

## **NEW BUSINESS**

There being no further business to discuss, the meeting was adjourned at 2:30 p.m. The next meeting date is scheduled for Friday, November 15, 2024 at 10:00 a.m.