

**GREATER TACOMA REGIONAL CONVENTION
CENTER PUBLIC FACILITIES DISTRICT**

Meeting of Directors – October 18, 2018
Greater Tacoma Convention Center, Staff Conference Room
1500 Commerce, Tacoma WA

Directors Present: Mike Brandstetter (Lakewood), Colleen Barta (Tacoma) and Dean Burke (Tacoma)

Directors on Phone: Lisa Petorak (University Place), Tom Pierson (Tacoma)

Directors Absent: Connie Ladenburg (Pierce County) and Bryan Yambe (Fife)

Staff Present: Kim Bedier, TVE Director; Jon Houg, TVE Deputy Director; Lisa Woods, Business Manager and Joni Dalin, Office Administrator

Secretary/Treasurer Mike Brandstetter called the meeting to order at 7:45 am. The board was asked if there were corrections to the July 19 meeting minutes. None were noted and a motion was requested for approval. It was so moved by Lisa Petorak, seconded by Dean Burke and unanimously approved by board members present and participating by phone. Board members were presented with an alternative (streamlined narrative) format for minutes. Mike Brandstetter indicated discussion of that proposal would be tabled until the New Business portion of the meeting.

Financial Update

Lisa Woods indicated over \$3 million has been collected in PFD revenues through the third quarter, exceeding budget by approximately \$200,000 for the period. The goal for 2018 is roughly \$3.8 million. Historical performance indicates that goal is achievable, with year-end surplus estimated at \$200,000. The process to transfer any surplus funds to a capital fund is controlled by the City's Finance Department and the Office of Management & Budget, who review year end fund balance against debt service for the following year, determining if there is any need to retain a larger amount.

Operationally, revenues are exceeding planned projections by about \$600,000 to date. Food & Beverage revenue has been largely responsible for the increase. Expenses are in line with projections. 2019 booking calendar is softer than that of 2018 due to apprehension of large event meeting planners (who book events several years out) that hotel construction would have adverse impacts. 2019 Revenues are forecasted to be flat with 2018.

Update on Recruitment Strategy for New PFD Jurisdictions

Board Member Dean Burke mentioned Ted Daneck (current Dupont city administrator) recently joined the Sports Commission board and indicated he would approach him regarding Dupont becoming a PFD member. Dean and Kim will determine a strategy for approaching Puyallup and Gig Harbor. Kim indicated she has a draft of a revised Interlocal Agreement (ILA) ready for presentation to targeted jurisdictions. Mike Brandstetter asked how the roll-out of that presentation would be handled. Kim felt it would be beneficial to have Dupont conceptually on-board, before Kim, Dean, and City Manager Pauli reach out to other cities.

Mike Brandstetter asked about lead time for the Department of Revenue as far as notification required to load the sales tax rebate into the system and thought it would be good to have this timeline before approaching potential jurisdictions and current members on a revised ILA.

Kim and Dean were asked to provide updates to board members prior to the January meeting, as well as informing them if their participation would be needed in making any of the presentations.

Annual Meeting of AWSPFD

Kim Bedier, Dean Burke and Mike Brandstetter attended the one-day meeting. Mike Moe, of the Washington State Tourism Alliance spoke. That agency has been selected as the marketing arm for state tourism. They will be reaching out to regional parties across the state. The state will provide some match in funds to those that come from the tourism industry.

Kim indicated the 2019 conference will be in Yakima, and 2020 is set for Tacoma (tie-in with the opening of the new hotel property). Both conferences are scheduled for the late September timeframe.

Mike had two takeaways from the conference:

- Emphasis on PFD's need to ensure documentation is appropriately filed to take advantage of the legislation enacted extending the sunset of the sales tax rebate associated with bond debt.
- Other PFDs are using the legislation to add new projects. The current ILA for the Greater Tacoma Regional Convention Center Public Facilities District is not structured to enable expansion of the PFD. This may, at some in the future, be an area for consideration by participating bodies in the PFD as far as other bondable projects.

About half of the state's PFDs attended the conference.

Director's Report

2019/2020 budget discussions continue to take place with the City of Tacoma. Capital dollars are requested for replacement of third floor carpeting where the convention center will transition into the hotel property.

Kim is participating on the search committee for the President/CEO of Travel Tacoma.

GTCC measurement data in the next biennium is moving from tracking number of events to tracking of square footage space filled and associated revenues. F&B revenue is also a key measure.

Jon Houg provided an update on hotel construction. First and second floor garage plates are nearly complete. HVAC duct systems, pipe and electrical rough-ins on the first and second floors of the podium are underway. Tower work is expected to start soon. Absher Construction has a time-lapse construction website in place watch progress:

<https://app.oxblue.com/open/abshereco/551tacomatowers>

Member Colleen Barta asked about joint marketing efforts with the hotel and when they could be expected to begin. The national sales organization for Marriott will not commence sales until 85% completion is reached. The Convention Center's marketing team will not be able to develop any joint plans until that occurs. There is currently no date associated with the 85% completion requirement; however a soft opening of April of 2020 is expected.

New Business

A new format for meeting minutes, more outline in nature, was presented as an option for board consideration. Mike Brandstetter preferred the current, lengthier format, feeling it was important to capture detail of discussion as the board meets only quarterly. Dean Burke and Lisa Petorak agreed with that assessment. Tom indicated he typically prefers a summary style, but felt the lengthier document was important for purposes of the board. The board decision was to maintain minutes in the current format.

Proposed 2019 board meeting dates were accepted by board members in attendance: January 17, April 18, July 18, and October 17. Notice will be provided to the Tacoma's City Clerk's Office for publication.

Mike congratulated Kim for her recent national recognition as "Venue Executive of the Year" by the International Entertainment Buyers Association.

Lisa Petorak's term on the board expires at the end of 2018, she agreed to serve an additional 4-year term and has been reappointed by the City of University Place.

There being no further business, the meeting adjourned at 8:32am.

The next regularly scheduled meeting of the board is January 17, 2019 at 7:45 am, in Convention Center Boardroom South.

Recorded by Joni Dalin