

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

Meeting of Directors – July 19, 2018
Greater Tacoma Convention Center, Staff Conference Room
1500 Commerce, Tacoma WA

Directors Present: Connie Ladenburg (Pierce County), Colleen Barta (Tacoma) and Dean Burke (Tacoma)

Directors on Phone: Tom Pierson (Tacoma)

Directors Absent: Lisa Petorak (University Place), Mike Brandstetter (Lakewood) and Bryan Yambe (Fife)

Staff Present: Kim Bedier, TVE Director; Jon Houg, TVE Deputy Director; Chelene Potvin-Bird, Travel Tacoma Pierce County; Lisa Woods, Business Manager and Joni Dalin, Office Administrator

President Ladenburg called the meeting to order at 7:55 am. Introductions were exchanged with Dean Burke, Tacoma's new appointment to the Board (replacing Bennish Brown). The board was asked if there were corrections to the April 19 meeting minutes. None were noted and a motion was requested for approval. It was so moved by Colleen Barta, seconded by Dean Burke and unanimously approved by board members present and participating by phone.

Financial Update

2018 PFD sales tax revenues continue to exceed budget projections. Lisa Woods indicated collections to date are approximately \$1.9 million (nearly \$100,000 more than planned). The 2018 collection goal is \$3.7 million, leaving about \$1.7 million to collect by year-end (historically, between \$1.8 and \$1.9 million is collected in the remaining 6 months of the year). If collections occur as expected, funds in excess of those required for bond payment and one year's retainage will transfer to the capital fund for GTCC operations at year-end. As requested at the April meeting, attached is detail related to PFD fund balances and transfer activity to date. Board member Barta asked when bonds are expected to retire – currently set for 2034 and 2036.

Follow-up on Process for Adding New Member Jurisdictions

With Bennish Brown's departure from the Board, Kim Bedier requested board approval for Dean Burke to assume the role Bennish Brown had served in developing strategies for recruitment of new PFD jurisdictions and listing of associated benefits of membership (Dean indicated his willingness to do so). Board members present expressed their approval. Kim indicated she would focus on completion of this project with Dean.

Director's Report

Hotel construction continues with minimal impact on Convention Center operations. It was noted that client concern about negative construction impacts led to 2019 bookings being somewhat below historical levels. As impacts have not materialized, the Convention Center sales team is following up with clients regarding short-term bookings for 2019.

The new hotel vastly expands the Convention Center's ability to sell space to larger convention groups. The facility's sales team will follow up in 2019 and 2020 with those groups whose business had been lost in the past due to the lack of meeting and guestroom capacity. Those large groups typically schedule at least five years out; as a result, much of the business for the first few years after the hotel's opening will be short-term (making them a competitor to the Convention Center). By 2022/2023 the potential to book larger groups should be more fully realized.

Regional and national association clients are currently the strongest markets for the Convention Center. About 60% of the facility's business is repeat business, referrals from those clients has been instrumental in securing new business.

Board member Barta asked if the pricing structure for the hotel had been set. Jon Houg indicated that will not be available until the project reaches 85% completion (the hotel's sales team will not be hired until that level of completion is reached; additionally, pricing structure is dependent on room capacity/dimensions and those specifics will not be known until that level of substantial completion occurs).

Jon Houg reported the hotel project continues on schedule for an opening in spring/summer of 2020 and presented permitted drawings for the hotel property. ("Schedule Narrative" with the hotel construction timeline is attached to these minutes.)

Due to a competing appointment, it was necessary for President Ladenburg to leave the meeting following this discussion. Board member Barta led the remainder of the meeting in her absence.

Annual Meeting of AWSPFD

The date for the AWSPFD annual meeting has been set for September 26th and 27th at the Washington State Convention Center. As specifics are made available, they will be communicated to the board.

New Business

Chelene spoke on the Tourism Promotion Act and Lodging Tax Advisory Committee, who have completed their strategic funding plan outlining how dollars will be spent, focusing on event development and event marketing to generate additional room nights in the county. Research dollars have been set aside for research. Possibly event feasibility could be an investment that Pierce County LTAC would consider. They welcome a proposal that includes other funding partners collecting for a stronger impact and partnership.

Chelene also spoke about the group currently holding their conference in the facility, a large event the sales team had pursued for several years. <https://www.puyalluptribalnews.net/featured-news/tacoma-to-host-2018-tekakwitha-conference/>

Kim mentioned the department's proposed budget for 2019/2020 includes funding for public space carpeting replacement in the facility, coinciding with the hotel opening. Of particular importance is replacement of third floor carpeting for a unified appearance, where the two facilities connect. She requested the board's advocacy for this budget request.

There being no future business, the meeting adjourned at 8:30am.

The next regularly scheduled meeting of the board is October 18, 2018 at 7:45 am, in Convention Center Boardroom South.

Recorded by Joni Dalin