

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

Meeting of Directors – October 19, 2017
Greater Tacoma Convention Center, Boardroom South
1500 Commerce, Tacoma WA

Directors Present: Connie Ladenburg (Pierce County), Mike Brandstetter (Lakewood), Colleen Barta (Tacoma), Bennis Brown (Tacoma), Tom Pierson (Tacoma)

Directors on Phone: Lisa Petorak (University Place) and Philip Waldner (Fife),

Staff Present: Jon Houg, TVE Deputy Director; Joni Dalin, TVE Office Administrator

President Connie Ladenburg called the meeting to order at 7:45 am. The board was asked if there were corrections to the July 28th meeting minutes. None were noted and a motion was requested for approval. It was so moved by Colleen Barta, seconded by Tom Pierson and unanimously approved by board members.

Financial Update

Jon Houg reported PFD sales tax rebates continue ahead of budget projections and are above necessary levels to cover bond debt payment.

Jon passed on to the board to consider reaffirming their desire for the City to take excess funds from PFD collections and place them into an appropriate capital funding account for the Convention Center, with the caveat that at least one year of debt service be held in the event of a downturn in the economy. Board discussion followed. Secretary/Treasurer Mike Brandstetter felt 100% of a year's collections held in reserve was excessive, in that it would require PFD collections to drop to zero before those funds were needed in that large an amount. Following further discussion, a motion was made "recommending PFD sales tax revenue in excess of that required for debt service be transferred to a capital account to be used to maintain and improve the Convention Center". The motion was seconded and unanimously carried.

Philip Waldner asked if the board could receive reporting, starting with the January board meeting if funds are transferred into the requested separate capital account, the amount transferred and the date on which the transfer took place. That request will be passed on to the City's treasury department.

Process for Adding New Members

Steve Victor was unavailable and, due to competing priorities, was unable to provide any update on items requested at the July meeting (draft of revised interlocal agreement, any required jurisdiction representation changes and verification of interlocal agreement end date). President Ladenburg indicated she would contact Steve for updates.

Mike Brandstetter commented that any additional funds forthcoming from added municipalities would likely add to the capital funds for the facility as they are not currently needed for any debt payment. He felt this would be a good selling point to include in the presentations to prospective members, letting them know they would not be assisting with repayment of Tacoma's debt obligation, but rather adding to capital funds for upkeep and improvement of a regional facility.

Connie asked if Jon could provide an update on the presentation Kim is working on for new member jurisdictions. Jon did not have specifics on the presentation, but indicated he knew she was working on it.

Update from September Meeting of WA State Association of PFDs

Connie Ladenburg, Colleen Barta and Mike Brandstetter attended the conference along with Kim Bedier. Mike commented that the conference included a celebration of state legislation extending the PFD sales tax rebate. He stated the board needs to ensure the amended interlocal agreement conforms with the new legislation and its requirements. Additionally, he felt it was important this be communicated to City's treasury group as well as documentation submitted to the Department of Revenue.

It was announced that the 2018 conference would be held at the Washington State Convention Center and that Yakima would be the host for 2019.

The executive committee made a decision to continue to retain the services of the lobbyist (on a more limited basis) to monitor any legislation for adverse impacts on PFDs, with monthly reports to the association.

Colleen Barta indicated the presentation by Michael Hamilton, Cybersecurity expert was very illuminating and asked about GTCC security measures in this area. Jon explained the facility has two networks: a show network for clients and exhibitors (provided by Mobilitie) and the corporate network (provided by the City of Tacoma's IT department). Discussion followed, with the board requesting information on systems in place to protect both the City and client data, additionally questioning whether Mobilitie assumes liability for any breaches in their system and that the Convention Center and City of Tacoma are protected. Connie indicated she would follow up with Kim Bedier and Jon Houg on this topic. Jon indicated he would speak with Paul Federighi, Assistant Director of IT and part of the City's cybersecurity team regarding a possible presentation at the January meeting. Colleen commented she could contact Michael Hamilton if it's later determined his assistance is needed.

Colleen commented there was also an impressive presentation about new technologies to stream events (3-D capabilities, etc.). On a similar vein, Connie indicated she had recently seen the STQRY app which functions as a hand-help docent and could be of assistance to visitors to the area.

Director's Report

Jon reported Kim Bedier is working with Tacoma City Manager Elizabeth Pauli to arrange the requested presentation at a monthly meeting of regional city managers to bring forward the opportunity for additional communities to join the PFD. Date for that presentation has not yet been determined.

Regarding the hotel project, Jon indicated construction cranes will be in place within the next month. Emergency egress plans are being worked for temporary egress routes from the south side of the building until the project is finalized (the wooden staircase outside the facility comes down once the hotel core is sufficient enough to contain those pathways, approximately level 6 of construction).

Jon reported September occupancy was over 42% (2013 being the next closest year at 33%). Occupancy for the third quarter is at 30%, versus 23% in 2013. Jon indicated a healthy level of occupancy was in the 50-70% range for the ballroom and exhibition halls. The convention center is currently in excess of those percentages for those spaces. Board member Colleen Barta asked if the board could see a report on new customers over the past year, sectors they represent or event types, origination of attendees. Jon indicated he will have this information available for the January meeting.

Next Meeting

The next regularly scheduled meeting of the board is January 18, 2018 at 7:45 am. Joni will communicate dates of 2018 quarterly meetings when sending out meeting minutes

There being no further business, the session adjourned at 8:30 a.m.

Recorded by Joni Dalin, TVE Office Administrator