

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

Meeting of Directors – April 18, 2019
Greater Tacoma Convention Center, Board Room South
1500 Commerce Street, Tacoma WA

Directors Present: Connie Ladenburg (Pierce County), Colleen Barta (Tacoma) and Dean Burke (Tacoma), Lisa Petorak (University Place), Tom Pierson (Tacoma)

Directors Absent: Bryan Yambe (Fife), Mike Brandstetter (Lakewood)

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

Chair Ladenburg called the meeting to order at 7:45 am. The board was asked if there were corrections to the January 31 meeting minutes. None were noted and a motion was requested for approval. It was so moved by Dean Burke, seconded by Colleen Barta and unanimously approved by the board.

Financial Update

Jon Houg presented financial information. He noted 2018 continued the trend of year over year growth in PFD sales tax revenue rebates, reminding the board of the two month lag in revenue reporting. He presented information on the bond repayment structure for the facility and indicated hotel occupancy rates are tracking with the healthy local economy. Funds in excess of those required to meet debt obligations continue to be moved into the Convention Center's capital expense sub-fund.

Update on Recruitment Strategy for New PFD Jurisdictions

Board Member Burke indicated Andy Takata, Dupont City Manager, is agreeable to bringing the proposal for Dupont's PFD membership before City Council. Dean Burke is hoping to meet with him in May to discuss details of the process. Puyallup will be the next jurisdiction approached once their City management structure is fully in place.

Tacoma Hosting of Association of Washington State PFD's – October 2020

The board indicated their desire to begin planning Tacoma's topics, speakers and area activities for the 2020 meeting, including lodging arrangements with the new Marriott hotel property. Kim Bedier was asked to obtain information from Yakima on their 2019 plans and indicated she would do so. Board members Ladenburg and Barta agreed to serve on a subcommittee to identify speakers (also contacting member Brandstetter to determine his interest in serving on that committee). Kim Bedier was asked to participate on the subcommittee. She agreed to serve on the subcommittee; also indicating she would obtain a copy of the membership mailing list. Subcommittee will report at the July PFD meeting.

Tourism Promotion Area Process

Dean Burke presented information on this topic.

- TPA is a special fee on lodging that is patron-paid, self-imposed and collected by hotels with 40 rooms or more and administered by the local governing districts (Pierce County). Monies are used to promote tourism with the goal of creation of hotel room nights. Rates in Pierce County range from \$0.50 to \$1.50/night (the state has set a ceiling of \$2/night). Pierce County is behind the rest of the state in amount charged.
- TPA is designed to be a global fund, spent across all funding jurisdictions within a county to promote tourism rather than focusing on any one component in the county. This approach means the burden of promoting the Convention Center as a destination falls upon the City of Tacoma rather than being able to utilize TPA dollars.

Dean has concern this approach will have a negative impact on the ability to promote and sell the Convention Center and the surrounding area if too much focus is placed on individual jurisdictions rather than regional needs. Kim mentioned that a great portion of the revenues are generated within the City of Tacoma so it would be concerning if the funds cannot be spent within Tacoma.

The program is still in transition, with unintended consequences being evaluated. .Dean will provide an update at the July meeting.

In contrast, a Lodging Tax Advisory Committee or LTAC is responsible for the distribution of lodging tax, otherwise known as hotel/motel tax. Lodging tax is a consumer tax on lodging of less than 30 consecutive days. It can be used for tourism marketing, special events and festivals, operations and capital expenditures of tourism-related facilities. In the case of Tacoma, 100% of lodging tax collected is dedicated to debt service and operations of the Convention Center.

Director's Report

Kim Bedier reported the Convention Center rolled out a new website this past week. She asked board members to provide feedback on the site: www.conventioncenter.org (Hemisphere, the same local firm that handled rebranding for the facility, designed the website).

Kim announced some internal shifts within the organization:

- Lisa Woods has been promoted to a position with the City Manager's Office. Jon Houg will be taking on responsibility for her area as Business Services Manager (some of Jon's work is being redistributed to other team members).
- Two staff positions are being added: a Security Manager, responsible for both the Convention Center and Tacoma Dome, and a Guest Experience Coordinator who will act as a client and patron advocate.

The sales team has been given the go ahead from Marriott to start working on some group bookings for the new hotel property starting in the fall of 2021. That timeframe may move in closer to the completion date of the hotel as construction deadlines are met.

New Business

No new business was presented.

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

The next regularly scheduled board meeting is July 18, 2019 at 7:45 am, in Convention Center Boardroom South.

Recorded by Joni Dalin