

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

Hybrid Meeting of Directors – April 17, 2025

Directors Present: Dean Burke (Tacoma), Andrea Reay (Tacoma), Kevin Briske (University Place), Rosie Ayala (Pierce County), Linda Smith (Lakewood), S. Joey Murphy (Fife)

Staff Present: Adam Cook, TVE Director, Donlisa Scott, TVE Office Manager, Diane Hager, TVE Business Services Manager, Lynsey Norton, Director of Sales Visit Tacoma/Pierce County

Director's Absent: Colleen Barta (Tacoma)

Chair Burke called the meeting to order at 8:30 a.m.

The meeting started with a land acknowledgement to recognize that the meeting was held on Indigenous land: the traditional homelands of the Puyallup people. *ʔukʷədiitəb ʔuhigʷətəb čət txʷəl tiit ʔa čət ʔal tə swatxʷixʷtxʷəd ʔa tiit puyaləpabš dxʷəstəʔliis gʷəl ʔutxʷəlšucidəbs həlgʷəʔ.*

We gratefully acknowledge that we rest on the traditional lands of the Puyallup People where they make their home and speak the Lushootseed language.

Approval of minutes from January 16, 2025

Andrea Reay motioned to approve the minutes; the motion was seconded by Rosie Ayala. The minutes were approved by the Board.

Welcome New Board Member Rosie Ayala, Pierce County Council Member

Chair Burke and the board members welcome Rosie Ayala to the Board. She will serve until December 31, 2025.

Public Comment on Action Items

There was no public comment.

Financial Update

Adam presented the Q1 2025 financial update, highlighting that revenue has exceeded the budget by \$200,000. This is based on strong event business. Expenses are slightly under budget by \$350K, due to timing of some operating expenses and reconfiguration of the city assessments to the Convention Center for items we pay for in HR, Finance, and Legal. This puts us well ahead of budget with a profit of \$444K for the year. Funding sources are pacing on budget, tracking at just 2% over on both accounts. Debt service net revenue shows as ahead of budget due to the debt payment not being due until June.

The Capital fund cash balance remains static at just under \$2M with no additional projects. Debt service available cash has increased \$735K, accruing for the upcoming June payment. Operating fund cash balance is relatively flat with a modest 1% increase. For the PFD's funding cash balances: hotel/motel tax fund increased \$267K on strong returns, while the PFD fund decreased \$307K due to timing of debt transfers and where the cash is moving. The December payment was paid by the City in December, but the cash didn't move out of the PFD account until January. Overall, there is \$20M in general cash between the two accounts, and we are more than stable for the Convention Center.

Debt balance is flat and has a payment due in June. There is a slight increase of \$186K which is the 2024 refunding bond. In the first quarter report in January that bond was reported at \$35K owed for the end of 2024, that amount has increased because the Convention Center has agreed to take on full ownership of that debt. Previously the debt was split between the Convention Center and the City's parking department. In 2024, we retired the initial debt the parking department's obligation was pledged to, and now the Convention Center has full ownership of the remaining debt. This is the revenue bond that allows us to keep collecting the state sales tax credit that funds the majority of what we do with the Convention Center. This is critical to maintain as we anticipate significant capital needs for repair and maintenance over the next 20 years.

The event business started strong this year, especially in the competition market. We're seeing significant growth in gymnastics, cheer, dance events, as well as the addition of several new events like the successful Front Row card show that comes multiple times a year. This drives strong attendance which drives economic impact.

The economic impact of our events has also been increasing as the number of events increases. We have made a slight shift in how we are calculating economic impact. We previously calculated it based on the number of guaranteed room nights for an event. As an example, USA Gymnastics guarantees 100 room nights just for their staff and their coaches, and that was what we were calculating the economic impact on. We know that USA Gymnastics has

thousands and thousands of competitors coming into the market that are all using hotel room nights. Visit Tacoma-Pierce County has been doing a lot of work to redefine exactly how many room nights an event is using and what that looks like. This is giving us a more accurate picture of the actual impact of these events on our region.

Director's Report

Adam shared that the City, County, and Puyallup Tribe of Indians are in discussions on potential activations around the FIFA World Cup in 2026. Tanya Carter, the City's new Community and Economic Development Director has been involved in multiple World Cups and she will help activate the business and neighborhood districts around the city.

The City continues its work with Blocks Hub, a Danish company with a focus on revitalizing the community and downtown cores. They have submitted proposals that focus specifically on Broadway between the Convention Center, the theaters, and the municipal building area, to drive more foot traffic and make it more user friendly for the community.

The City will be transitioning to a new website 'tacoma.gov' at the end of the month. Visitors to the former 'cityoftacoma.org' website will be automatically redirected to the new website. The Convention Center has its own website and will not be impacted, and our email addresses will remain 'tacomavenues.org'. It is important for us to maintain an individualized identity when we recruit business for our venues on the national and international stage.

House Bill 1109 in the Washington State House has moved to a Senate vote. The original house bill was a 25-year extension on the PFD sales tax credit. That will take it from 40 years from the date of year first bond to 65 years from the date of year first bond. That passed the house with that timeline in the Senate. It has been adjusted down to 15 years. This is the minimum threshold that the state association of PFDs was comfortable with. Anything less than that creates bonding challenges. By extending an additional 15 years, PFDs will now receive the credit up to 55 years after the first collection. Our Convention Center is about 23 years into our first bond collections, so this would provide another 32 years of collections and bonding capacity as we prepare for potential repair & maintenance capital needs. If the bill passes the Senate, it will return to the house for reconciliation.

It was recently determined that the Association of WA State PFDs was never formally incorporated in the state of Washington. All the work that we've been doing to support that, and all the work they've been doing with our lobbyists to support the sales tax extension has been managed by a group of members who are contributing to it as opposed to a formal state association. The group has met and are formalizing articles of incorporation with the state 501(c)(4) status, as trade association. As that develops and formal bylaws are created, we will reach out for representation from this committee as well as your feedback on bylaws and what that looks like so that can go to a formal vote for all the state associations of the PFDs.

Lynsey shared that the pace for booking future events is strong and we are already at the benchmark level of where we should be by the end of the second quarter. We have a strong sales team they are very ambitious and are being highly creative to find new business.

New Business

There being no further business the meeting adjourned at 8:50 a.m.

The next regularly scheduled meeting of the board is July 17, 2025.