

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

Special Telephonic Meeting of Directors – April 29, 2021
Necessitated by COVID-19 Measures

Directors Participating: Jani Hitchen (Pierce County), Mike Brandstetter (Lakewood), Colleen Barta (Tacoma), Dean Burke (Tacoma), Tom Pierson (Tacoma)

Kevin Briske (University Place) attended and will join the PFD Board at the July meeting. He was not able to vote at this meeting.

TVE Staff Participating: Kim Bedier, TVE Director; Adam Cook, TVE Deputy Director; Tammi Bryant, Director of Marketing

Secretary/Treasurer Brandstetter called the meeting to order at 7:48 am. This meeting was held virtually by phone/Zoom, with discussion limited to necessary and routine matters as defined in RCW 42.30.2020 to comply with Governor Inslee's proclamation limiting public gatherings in response to the COVID-19 outbreak.

Approval of Minutes from Previous Meeting

The board was asked if there were corrections to the January 16 meeting minutes. None were noted, Dean Burke requested a motion for approval of the minutes. It was so moved by Mike Brandstetter and seconded by CM Jani Hitchen and unanimously approved by the board.

Financial Update

Adam Cook presented Q1 2021 financial information. Operating revenues for the first quarter were under budget by approximately \$195K. Expenses were under budget \$617K with reductions in staff costs (furloughs) and facility operations costs. There is a temporary reduction in external contractor costs due to delayed timing with the contract extension with Travel Tacoma that is under negotiation for renewal through 2026. The facility's net revenue is over budget by \$422K due to cost cutting plans and steady revenue from the PFD Account.

Hotel/motel tax is under budget by \$240K, but we are anticipating an increase in the summer. PFD Sales Tax is \$210K over budget for Q1. Sales tax is well ahead of budget and staff reported they were not anticipating any decline.

Operating net revenue projected loss of \$300K through year end (vs. budgeted just under \$800K loss).

Capital cash balance remains unchanged at \$1.7 million. Operating cash is \$3.8 million (up \$92K due to cost saving measures and timing of expenses). Debt reserve fund is at \$501K (decrease of \$7K). Debt Service fund balance increased \$1.45 million from January in preparation for June debt service payments.

PFD fund is forecast to gain \$800K for the year, increasing the cash balance to \$2.5M. Sales tax collection is pacing strongly and well ahead of last year for Q1.

Hotel/motel tax fund is anticipating a loss of \$1.9M drawing down the cash balance to \$2M by year end. Staff reported seeing some limited growth and remaining hopeful that the Hotel Murano reopening in May and the summer travel season will provide a boost to revenue.

Bond debt balance remains the same as January at \$67,875,806.

Anticipating full return to events in 2022. So far 15 events for 31 event days have been cancelled for 2021. 30 events for 84 event days have been rescheduled, most are moving to 2022 and not cancelling outright. Rescheduled events account for \$5.9M in economic impact. 14 events for 32 event days of 2020 events have rescheduled for late 2021.

Competitions (dance, cheer, and gymnastics) events have returned due to allowance by the Governor's guidelines. All other business lines are down due to restrictions of the COVID-19 pandemic.

Adam Cook reviewed the Hotel/Motel and PFD Revenue and sales tax history. Tax revenues remain steady. Revenues are reported on a two month lag but everything is trending positively. Kim Bedier reported that the City of Tacoma remains cautiously optimistic on the sales tax front.

Mike Brandstetter brought forward the discussion about the PFD revenues being moved to capital funds. He suggested

a letter be reprinted to the City of Tacoma once updated financials are available for Q2 at the July meeting. Colleen Barta agreed with this discussion item.

Adam Cook reported on the cash-to-card (reverse ATM) machines status. One machine has been installed at the Tacoma Dome with plans to install one machine at the Greater Tacoma Convention Center in July or August, 2021.

Hosting of Association of Washington State PFDs

Kim Bedier reported that meetings would be held in-person in Tacoma in the fall and no virtual meetings would be held. Colleen Barta will assist with organizing these in person meetings. PFD Board members will be polled for their availability in September as planning begins.

Washington Safe Meeting & Convention Coalition – Re-opening Update

Kim Bedier shared an update from the Washington Safe Meetings & Conventions Coalition and the work this taskforce and the lobbyist are engaged in to obtain approval for venues to reopen. Bedier shared that the Greater Tacoma Convention Center does not have clear guidelines or a reopening date from the state.

Dean Burke shared that California (June 15) and Oregon (June 30) had announced reopening dates (as stated here). Tom Pierson shared the timing for the Governor's next data review to determine phasing. CM Jani Hitchen requested information on restrictions for Phase 4 but Bedier shared that while staff have provided proposed guidelines to the state, the state has not reviewed/approved guidelines at this time.

Bedier also shared the industrywide challenges heard from other states on reconstituting front line staff throughout all hospitality industries; as well, as the economic impact to surrounding businesses in the case of the venue. Dean Burke shared his enthusiasm in providing positivity for staff that are beginning to return to work.

The Tacoma Dome has a six week vaccination clinic with no appointment required. Everyone is encouraged to share this information to boost vaccines for the community.

Director's Report

Kim Bedier shared that the team is working at an industry level to obtain federal relief funding. The Shuttered Venues Operators Grant applications opened this week and the Tacoma Dome has applied for this funding but the Greater Tacoma Convention Center is not eligible.

Mr. Brandstetter provided information on federal relief funding that had been issued to the entities of the District. He suggested if there was funding that could be directed for COVID-related expenses at the convention center, that requests could be made for each of these governing PFD partner bodies. Bedier stated that the City of Tacoma has indicated to staff that they have designated their funds for other needs. Bedier indicated that staff would review this again and respond to the PFD Board.

Dean Burke shared that in May 2022 Tacoma would be hosting the Global Glass Arts conference, the largest event of its kind in the world. In addition to the programmed conference, Travel Tacoma will add two additional days to focus on a public-facing event using several venues with plans to make this a recurring annual event. This opportunity will be used to elevate and leverage Tacoma's glass arts identity. Bedier shared her excitement to use the new Marriott Tacoma Downtown for its intended purpose of multi-day conventions.

New Business

No new business was presented.

The meeting adjourned at 8:42 am.

The next regularly scheduled board meeting (Telephonic) is July 15 at 7:45 am.

Recorded by Tammi Bryant