

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 400th
MEETING OF THE**

BOARD OF COMMISSIONERS October 29, 2015

A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on October 29, 2015, pursuant to notice, at the Rhode Island Convention Center, One LaSalle Square, Providence, Rhode Island.

Board members present were Chairman Bernie Buonanno, Dale Venturini, Tony Mendez, Joseph A. DeLorenzo, George Nee, Patrick Butler, Stan Israel, John Hooper, Paul MacDonald and Jeff Hirsh.

Letitia Carter was unable to attend.

Also present were James P. McCarvill, Executive Director, Kim Keough and Donald Nadeau, Rhode Island Convention Center Authority; Larry Lepore, John McGinn, Kathy Masino, Amanda Wilmouth, Pamela Bacon and Cheryl Cohen from the complex; Michael Gravison and Dan Schwartz, the VETS; Tom Reil Martha Sheridan, PWCVB; Lynn Singleton and Alan Chille, PFM; Chantale Sarrasin, House Finance; Bob Bromley, Senate Fiscal Office; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary

**Mr. Buonanno called the meeting to order at the meeting at 9:05 AM.
Mr. Buonanno asked for a motion to approve the minutes of the**

September Board Meeting. Upon a motion duly made by Mr. Butler and seconded by Mr. Nee it was unanimously

VOTED: to approve the minutes of the September Board meeting.

Mr. Buonanno asked Mr. McCarvill to present the financial information for the month of September.

Mr. McCarvill said that at November Finance Committee Meeting there will be a presentation tutorial on how to read the present financial statements and looking for suggestions on how to improve the statements. Mr. McCarvill stated that Ms. Bacon is in the process of revising the way financial information is presented and your input is encouraged.

Mr. McCarvill began the financial statement review. Mr. McCarvill stated that the Convention Center's net income for the month of September was \$201,436 to budget and \$187,021 to the prior year. Mr. McCarvill stated that year to date the Convention Center's net income was \$213,510 to budget and \$846,567 to the previous year. Mr. McCarvill continued with the Income Statement for the Dunk. He said that for the month of September the Dunkin' Donuts Center's net income variance was \$54,902 to budget and (\$466,693) to the prior year. Mr. McCarvill reported that year to date net income for the Dunk was \$241,076 to budget and (\$320,405) to the prior year. Mr. McCarvill stated that the Disney Show Frozen that was very successful last year

is negatively affecting the variance to prior year. Mr. McCarvill stated that this year's Disney show was not very well attended and Disney has agreed to move the show to October next year which will be after schools are open and vacations are over. Mr. McCarvill reported that for the month of September the VETS net income variance was \$18,727 to budget and \$31,352 to the prior year. Mr. McCarvill said that year to date net income for the VETS was \$18,511 to budget and \$54,311 to the previous year. Mr. McCarvill reported that the VETS staff was also doing a good job controlling costs. Mr. McCarvill reported that the Convention Center Authority's net income variance for the month of September was \$52,024 to budget and \$29,563 to the prior year. Year to date net income for the Authority was \$109,855 to budget and a variance of \$30,195 to the prior year. Mr. McCarvill said that consolidated net income variance for the month of September was \$327,089 to budget and (\$218,757) to the prior year. Consolidated net income for the year was \$582,953 to budget and a variance of \$610,668 to the prior year. Mr.. McCarvill reported that the Convention Center's net income for the month of August was (\$57,238) to budget and \$232,801 to the prior year. Mr. McCarvill stated that year to date the Convention Center's net income was \$12,074 to budget and \$659,546 to the previous year.

Mr. Buonanno asked for a motion to accept the financial report as presented. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Butler it was unanimously

VOTED: to accept the financial report as presented.

Ms. Venturini asked that something be put together reminding everyone which committees they are members of. Mr. McCarvill said that it would be available at November's meetings but reminded the Board that all are encouraged to participate in every committee. Mr. McCarvill reported that a draft meeting schedule was included in today's package. He said that as of now the Finance Committee will meet every other month on the Tuesday prior to the Thursday Board Meeting. Operations & Facilities will meet on the Tuesday prior to the Board meeting in the month that the Finance Committee does not meet. The Garrahy Courthouse Garage Committee will meet every month. Tuesday before the Thursday Board remains the day for the Marketing Committee although Ms. Venturini may cancel one meeting in the Summer and one during the Holiday Season and possibly move other dates due to travel schedules or other conflicts.

Mr. McCarvill reported on the Garrahy Courthouse Parking Garage project. He said that Walker Parking Consultants is about to do a traffic study surrounding the parcel. Mr. McCarvill reported that Bruce Leach and Ray Keough are working on a contract for the work that we think is necessary before moving forward. Mr. Buonanno stated that this is a very complicated project because it involves RIPTA, retail and the I 195 Commission. Mr. Buonanno said that he doesn't want to do this garage if we are going to lose money. Ms. Venturini asked if the project was contingent upon the sale of land

from the I 195 parcels. Mr. McCarvill said that yes, three P&S agreements are required before we can move forward. Mr. McCarvill said that there are only two alternatives; what is wanted and what we can do. Discussion ensued regarding the issues that we are facing with the project. Mr. Leach stated that the legislation gives us the right to borrow but we have not been told that we have to build it. Mr. McCarvill stated that we are going to be team players and move forward. Mr. Leach noted that title issues remain. Mr. DeLorenzo asked how much money we are going to borrow. Mr. Leach answered that the legislation calls for \$43 million. Mr. DeLorenzo commented that the amount will double over the term of the borrowing. Mr. McCarvill said that he thinks the rate is about 4 ½ %. Mr. Butler noted that if the I195 land is not sold this is all hypothetical. Mr. McCarvill said yes if the land is not sold we can't move forward but he said that he understands that some P&S agreements are close to being signed. Mr. Nee asked if we have the right to tell the courts that they have to pay market rate for parking. Mr. Leach stated that it has not yet been negotiated. Mr. Nee asked if any other legislation would be needed if the parcels are sold. Mr. Leach said that there would be because this project is not associated with a Convention Center the Authority's enabling legislation might have to be amended. He also said that if any major changes to the Garrahy Courthouse Garage project were made there would have to be adjustments to the existing legislation.

Ms. Venturini asked Mr. McGinn to update the Board on his presentation. Mr. McGinn reported that the year is looking to be very

good. He noted that at this time last year we had only \$7.8 million in sales and this year we are already over \$10 million and we will probably reach \$10.5 million. Mr. McGinn stated that we turn down approximately \$200,000 per month in business because we don't have the space necessary for certain groups. Mr. Mendez said that last year was a bad year and asked if we turned away groups. Mr. McGinn said that we did but it is because we don't have the configuration that they were looking for.

Ms. Venturini invited Mr. Reil to address the Board. Mr. Reil distributed the CVB's report and stated that for the month of September hotel rates were up 8.6% over the same time last year and occupancy was up 4.7% of last September. Mr. Reil stated that definite bookings for the Convention Center include Sigma Chi Grand Chapter 2017, Gordon Food Service, American Youth Football & Cheerleading and INFORMA Exhibition. Mr. Reil stated that the economic impact of the definite bookings is \$8,101,626 for the local economy. Mr. Reil reported that tentative booking highlights include ICONICS, Inc. the American Volleyball Coaches Association, which would be a great event to host in the Complex, American Society of Ichthyologists & Herpetologists and the NA Association of Cancer Research Registries. Mr. Reil reported that the sales team had traveled to Washington, DC and exhibited at HSMAI's Annual Meeting and National Tradeshow. He stated that this event was disappointing and the PWCVB would not be sending representatives next year. Mr. Reil said the team also participated in the Omni Global Sales and the

Omni Providence joint event at a Washington Redskins Game. An informational dinner with prospective customers was conducted in New York City and the CVB hosted their annual Waterfire reception that was attended by several local ambassadors and stakeholders. Mr. Butler asked how AirB&B's are affecting hotels. Mr. Reil said that it is difficult to know but some attendees are using those services. Mr. Reil noted that the CVB has reached out to that segment and offered assistance with good results. Ms. Venturini stated that the Division of Taxation is working with the tourism industry to track usage. Mr. Reil stated that this is a shared economy and we need to work with today's trends. Mr. Reil noted that AirB&B's are all different. He said some are private homes and others are empty apartment houses.

Discussion ensued regarding the workshop on space requirements that was held recently. Mr. Lepore stated that in looking at the footprint of the Complex there are some things that we can accomplish without spending a great deal of money. Ms. Venturini reported that the brainstorming session was very productive. She said that a report was prepared by Heather from her staff that is being forwarded to the participants of the session for their input. Ms. Venturini stated that at the next Marketing Committee Meeting we will come up with a list of priorities that can be accomplished.

Mr. McCarvill asked Ms. Keough about the Annual Report. Ms. Keough said that it is at the printers and will be available soon. Ms.

Keough stated that a continuation of our Economic Impact Study for Fiscal Years 14, 15 and 16 will be completed. Ms. Keough noted that we are still in Fiscal 16 therefore a report will not be completed until next Fall. Ms. Keough reminded everyone that Feed 1000 would take place on December 19th and that in the past the most needed items were coats. Ms. Keough said that bins will be placed in the lobby of the Convention Center for your gently used coats. She stated that adults as well as children's coats are needed. Ms. Keough stated that a press release went out last week regarding Feed 1000. Mr. Nee asked that the Board members receive notice and copies of all press releases. Ms. Venturini asked Ms. Keough to send instructions on volunteering for the event to her office.

Mr. Schwartz reported that things at the VETS are good. He said that this is the best October they have ever had. Mr. Schwartz reported that an RFP for heating and cooling of the room where the piano is stored was posted to the State Purchasing web-site and a walkthrough is scheduled for next week. Mr. Nee asked what is going on with the parking next to the theater. Mr. Schwartz stated that the lot has been cleared and construction has begun. He said that state employees used the lot during the day and we will be allowed access at night and charge for parking.

Mr. McCarvill stated that the contract with PFM and the lease with the State for the VETS that expire in June 2016 and requires that the State and PFM be notified by January 31, 2016 if they intend to extend the

contract. This agenda item is only to remind the Board of the requirement.

Mr. Lepore reported on that we have faced some challenges recently. He thanked his staff for their efforts in controlling expenses and said that they have rallied together to improve conditions at the facilities. Mr. Lepore stated that Mike Tranghese would be return to PC and will be the person negotiating the contract for the building. Mr. Lepore noted that he had a conversation with the Coach who thinks that Kris Dunn will attract national attention. Mr. Lepore also reported that the Providence Bruins are doing well. Ms. Cohen addressed the Board and gave examples of the obstacles that we face with concerts. She stated that an offer was made for Jason Aldeen that looked promising. She said that the concert fell through because Mohegan Sun had overbid us and offered \$2 million for two shows. An amount that we cannot compete with. Mr. Lepore commented Kevin Hart had put on a great show but there were complaints about the amount of time it took to exit the garage. Discussion ensued regarding the grid lock in the City and the opinion that the new traffic pattern will not be any help. Ms. Venturini asked about the Wayfinding Program that was initiated a few year ago. Mr. Nee said that he thought we paid someone for signage to help direct traffic to the highway. Mr. Lepore noted that guests often cite the ease of getting into and out of Providence as a reason to come to Providence over Boston. Mr. Lepore said that he is concerned that our re-constructed streets and new traffic patterns are going to change that perception.

Ms. Cohen noted that coming events include three concerts with New Life Worship, CVS is planning a public concert to coincide with the CVS Classic and a New Year's Eve Ball for the City of Providence that has the support from the Office of Arts, Culture & Tourism. Mr. Lepore said that the Mayor is attempting to get more people downtown for New Year's Eve.

Conversation turned to ComicCon. Mr. Lepore reported that our capacity for this show is 17,000 and the event will sell out. He said that patrons will wear their tickets on lanyards and can be scanned for easy exit and re-entry. Mr. Mendez asked if we are selling fewer tickets this year because of the overcrowding at last year's event. Mr. Lepore said that we are selling more because we are using both the Convention Center and the Dunk. Mr. Lepore commented that the City has been very cooperative and the Mayor will be cutting the ribbon with a light saber to open the event.

Mr. Hirsh said that at the CVB Annual Meeting he had spoken to someone that had recently arrived at Green Airport. He related a story that this individual had taken a taxi from the airport and that during the ride the driver had been bad mouthing Rhode Island and the City of Providence. Ms. Venturini asked if Mr. Hirsh knew which taxi company was involved. Mr. Hirsh said that he would get the information. Mr. Lepore stated that the individual had a receipt that identified the driver. Mr. Reil reported that the fare for a taxi from the

airport to Providence is \$47.00. Ms. Venturini said that fare is set by the PUC.

Mr. Buonanno asked if there was any other business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. Butler and seconded by Mr. DeLorenzo it was unanimously

VOTED: to adjourn at 10:40 AM