

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 413th  
MEETING OF THE  
BOARD OF COMMISSIONERS November 17, 2016**

**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 November 17, 2016 pursuant to notice, at the Rhode Island Convention Center, One LaSalle Square, Providence, Rhode Island.**

**Board members present were Chairman Bernie Buonanno, Patrick Butler, Tony Mendez, Stan Israel, George Nee, Paul MacDonald, Catherine Parente, Dale Venturini and Jeff Hirsh.**

**Mr. Hooper was unable to attend.**

**Also present were James P. McCarvill, Executive Director, Rhode Island Convention Center Authority; Larry Lepore and Pamela Bacon, the Convention Center and the Dunkin' Donuts Center; Tom Riel, PWCVB; Dan Schwartz and Michael Gravison, the VETS; Alan Chille, PPAC/PFM; Robert Bromley, Senate Fiscal Office; Burnell Goldman, Omni Hotel; Samantha Robitaille, Citron Cooperman; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary**

**Mr. Buonanno called the meeting to order at the meeting at 9:05 AM and asked for a motion to approve the minutes of the October Board Meeting. Upon a motion duly made by Mr. MacDonald and seconded**

**by Mr. Hirsh it was unanimously**

**VOTED: to approve the minutes of the October Board meeting.**

**Mr. Buonanno stated that the next meeting would be held on Tuesday, December 20th at 9:00 AM.**

**Mr. McCarvill reported that we had received responses to our RFP for bond refunding. Mr. McCarvill reported that there were three responses to our RFP for bond refunding. Mr. McCarvill noted that because of the stock market activity recently our expected savings has declined. He said that right now we would only be saving approximately \$2.5. He said that when this opportunity was brought to our attention that expected saving would have been \$5 or \$6 million. Mr. McCarvill suggested that we put this on hold and see where the market is going.**

**Mr. Buonanno asked Mr. Schwartz to report on the VETS financial statements. Mr. Schwartz reported that October was a struggle and there were two events that were losses. Odd Squad Live and Billy Gardell were surprising losses. Mr. Schwartz stated that there were fewer rental events and two events that were cancelled. Mr. Schwartz stated that things look brighter in future months. Mr. Nee asked where parking revenue is accounted for in the financial statements. Mr. Schwartz said that parking revenue is broken out on the event revenue report but is included in other revenues on the financial statement. Mr. Schwartz reported net income for the month of**

October was (\$23,628) and year to date net operating income is (\$144,993). Mr. Schwartz stated that things are looking much brighter going forward.

Discussion ensued regarding Billy Gilman and his appearance on The Voice. It was noted that he is doing very well and has a great chance to win. Mr. Schwartz stated that with help from Cheryl Cohen who is a friend of Billy and his family the Vets secured a date for him to perform. Mr. Schwartz stated that following Billy's win he will not be available to us. Mr. Lepore jokingly suggested that the show be moved to the Dunk.

Mr. Lepore reported that the parking revenue is up almost \$50,000 over budget. Mr. Lepore noted that we are making up some ground from the very slow summer months. Mr. Lepore stated that many projects were completed during the summer and the building is in good shape. Mr. Lepore reported that net operating income for the month of October was \$273,697 and (\$313,034) year to date. Mr. Lepore reported that some events that were budgeted will not occur. The CVS dinner will not take place at the Convention Center because the PGA moved the event to a week earlier in the year and we do not have the available space. Mr. Nee asked where they are moving to. Mr. Lepore stated that they don't have a venue yet. Mr. Buonanno commented that they are leaving because of the PGA and not because of any problems with us. Mr. Lepore agreed and said that CVS is still planning on a concert here at the Dunk.

**Mr. Lepore stated that for the month of October the Dunkin' Donuts Center's net income was a loss. October's net income was (\$279,096).**

**Mr. Lepore reported that year to date net income for the Dunk was (\$749,693). Mr. Lepore noted that a WWE event was budgeted to happen in October but it was moved to November. Mr. Lepore reported that November will be much better because of WWE and Comic Con. Mr. Lepore noted the difference in attendance at P Bruins games when the Patriots are playing. He said that attendance will improve after football season. Mr. Lepore said that the Fifth Harmony Concert was a disappointment and it will take some time to make up for the loss. He said that the tour was cancelled shortly after they appeared here because it was not doing well anywhere. Mr. Mendez asked what Live Nation's cut is on the loss. Mr. Lepore said it is the same as ours. They also lost.**

**Mr. McCarvill presented the financial statements for the Authority and combined. Mr. McCarvill stated that for the month of October net income for the Authority was (\$51,526) to budget and (\$71,714) to the prior year. Mr. McCarvill said that year to date the Authority's net income was \$142,227 to budget and (\$7,153) to the prior year. Mr. McCarvill stated that the \$71,880 in room tax revenue that was sent to us in error has been returned. Mr. MacDonald asked where the room tax went now that we don't get it. Ms. Venturini said that it now goes to RI Commerce Corp. Mr. McCarvill noted that the positive variance for the Authority will go away because we have no income. Mr.**

**McCarvill reported that consolidated net income for October was (\$29, 996) to budget and (\$547,766) to the prior year. Year to date consolidated net income was \$106,477 to budget and (\$966,866) to the previous year.**

**Mr. Hirsh reported that one of our appointments to the PWCVB Board, Scott Gunn, has been unable to attend CVB Board meeting because of his work travel and has offered his resignation. Mr. Hirsh thanked Mr. Gunn for his service. Mr. Hirsh reported that Mr. Burnell Goldman, General Manager of the Omni Hotel, has been suggested as Mr. Gunn's replacement and asked for a motion to approve Mr. Goldman's appointment. Upon a motion duly made by Mr. Nee and seconded by Mr. Buonanno it was unanimously**

**VOTED: to approve the appointment of Burnell Goldman to the PWCVB Board of Directors**

**Ms. Venturini reported that the PWCVB had been chosen by PBN as non-profit of the year. Congratulations to Martha and everyone at the CVB.**

**Mr. Riel reported that room nights are ahead of last year although the number of booked events is down. Mr. Riel noted that the groups that we are attracting have larger room blocks associated with such as**

**Contract Bridge.** Conversation ensued regarding more meeting space at the Convention Center. Ms. Venturini noted that the cost of expanding to the top level of the garage does not make that option feasible at this time. Ms. Venturini noted that we should set up a meeting to see what possible options exist within the current footprint. Mr. McCarvill reported that we have some conceptual ideas. Mr. Buonanno stated that we have solved one problem with the changes that have been made to the west lobby. Ms. Venturini said that we don't have the land to expand our footprint. Mr. Mendez cautioned that in the arena of public opinion we will be challenged for why we want to borrow and expand while losing money. Ms. Venturini said that she would try to get a meeting together in December or January to see what our options are reasonable.

**Discussion** ensued regarding Billy Gilman and his appearance on The Voice. It was noted that he is doing very well and has a great chance to win. Mr. Schwartz stated that with help from Cheryl Cohen who is a friend of Billy and his family the Vets secured a date for him to perform. Mr. Schwartz stated that following Billy's win he will not be available to us. Mr. Lepore jokingly suggested that the show be moved to the Dunk.

Mr. Lepore stated that he is waiting for Comic Con to peak. He said that it continues to grow and may outgrow our facilities. He stated that we need to do something where the promoter can expand and add more vendors even if we tent the street. Mr. Lepore said that we

don't want to see the event move to Boston. Mr. Buonanno asked what Stan Lee did to garner all this attention. Mr. Lepore answered that he was the founder of Marvel Comics. Mr. Mendez stated that we need a way to get this kind of story out to the public. It was noted that it seems like we only get mentioned in the news if there are problems.

Discussion ensued regarding the PC Contract. Mr. Nee asked if we had any news. Mr. Lepore stated that the first meeting did not go well. Mr. Nee wanted to know when the contract expires. Mr. Lepore stated that it is over now and we have an extension letter. Mr. Hirsh commented that it might be better to negotiate after the season is over. He said that they are coming off a great season last year and might feel that they have more to offer now. Mr. McCarvill noted that PC is a valuable client and we need to find a way to work together. Mr. Buonanno stated that the taxpayers made an enormous commitment that PC seems to have forgotten. Mr. Buonanno said that we are unsure of what is driving them. Mr. Israel asked if they have big issues with us or the building. Mr. Lepore stated that dates are our biggest hang-ups. Mr. Nee said that our responsibility is to the taxpayers who invested \$85 million for renovations. Mr. Lepore noted that PC is our best customer so we would like to reach an agreement. Ms. Venturini noted that the public would blame the Authority if PC did not play at the Dunk. Mr. McCarvill said that PC should recognize that we need to book events like Comic Con to help defray the costs of the building. Mr. MacDonald asked if the school

**makes a lot in a game. Mr. Lepore said that a Big East game with TV could be \$300,000. Ms. Venturini said what are we missing. Mr. Nee said that maybe it is time for us to play hard ball. Mr. Hirsh stated that they had hired an agent to negotiate for them.**

**The conversation turned to the Live Nation contract which expires on December 31st. Mr. Lepore stated that the current contract states that we will co-promote in an effort to generate more shows. We have had a decrease in the number of events and those that we have had have not been profitable. Mr. McCarvill noted that a former chair had negotiated away a share of parking. Mr. Lepore stated that he had spoken with Don Law that was not pleasant conversation when they announced the building of an amphitheater in East Providence. Mr. Nee reported that a new facility in East Providence could have major implications to us as well as PPAC, the VETS and Twin River. Mr. Nee stated that he testified against it at the East Providence City Council meeting but it was approved. Mr. Buonanno asked what other permits are needed. Mr. Nee said there are a few but DEM is the big one. Mr. McCarvill stated that we need to address the Live Nation contract that expires in December. Mr. Nee stated that minimally we must take parking back. Mr. Israel asked how this might impact our ability to get big acts. Mr. Lepore said that we have some very good events booked through other promoters. Mr. Mendez said that it appears that we gave them all the incentives that they wanted and we were not well served.**



**The Garrahy Courthouse Garage was discussed and noted that there have not been any developments since last month. Mr. McCarvill reported that he had instructed Mr. Leach to begin the process of obtaining the property but we still need three purchase and sales agreements or Wexford signs their agreement.**

**Mr. McCarvill said that he would like to move forward on the refunding opportunity and would have more information at the October meeting.**

**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. Nee and seconded by Mr. Israel it was unanimously**

**VOTED: to adjourn at 10:50 AM**