

**WSSC PFD Board Strategic Planning Retreat
October 26, 2021**

Washington State Convention Center Public Facilities District
Board of Directors Strategic Planning Retreat
October 26, 2021
WSSC Room 2AB

Tuesday, October 26, 2021, 9:00 a.m. to 5:00 p.m.

Board Members In attendance (in-person and by videoconference / conference call):

Frank K. Finneran	Chairman, WSSC PFD Board of Directors	
Deryl Brown-Archie	Vice-Chair, WSSC PFD Board of Directors	(by Microsoft Teams)
Robert Flowers	Director, WSSC PFD Board of Directors	(by Microsoft Teams)
Susana Gonzalez-Murillo	Director, WSSC PFD Board of Directors	
Jerry Hillis	Director, WSSC PFD Board of Directors	
Craig Schafer	Director, WSSC PFD Board of Directors	

Board Members absent:

J. Terry McLaughlin	Director, WSSC PFD Board of Directors	
Nicole Grant	Director, WSSC PFD Board of Directors	

Officers in Attendance:

Jeffrey A. Blosser	President & CEO, WSSC PFD	
Linda Willanger	Vice President – Administration / A.G.M, WSSC PFD	
Jon Houg	Vice President – Operations, WSSC PFD	
Sam Hecker	Chief Financial Officer, WSSC PFD	

Staff in Attendance

Michael McQuade	Director of Sales, WSSC PFD	
Krista Daniel	Director of Event Services, WSSC PFD	
David Cononetz	Director of Facilities, WSSC PFD	(by Microsoft Teams)
Tony Sheehan	Director of Information Systems, WSSC PFD	
Earl Taylor	Director of Operations, WSSC PFD	
Loni Syltebo	Director of Communications, WSSC PFD	
Jules Miller	Accounting Manager, WSSC PFD	
Lorrie Starkweather	Executive Assistant to the President & Board of Directors, WSSC PFD	
Andrew King	Information Services Support Technician, WSSC PFD	

Consultants / Vendors in Attendance:

Matthew Hendricks	General Counsel to WSSC, Hendricks & Bennett	
Keith Hedrick	General Manager, ARAMARK	
Melinda Altamirano	District Manager PNW/Western CN Sports & Entertainment, ARAMARK	
Becky Bogard	Government Affairs Consultant, Bogard & Johnson LLC	
Fred Eoff	Financial Consultant, Public Financial Management, LLC	
Tom Norwalk	President & CEO, Visit Seattle	
Ali Daniels	SVP / Chief Marketing Officer, Visit Seattle	
Kelly Saling	SVP / Chief Sales Officer, Visit Seattle	
Kris Cromwell	Vice President – Finance, Visit Seattle	

For Discussion Purposes

Troy Anderson	Director of Sales, Visit Seattle	(by Microsoft Teams)
Patrick Smyton	Senior Director - Convention Strategy, Visit Seattle	
Matt Griffin	Pine Street Group	
Matt Rosauer	Pine Street Group	
Armeta Libby	Pine Street Group	
Jane Lewis	Pine Street Group	
Margery Aronson	WSCC Addition Art Advisor	
Jonathan Cooper	Technician, LMG	
<u>Guests / Guest Speaker (12:00 p.m.)</u>		
Pamela Banks	Interim Director, Seattle Office of Economic Development	
Christine (Tina) Inay	Deputy Director, Seattle Office of Economic Development	
Arielle Wesley-Washington	Executive Assistant, Seattle Office of Economic Development	

1. Chairman’s Welcome

At 9:00 a.m., Board Chairman Frank Finneran welcomed attendees to the WSCC PFD Board of Directors 2021 Strategic Planning Meeting, with attendees participating in-person and by telephone conference call via Microsoft Teams. Per the Governor and King County’s mandated requirements, all attendees were verified to be fully vaccinated or have provided proof of negative test results for COVID-19.

At this time, Mr. Finneran requested a moment of silence to honor Bryan Phillips, the construction worker who tragically died on Monday, September 20, 2021, in an industrial incident on the Addition Project construction site. Mr. Phillips was a member of the Cement Masons & Plasterers Union, Local 528, and leaves behind his wife, Jennifer. Mr. Finneran said that a GoFundMe page has been created on behalf of Mr. Phillips, and he would like WSCC to contribute, if legally permissible, and encouraged others with the means to do so to contribute as well. This was a tragic incident that has impacted the project and project team family.

Mr. Finneran provided an overview of the meeting schedule and flow of the agenda, reminding the group that as a quorum of Directors were in attendance, the meeting is considered a “special meeting” under the Open Public Meetings Act. Mr. Finneran advised that there would be no public commentary nor Board actions taken at the Retreat meeting. Any decisions would be moved to the November 23, 2021, Regular meeting of the WSCC PFD Board.

a. Review Mission and Vision

Mr. Finneran stated that the WSCC service vision and service promise have served us well over the past 30+ years and the staff works hard and goes the extra mile to ensure they hit the mark with the service vision and service promise to meet the high expectations they have been tasked with. As is the custom at the annual Board Retreat meeting, Mr. Finneran requested Ms. Willanger to present the Mission and Board Values to the Board:

Mission / Board Values 2021
Mission Statement (revised 11/24/2020)

Through the professional actions of our staff, we will provide our guests with a distinctive level of service excellence while maintaining a safe and fiscally responsible, self-sustaining operation that contributes economic and other civic benefits for the people of the City, County, and Washington State.

Board of Directors Values (revised 11/27/2018)

- Guide the operation of the Center with quality as our foremost objective
- Continue to be financially self-sustaining
- Generate economic benefits and other civic benefits for the people of the City, County, and Washington State

- Provide a safe environment throughout the Center for clients, guests, and staff
- Consistently provide a superior level of maintenance throughout the facility
- Actively participate as a partner in our community
- Contribute leadership in coordinating the destination sales effort.

Ms. Willanger advised that the WSCC staff have developed the Staff Service Vision in our Quality Service Program (QSP), which has been a timeless program for WSCC since the 1990's and is a good blueprint that has gotten us to where we are today with our staff and is going to help us create that kind of engagement and culture with our new staff for the two buildings. It's a simple statement to allow all our staff to remember it in their daily work:

Staff Service Vision from the Quality Service Program (QSP)

- By doing ordinary things in an extraordinary manner, we will earn the privilege of serving our guests again.

Mr. Finneran asked the Board if there were any suggestions for updates to the Board Mission / Values statements or questions. Mr. Flowers asked if the Staff Service Vision is part of the performance evaluation for managers and staff and is their compensation impacted based on their performance? Both Mr. Finneran and Mr. Blosser replied in the affirmative. Discussion took place regarding whether changes were necessary or relevant to the Board of Directors Values as written, in particular the reference to being "fiscally self-sustaining". Mr. Finneran advised that while circumstances beyond our control are currently hindering our efforts to achieve this, it remains the Board's Mission and Goal even during these extraordinary times. There being no further comments, questions, or discussion, Ms. Willanger was given the go-ahead to continue with the Mission, Board Values, and Staff Service Vision as written for 2022.

b. Roundtable Introductions

Mr. Finneran took an opportunity to do around-the-room introductions for the Board, our staff, contractors, and guests to understand who we all are, our history with the Center, and our roles. Mr. Hillis commented that, as he heard some of the staff introductions and the length of time they have been at WSCC, it's a very impressive milestone for any organization and he thanked the leadership for this accomplishment.

2. Addition Update / Overview

Mr. Finneran advised this is not the easiest time for anything and the Addition project is having its difficulties, as well, just keeping on track with the budget and schedule issues being discussed daily. Mr. Finneran requested Mr. Griffin and Mr. Rosauer to provide comment and an update on the progress of construction.

Mr. Griffin provided an update on the project, advising that PSG is working hard with the contractor to complete the project. Matt Rosauer spoke on the schedule, advising that the TCO currently stands at July 1, 2022. We do realize there is a sprint to the finish. It is a large building and it is moving quickly, but we know we could always use more people. There are 1,000 workers on site currently, and the site has room for additional workers. Drywall is starting to be installed on walls and is making the spaces more impressive. Some finishes are being done, but the real focus is on systems, ultimately leading into testing and inspections which start to gain pace in March and April, for the final push to July. Mr. Griffin advised that the Project is competing for labor like everyone else, and we are pleased that 25% of the project labor force comes from priority zip codes, with approximately 30% of the team being people of color, and 19% apprentices.

As has been reported to the Addition Committee, Mr. Griffin advised that there continues to be cost pressures on the finances. Efforts continue with the State for reimbursement of \$30 million in COVID-19 relief for the additional costs incurred due to the Governor's mandated COVID restrictions and COVID implications from 2020. The other parts of the financing regarding the bond issues were completed last spring which was a relief for everyone.

Mr. Griffin commented briefly on the tragic accident that occurred on the construction site in September. The investigation by Washington State Department of Labor & Industries (L&I) continues. The contractor (Clark-Lewis - C-L) is working with LNI, and C-L are also exploring areas they can improve the environment and reduce chances of future incidents.

Mr. Griffin advised that PSG and C-L have worked hard to encourage as many workers as possible to get vaccinated and currently the vaccination rate is approximately 50%. This is of concern as there have been cases of COVID amongst the workers, which require all the necessary procedures for notification, quarantine of those involved, etc.

Ms. Gonzalez-Murillo advised that Ms. Grant was not able to attend this meeting, however at a previous meeting she had made a point that is worthy of discussion. When the tragic incident occurred, the President and Board received an almost-immediate update as did the family members, however Ms. Gonzalez-Murillo and Ms. Grant could find no public comment or notification anywhere following the incident. Ms. Gonzalez-Murillo asked if there was to be an onsite tribute to the injured worker by the contractor or a memorial held in his honor? Mr. Rosauer advised that he could not speak on behalf of the contractor (C-L) as to if they have been in contact with the family, but there was a memorial held onsite for the workers and from what Mr. Rosauer understands, it was a special event. Neither Mr. Griffin nor Mr. Rosauer were able to attend. Mr. Griffin advised that the contractor did its own investigation onsite of the various areas to ensure everything was as safe as possible and brought in a counselor to assist workers with grief. C-L helped to set up the GoFundMe account. Ms. Lewis advised there has been discussion through the contractor (C-L) with the family of the possibility of erecting a permanent recognition of the worker onsite once the building is up and running. Further discussion to occur in the spring of 2022.

Ms. Gonzalez-Murillo asked if the Governor's mandate will negatively affect the construction workers. Mr. Griffin advised, from what they understand, that the Governor's mandate covers government workers – not construction workers, however OSHA's upcoming mandate for companies with over 100 employees from the President might affect us. Mr. Blosser said that President Biden's mandate will require non-vaccinated employees to be tested weekly. Mr. Griffin advised that the project prefers workers to be vaccinated but we do not have the right to make it a requirement of employment.

3. Update on Board Members – Nicole Grant and Denise Moriguchi

a. Mr. Finneran advised that Ms. Grant has stated her intention of resigning from the WSCC Board in mid-November, but has not provided formal notice yet, when her term as Executive Secretary Treasurer with the M.L. King County Labor Council expires. Ms. Grant has provided Mr. Finneran with the name of a suggested candidate to fill this Mayor-appointed position on the WSCC Board. To date a replacement for the position vacated by Ms. Moriguchi at the end of September has not been appointed by the Mayor.

4. Summit Building Opening

a. Staffing

Mr. Blosser provided an update on staffing and showed a chart of the current 2021 Executive Team and department Directors. Based on the potential needs of the new facility and working to ensure the right services are in place with the management team that we need, positions began to be created over the past few years. The Director of Communications (Loni Syltebo) came onboard last year; the Director of Facilities (David Cononetz) was created which takes care of maintenance of the Arch building and then will take care of the maintenance of both buildings (Capital Projects) which is a significant need for the operations of WSCC. The Director of Operations (Earl Taylor) was formatted to bring both Housekeeping and Set-up into one department whereas they had been previously split. Mr. Blosser was happy to announce that the position of Director of Human Resources (previously held by Mary Pauly who left WSCC at the end of September) has just been filled and the candidate, Melina Bermudez, will come on board November 1st virtually and then be onsite in-person in December. She is coming to WSCC from Texas and is well-qualified for the position. Mr. Tony Sheehan, Director of Information Services, arrived at WSCC mid-March 2021, to fill the vacancy created by the departure of Paul Smith. Ms. Gonzalez-Murillo asked

about the vacant Director of Security & Public Safety position, and Mr. Blosser advised that Shannon Leahy had left WSCC to move to Arizona, and due to the pandemic & COVID-19 we did not fill the position at that time and will be looking at filling the Director of Security & Public Safety position in 2022.

Mr. Blosser advised we've had a conversation with the Long-Range Planning Committee around succession planning and staffing as we work towards the opening of Summit and operating two facilities with more work and more events. We are looking at how we set our teams up, from a succession standpoint, to ensure that as people retire or leave that we have qualified and experienced employees ready and able to step into those roles and business does not miss a beat, and he showed a chart for 2022 Hire – Assistant Directors. Mr. Blosser advised that by creating the specific departmental Assistant Director positions our goal would be to have a succession plan in place to be able to promote from within, and the ability to staff both buildings concurrently. As we continue to monitor the budget, the event schedule, and the schedule of the TCO of Summit we can begin to determine the timing for hiring. Mr. Blosser said that, from a succession standpoint it makes sense for us to be able to promote from within, especially as we start to build a team to take us into the future to take care of approximately 500 events in a year with both buildings. WSCC was doing 300 events pre-COVID which is significant, and it is anticipated once things settle down, we will see somewhere in the area of 500-plus meetings and events. It is necessary to have the right team in place to ensure we are running at full steam and hitting all the marks efficiently and effectively to present a quality product and quality service to all our clients, new and returning. Mr. Blosser advised the intent would be to have simultaneous events going on at Arch and Summit, so the ability to be able to stretch our staff is another necessary component to be reviewed for coverages. As the Center operates 16 hours/day, 7 days/week for the most part, the need to ensure the right amount of staffing is in place is important for coverage relative to the operations and service delivery.

b. Operations

Mr. Blosser provided an overview of the 2022 Operations Launch Timeline for Summit regarding:

- Milestones: Rebrand from WSCC to SCC; Temporary Certificate of Occupancy (TCO); Launching of events; First client event in Summit
- Staffing & Training: Recruitment & onboarding; Safety & service (QSP training; Summit familiarization & training)
- Move-in: Procurement (spec, advertise, select, receive, inspect, inventory, store, install); Commissioning (HVAC, lighting, fire life safety, security); Practice event set-up/tear-down, timing)
- Definite Events in Arch

c. Summit Grand Opening Events

Ms. Willanger provided a draft planning overview for Summit Grand Opening Events. A planning strategy is in process for the Summit grand opening events and staff has requested input and direction from the President/CEO, Board Chairman, members of the Long-Range Planning Committee, Mr. Norwalk (Visit Seattle), WSCC Executive Staff and Directors, and the full WSCC PFD Board of Directors. An overview of the vision for the grand opening, stakeholders, timing, celebration format, celebration experiences and engagement, and event concepts for consideration and opportunities to mix/match and bundle activities into a one-day format is under consideration. In cooperation with Visit Seattle, we are looking to introduce Summit to the hospitality community, possibly on the late afternoon/early evening of the grand opening day. A Development Team thank you event is being discussed to show thanks and appreciate to those who worked on Summit. A special event for the WSCC Board of Directors to celebrate the Summit launch and the dedication of the Frank K. Finneran Ballroom is being planned. Ms. Willanger advised an Art Celebration to celebrate and provide publicity for the art and artists featured at Summit is being timed for when all the art is ready to be displayed and seen, with date to be determined following the launch. An important element will be an opportunity for WSCC Staff and Service Contractors to celebrate the Summit Launch, possibly with their families. Mr. Blosser advised that we are looking at the possibility of

hiring a consultant to help us with the Grand Opening planning process, as there will be a full event schedule in Arch and having the ability for us and the Board to finalize ideas of what we'd like to do and then get the process going at the first of the year. This would allow us to identify the program going forward. Mr. Blosser said that staff would work with Pine Street Group on a date/time so the elements could be planned for, as well as budgeting for the cost of the event. It will be important to include all our partners and that will be key to messaging the public benefits from the project, the advantages to having two convention center buildings, and making sure we don't lose sight of the foundational importance of Arch, and being able to showcase, as much as possible, both facilities. Mr. Finneran had a question in mind of how "grand" of a celebration it should be given the financial circumstances that we are dealing with now, and this should be taken into consideration.

5. Discussion on Board Committee Structure

As the meeting was running ahead of schedule, Mr. Finneran requested to discuss the Board Committee Structure item that fell under the Chairman's Wrap-up Discussion on the agenda. Mr. Finneran posed a question to the Board relative to the outreach made prior to today's meeting with regards to the current Board Committee structure. It was determined over 30+ years ago by the previous chair that it would be useful to have one committee for every Director, in order that every Director had an assignment, obligation, or participated in some manner in shaping the destiny of the organization. Mr. Finneran asked if the Directors feels this is an appropriate guideline as we go forward? Does this Board need nine committees to satisfy the assignment of nine different Board members? A round-table discussion followed, with the consensus being that we need to determine which committees are required, and that all nine Directors are to be included in these committees, but it is not necessary to have each Director chair a committee. It was also suggested that we could develop a co-chair format so that in the event that the committee chair is not available to attend a meeting, the business of the committee could continue in the committee chair's absence.

Mr. Finneran tasked Mr. Blosser with creating what he believes would be the most efficient committee structure going forward and reminded the Board that we need to keep top of mind that the convention center is going to double in size and activity, will require an enlarged financial measure, and some things will become even more complicated in the future than they are currently. As Mr. Blosser works on the committee structure, Mr. Finneran requested Mr. Blosser to propose the generic designation of goals for the Committees, and the Board can then begin to solidify an approach to each. Also, Mr. Finneran said that at the end of the Addition project, that committee will disband, with facility items falling under the purview of the Facility Committee; and he wished Mr. Blosser to look at the validity/usefulness of the Long-Range Planning Committee as some of those goals could fall under other committees.

6. Marketing Committee Report (Mr. Craig Schafer, Chair)

Mr. Schafer advised that the degree of difficulty for selling in this environment must be off the charts, and he thanked the Sales teams for their efforts.

a. Visit Seattle 2022 Goals & Plans Discussion

Mr. Norwalk reported that despite the moving and changing timelines these past nineteen months, the Visit Seattle and WSCC sales teams have been trying to be incredibly flexible with their combined efforts to not only book business where able but having to take so much business off the books, all the while trying to maintain client relationships and reputation. Mr. Norwalk feels the relationships and Seattle's reputation will come back to help us in the future, but as the Board is aware, in the meantime we have a couple of tough years to get through.

Mr. Norwalk advised that, as in previous years, a brief overview of Visit Seattle's initiatives for 2022 will be provided today, and the team will come back to this Board with a more formal scope for approval at a regular Board meeting. The Visit Seattle report was contained in the Board packet, and Mr. Norwalk and the Visit Seattle team walked through the information as shown on screen for the 2022 Forecasts; 2022 Key Tourism Factors; Travel Industry Recovery Briefing; 2022 Marketing and Public Relations;

Convention Sales 2022, Group Trends and Recovery Assumptions; Booking Forecasts; Conventions 2022 Goals and Initiatives; and conceptual introduction for Summit. Mr. Norwalk spoke on the 2022 Public Relations initiatives as related to the State, County, and City advocacy. Visit Seattle combined efforts with the Center, lobbyists (Ms. Becky Bogard and Mr. Joe Woods) and several of our partners regarding the civility and safety of downtown, and the perception people have of Seattle. With Mr. Schafer's assistance and the efforts of the group, we now have some allies and colleagues at City Council that may be able to help find solutions. Mr. Norwalk advised that Visit Seattle is very appreciative that the WSCC Board has been able to provide some funding the last 2 years in the absence of Lodging tax revenues, and as we move forward it is necessary to work to develop relationships with our economic development partners in the City and region, with a focus on keeping things moving forward in a positive manner.

b. WSCC 2022 Sales Goals and Plans Discussion

Mr. McQuade was happy to report that live events are back at WSCC after thirteen months. He advised that as dire as 2020 and 2021 were, there were some highlights in these years as national groups, along with regional/local groups, tried to reschedule events that had been cancelled. The first live event back in the building was the Easter Sunday Services held at TCC, and the second live event was the Muslim Prayer Services. Mr. McQuade advised that in May 2021 we hosted our first live TV/Filming event as well as a National Dance Competition. A major Amazon live-streaming event just concluded last week, which utilized every single square inch of the building with production sets in the Exhibit Halls and Ballrooms and generated \$400,000 in revenues.

Mr. McQuade reported on the Sales Goals and Strategies for the WSCC Sales staff for 2022, as contained in the Board packets, and advised that over the coming months we will continue to report out as the goal items are refined and developed.

Ms. Gonzalez-Murillo asked if there were any plans to open a window to the types of consumer events/shows that we've shied away from in the past. Discussion took place with Mr. McQuade and Mr. Blosser providing insight into the types of business that hits all the revenue streams of rent, food & beverage, parking, A/V, connectivity, etc., making the events lucrative for the Center. Events like business-to-business tradeshow and consumer tradeshow sometimes have just one revenue stream – rent – with no food & beverage or ancillary services. Mr. Blosser used the recent dance competition event as an example, advising this event worked well as there was no other business in the building at the time. Mr. McQuade said that Seattle has long been a desired location for conventions, with those conventions coming back on a repeat basis, and that new programs have been developed in Seattle as a result of Seattle's success at drawing attendees.

c. WSCC 2022 Marketing and Communications Plan

Ms. Willanger gave a shout out to Michael McQuade and Kelly Saling for doing a great job leading their Sales teams with the 14-month in and beyond and everything overlapping, and mixing and mingling events these last two years, all without much staff.

Ms. Willanger reported on the WSCC Marketing and Communications Plan for 2022, as contained in the Board packets.

Mr. Schafer advised there is a lot of work being done between WSCC and Visit Seattle, and the Board appreciates everything the Sales and Marketing teams are doing.

7. Luncheon Speaker: Ms. Pamela Banks, Director of Seattle Office of Economic Development

Ms. Pamela Banks, Interim Director of Seattle Office of Economic Development, provided a presentation on the role, vision, and efforts of the Seattle Office of Economic Development (OED). Vision: Seattle is a vibrant, innovative, diverse city with an inclusive economy that ensures all Seattleites can thrive and share in the new opportunities of the future. Ms. Banks advised that OED works at all levels of the local economy to support small and micro-businesses; partner with neighborhood business districts; support creative business sectors and workers; partner with key industries that drive innovations, job growth and global competitiveness, and; invest in our local workforce with an emphasis on young people,

low-income, as well as un- and under-employed adults. OED currently has 4 teams: Small Business Development Team, Neighborhood Business District Team, Key Industry and Workforce Development Team, and Creative Industries Team. Ms. Banks spoke on the recovery vision and advised that OED's Equitable Recovery efforts aim to build a thriving City as a whole, while also implementing intentional strategies that meet the varying needs of Seattle's neighborhoods and communities. Equitable Recovery efforts will ensure the City and their partners are investing in our communities so that all Seattleites have access to opportunity; will bring government, community, businesses, philanthropy, and non-profits together to revitalize the economic engine of the City and foster innovation in creative industries, culture, and retail. Ms. Banks spoke on Downtown Revitalization Strategies, encompassing South Lake Union, Belltown & Denny Triangle, the Waterfront, Pike/Pine/Westlake & Market, Pioneer Square, Chinatown/ID, Downtown Office Core. Downtown is the economic engine of Seattle. Ms. Banks provided an overview of the Downtown Revitalization Working Group (DRWG) convened by Mayor Durkan in February 2021. DRWG is a coalition of business, labor, arts, and community-based organizations to advise the City on efforts to help downtown Seattle recover. Core priorities for DRWG are activations & marketing; small businesses and cultural organization support; transit, public safety, homelessness; beautification & cleaning; empty storefronts & office space; workforce development. DRWG met bi-weekly from February to September and advised on the development of a *Road to Downtown Recovery Plan* and developed short- and long-term strategies. *Welcome Back Weeks* were initiated throughout the downtown area July to September in partnership with Downtown Seattle Association (DSA). This effort attracted an estimated 30,000 visitors to the downtown core; launched approximately 450 events such as concerts by local musicians to a Halloween in July event for families; hired hundreds of creative workers for performing arts, technician support and event production; brought in significant dollars in new spending to downtown small businesses; ran promotions for approximately 800 small businesses with the assistance of area agencies, with 95% of these small businesses being MWBE / BIPOC, and/or LBGTQ+ people. Long-term recovery strategies to include: recruiting more diverse businesses to call downtown Seattle home; providing Seattle Promise and internship opportunities in downtown Seattle; establishing regional collaboration to build pathways to quality jobs downtown; addressing empty retail, commercial and office space; transforming Seattle Center and Memorial Stadium; and continue to address the challenges of homelessness and public safety. Mr. Finneran thanked Ms. Banks for her presentation and taking time out of her busy schedule to be with us.

8. Finance Committee Report (Mr. Bob Flowers, Chair)

Mr. Flowers advised that 2021 has been a very busy year for the Finance Committee with a number of accomplishments, and he extended his appreciation to Mr. Blosser, Mr. Hecker, Mr. Eoff, and the finance team for their work on bond financing for the District. Mr. Flowers requested Mr. Blosser to speak to the Finance agenda items.

a. Proposed Operating Budget – Fiscal Year 2022

Mr. Blosser advised that the draft preliminary budget for 2022 is contained in the Board packet. The document will be refined considerably and be brought to the Finance Committee for their review and recommendation to the full Board for approval in December. Mr. Hecker and Mr. Blosser provided an overview of the 2022 WSCC PFD preliminary budget. Mr. Hillis inquired if there were specific items being looked at for reductions, and Mr. Schafer inquired about the projected lodging tax amounts. Discussion occurred.

b. 2021 Budget Amendments Discussion

Mr. Blosser requested Mr. Hecker speak to the predicted budget adjustments for 2021 for line items that will go over \$100,000 of the approved line item. Mr. Hecker gave a shout out to the Accounting team for their work on the 2021 budget, but as the Board knows the impact of COVID-19 hit WSCC significantly with the loss of events and lodging tax revenues and the continuation of expenses. Mr. Blosser advised as the Board will recall, we bring a budget amendment for the line items expenses that staff predicts will

go over \$100,000 of the approved line item. We are putting together the line item changes to bring before the Board in December and advised that the potential requested changes will most likely be in the Salaries, Wages, Benefits, Utilities line, and In-House Marketing items. Also accompanying this request will be a budget adjustment for the 2021 budget to recognize the PPP dollars that were received this year as supplement sources to offset Salaries, Wages, Benefits, and Utility costs as prescribed by the PPP required areas these dollars could be used. WSCC has submitted the request to have this \$2.9 million loan forgiven and are awaiting review and response in November.

c. Property Insurance

Mr. Blosser spoke to his memo to the Finance Committee as contained in the Board packet regarding WSCC Property Insurance renewal for 2022, which included a chart from our Insurance Broker - Alliant Insurance Services, Inc. – outlining the costs and choices of property insurance and terrorism insurance cost increases as we add the Summit building to the WSCC operations. These costs will affect the 2022 budget as once the TCO is in place, we will need to supply the liability and property coverages as the Construction Builder’s Risk Policy currently covering the Project will lapse. Mr. Blosser provided explanation on the insurance elements as per the broker on the All-Risk and Earthquake premium coverage amounts and the increased amounts when adding Summit to the package. Mr. Blosser advised that the policies need to be renewed by the end of November and staff will be reviewing options with the Finance Committee and present a recommendation to the Board to approve coverages at the November Board meeting to meet that deadline.

9. Rebranding Report

a. Signage Change Progress

Mr. Blosser provided an update on the progress for the signage change from Washington State Convention Center to Seattle Convention Center, and advised that staff are close to finalizing all the necessary elements for changing out the signage at Arch. These elements will correspond with the new signage at the Summit building. The work is to potentially take place during Q2 of 2022, dependent on progress made with the construction necessary for the signage change-out. Mr. Houg spoke to the signage change process timeline, as outlined in the Board packet, advising that the project is going well and on schedule.

b. Name Change and New Brand

Mr. Houg provided a visual reminder of the “before” (Washington State Convention Center) and “after” (Seattle Convention Center – Arch) signage renderings for the Pike Street location that is visible from I-5 and advised that the new sign is backlit and fills the space. Mr. Finneran ask Mr. Rosauer if there was coordination between the Arch signage effort and the one underway for Summit. Mr. Rosauer replied that there was coordination when the signage was originally designed and when the materials were selected, and the colors of the Arch and Summit signage will be intentionally different, however the change won’t be noticeable to 99.9% of people. Mr. Houg advised that the selection of the materials for the Arch signage were made with consideration of the overall Summit signage look and feel, however the material types that the signs are being affixed to are so different between Arch and Summit and we wanted to ensure that the signs, while not identical, will appear to be of the same family. Further discussion took place regarding the differing materials to be used for the signage, with the lettering to utilize identical fonts, but with the differing building materials for the signage to be affixed (Summit is concrete & more reflective / Arch is not), signage background materials were selected for each building that would provide the right ‘pop’. Mr. Houg showed the locations for the new signage for the Arch building. Mr. Houg spoke to the Name Change process, targeted for the time period between February 21 and March 11, 2022, for signage transition, messaging to stakeholders, and the actual launch date of the name change has yet to be determined. Mr. Hillis asked if the freeway signs were being changed at the same time, and Mr. Houg responded that we began dialogue with WSDOT and Applied Wayfinding (our signage consultant) back in 2018 and 2019. At the time we suspended the overhead name change program and project, those conversations halted. We have restarted those conversations with both

WSDOT and SDOT earlier this spring. Mr. Blosser said that we received a response just recently from WSDOT and hope to convene a meeting with them to start the dialogue of the signage and wayfinding directional needs.

Ms. Syltebo provided a reminder of the Board-approved new logo, brand, and coloring that will be implemented as we launch the rebranded materials. There are over 180 different items that will be rebranded and a few items have already been completed. There are also approximately 56 different signs around the facility to be rebranded, on a gradual basis, with temporary signage placed to ensure our guests and attendees are not confused. The coloring strategy will be used to help identify Arch and Summit buildings for wayfinding purposes. Ms. Willanger advised that the SCC logo will not be outside the buildings, but will primarily be inside on stationary, business cards, etc. Outside of the buildings you will see “Seattle Convention Center – Arch” and “Seattle Convention Center – Summit.” Mr. Finneran reminded the Board that considerable deliberations were undertaken prior to the Board approval of the rebranding/new name project in 2019.

c. Wayfinding

Ms. Willanger briefly spoke to the wayfinding part of the process, and the importance of focusing on the navigation between our two buildings and making sure that all our signs, symbols, and markers help our guests feel confident as they traverse between the buildings, and from hotels through town. A line item has been requested in the 2022 Capital Budget. It is important that signage is updated with SDOT and WSDOT to direct freight, trucks, vehicles to docks, and parking at Arch and Summit. The digital signs at Arch and Summit need new digital navigation technology tools developed to assist guests to quickly find their meeting locations and between buildings or to neighboring hotels. Updated digital tools and resources for maps at both buildings will be necessary for parking, freight, trucks, shuttles, taxis, etc. We are looking to phase out over 50 sign locations relative to WSCC graphics/logo in Arch. Focused messaging will be required for our stakeholders, clients, neighbors especially relative to parking and making sure parkers are directed to the correct garage for their events and we can be proactive in providing continued excellent service and experiences. Mr. Finneran asked if the wayfinding process will be done inhouse or if a consultant was to be contracted. Ms. Willanger advised that Applied Wayfinding is helping with the signage and wayfinding program, and we do need the experience of the Visit Seattle team with us, as well as our Events team where we have good insight into our attendees and the types of questions they have. Mr. Blosser advised that Applied Wayfinding is also currently working with the City of Seattle on their wayfinding project for the downtown area along with SDOT, and Applied Wayfinding worked with us on the interior wayfinding piece of the project. Mr. Blosser advised it is advantageous to have a contractor working with us that understands our needs and understands the downtown city area as well. Further discussion occurred regarding coverings over the walkways on the west side of 9th Avenue towards the Summit and between the TCC entry and the alley which would allow for a covered walkway from Pike to 9th over to Summit.

10. Operating Goals for 2022 (Mr. Jeff Blosser, President/CEO)

Mr. Blosser advised that the 2021 Operating Goals were reviewed in July by each Committee to track progress and there has not been a lot of change between that time and beginning of October. The completed 2021 Operating Goals will be brought to the Board in January for discussion and approval. Mr. Blosser briefly spoke to a list of completed goals to date. He advised that staff at King County have been helpful in our attempts to receive updated information pertaining to the mandated COVID-19 ordinance that went into effect yesterday.

Mr. Blosser provided an overview of the 2022 goals, as contained in the Board packet, highlighting some of the changes made and areas that will be discussed with the specific committees. The structure of the 2022 Operating Goals continues within the Board Committees which has been beneficial for staff to be able to talk to the Committees regarding the goals.

It was noted that there were five Board members whose terms will expire in July of 2022. Mr. Finneran, for the information of the Board members, advised that he would like to keep the existing Board

roster intact through the completion of the Addition project due to the knowledge base amongst the current Board members, and requested they take that under advisement in their decision process.

Mr. Finneran posed a question to Mr. Blosser and Mr. Norwalk regarding their knowledge of anyone in the consulting industry to provide guidance on WSCC's marketing efforts going forward as we transition to being doubled the size we are today. Discussion occurred. Mr. Finneran asked if any consideration had been given to possibly merging WSCC and Visit Seattle sales and marketing efforts and requested this be added to the list for review.

Mr. Blosser advised the proposed 2022 Operating Goals will be brought to the Board for approval at the regular Board meeting in November or December.

11. Further Discussion on Summit Building Operations / Other Issues

d. Retail Management

Mr. Blosser advised that with the addition of 20,000+ square feet of retail space for the Summit coming online in 2022, as well as the current 20,000 square feet of retail space at Arch, we are looking to contract out retail management service. An RFP for Retail Management Services is being created to put this important potential revenue source on a good management footing. Currently, revenues are between \$750,000 - \$800,000 per year, and with the addition of Summit space, could be double this amount. The work needed to effectively manage this process of retail tenant improvements, selecting and negotiating new tenants, managing tenant needs and issues should be at a very professional level, reporting back to staff to approve lease rates, improvement dollars, and requested changes to the lease if requested by tenants. This contracted position would still report to the WSCC Administration Department. Mr. Finneran requested the draft RFP be sent to him for review, and he requested comment from Pine Street Group regarding expectations for having tenants in Summit by the time of building opening. Further discussion occurred. Mr. Blosser said that we want to be in a position before Summit opens and the retail is completed onsite to understand how we manage the retail at both buildings going forward to ensure we are doing the best we can for our tenants, have the correct mix of business and generate the most income. Ms. Brown-Archie agreed that the retail management needs dedicated attention and asked how we can ensure that WSCC policies/procedures are in place with the retail management company. Mr. Blosser advised that we expect it would be the same as is currently done with our current partners – ARAMARK, Smart City, Edlen, LMG, etc. The RFP would outline all these details. A diagram of retail locations was included in the Board packets. Mr. Schafer and Ms. Gonzalez-Murillo suggested the Port of Seattle/Sea Tac Airport retail management team may be one to look at as a model.

e. WSCC Art Program (Arch and Summit)

Mr. Blosser advised that with the additional art being added to the Summit building, our Art Collection now approaches \$14 million. There is a need to manage this larger art program on a part-time basis for the necessary functions for this new combined program once the Summit facility is open.

The elements are as follows:

1. Public Art Program at Arch for rotating art and for any public art that may be created at Summit
2. Public Tours Coordination for scheduling and then how it will work, and how often tours will be done.
3. Management needs with and for the WSCC Art Foundation Board and activities. This would also include management of Foundation Art inventory.
4. Promotion to the general public and art community about our Art in the facilities and how this could be done on the website, through the arts community, and how we participate in City/County-wide cultural events if desired.
5. Community contributions as part of the Center's give back to the region in this manner to tell this story.

Mr. Blosser and Ms. Willanger believe hiring a qualified contractor to provide these services, or a part-time qualified employee, will be the key to a successful Art Program at the Center facilities and

benefit our events, the general public, and supporting the Arts Community as well. We hope to review this further prior to the opening of Summit.

f. Parking Operations at Both Facilities Once Summit Opens

Mr. Blosser reported that the current parking operations consists of 660 spaces at Freeway Park Garage and 880 spaces in the Main Garage that are used every day. The new Summit Garage will have 710 spaces with 350 of those spaces to be committed to monthly parking for the Office and Residential co-developments once occupied and open. Once the construction workers vacate Freeway Park Garage and the Main Garage, we are looking to utilize the spaces in both garages for events. With limited parking available for events at Summit, the other two garages will need to be utilized in-conjunction with the Summit Garage, to handle all parking for both buildings, staff/contractor parking, and local monthly parking. This becomes a challenge as we are currently operating with limited staff. Moving to the Ski-Data automated system has been very beneficial for operations, both from a no-cash perspective and a reduction in labor costs. The key component will be the need to better manage and secure monthly parkers in each garage to secure major income not associated with events, and to create a base garage income we can count on every year. This will take continued efforts to market and sell monthly parking for surrounding businesses, residential tower, office tower, and the increased staff coming onboard. Mr. Blosser advised that staff will be evaluating the best approach to manage this new dynamic and could be a combination of additional staff and contracted outside support. This will be a major revenue generator for the District, generating probably \$4+ million once all garages are working together each year. Mr. Blosser said it will take a couple of years to understand how the events in both buildings will use the garage and what the demands will be for monthly parking or special parking for businesses like ACT Theatre, Paramount Theatre, and Virginia Mason Hospital.

Discussion occurred with Mr. Finneran suggesting that, as parking operations at the larger hotels are done by parking management companies, we may want to put on our list for RFQ's an outreach to the parking operations management companies. Discussion continued parking pricing in the downtown area and at WSCC.

12. Chairman, Wrap-up Discussion and Finalize

a. Discussion of Retreat Issues and Strategies

Chairman Finneran thanked the Board, staff, and our guests for a productive meeting, and advised that the Board has provided staff with a lot of work to do. Mr. Finneran asked the Board members to take a moment to provide comment on the retreat meeting and proceeded to go round the table for any last comments. The Board members comments included: Hope to be able to return to our "normal" 2-day retreat format as we get to the other side of "COVID"; While today has been in-depth and worthwhile, would like to return to the 2-day retreat; In favor of 1-day retreat as 2-day format takes staff away from the operations; One & half day format – inhouse as opposed to offsite; The retreat is very valuable, and would like to hear more from staff. Mr. Blosser advised this feedback is very helpful. Mr. Finneran requested Mr. Blosser provide comment from a staff perspective, and Mr. Blosser advised that having the meeting inhouse makes sense and we can showcase ARAMARK's foodservice. The team did a great job of putting together this in-person retreat meeting being mindful of the mandated restrictions and the safety of the attendees. Mr. Blosser stated it is important for us to have the Board's feedback /direction from the Board on this meeting.

b. 2022 Board Meeting Dates

A draft schedule of 2022 Board meeting dates was distributed in the Board packets for review by the Board. Mr. Finneran advised that Board members will be asked to approve the meeting schedule for 2022 at the Regular November 23, 2021, Board meeting.

13. Conclusion of 2021 Strategic Planning Retreat

Mr. Finneran thanked staff for their work on this meeting, and extended thanks to the ARAMARK team for their food service efforts today.

Mr. Schafer made a motion to adjourn the meeting, and Ms. Gonzalez-Murillo seconded. The meeting adjourned at 4:00 p.m.