

Washington State Convention Center Public Facilities District
(dba) Seattle Convention Center (SCC)
Board of Directors Strategic Planning Retreat
October 24, 2023
SCC Summit Room 327-329

Tuesday, October 24, 2023, 9:00 a.m. to 5:00 p.m.

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

Frank K. Finneran	Chairman, SCC Board of Directors
Deryl Brown-Archie	Vice-Chair, SCC Board of Directors
Robert Flowers	Director, SCC Board of Directors
Susana Gonzalez-Murillo	Director, SCC Board of Directors
J. Terry McLaughlin	Director, SCC Board of Directors
Craig Schafer	Director, SCC Board of Directors
Taylor Hoang	Director, SCC Board of Directors
Tom Norwalk	Director, SCC Board of Directors

Board Members Absent

Katie Garrow	Director, SCC Board of Directors
--------------	----------------------------------

Officers in Attendance:

Jeffrey A. Blosser	President & CEO, SCC
Linda Willanger	Vice President – Administration / A.G.M, SCC
Jon Houg	Vice President – Operations, SCC
Sam Hecker	Director of Finance/CFO, SCC

Staff in Attendance

Michael McQuade	Director of Sales, SCC
Krista Daniel	Director of Event Services, SCC
David Cononetz	Director of Facilities, SCC
Tony Sheehan	Director of Information Services, SCC
Earl Taylor	Director of Operations, SCC
Loni Syltebo	Director of Communications, SCC
Melina Bermudez	Director of Human Resources, SCC
Derek Forare	Director of Public Safety & Security, SCC
Katie Castle	Executive Assistant to the President & Board of Directors, SCC
Andrew King	Information Services Support Technician, SCC
Brent Grant	OneStop Manager, SCC
Aaron Davis	Assistant Director of Sales, SCC

Consultants / Vendors in Attendance:

Matthew Hendricks	General Counsel to SCC, Hendricks & Bennett
Keith Hedrick	General Manager, ARAMARK
Melinda Altamirano	District Manager PNW/Western CN Sports & Entertainment, ARAMARK
Matt Shea	Director of Catering Sales, ARAMARK
Tammy Canavan	President & CEO, Visit Seattle
Ali Daniels	SVP / Chief Marketing Officer, Visit Seattle
Kelly Saling	SVP / Chief Sales Officer, Visit Seattle
Troy Anderson	Director of Sales, Visit Seattle
Peter Andersen	Senior Director - Convention Strategy, Visit Seattle
Chris Connolly	Senior Director of Sales, Visit Seattle
Matt Griffin	Pine Street Group
Matt Rosauer	Pine Street Group

Margery Aronson	Addition Art Program
Emelie East	CBE Strategies
Eileen Sullivan	Sullivan Advocacy
<u>Guests / Guest Speaker</u>	
Bob Donegan	President of Ivar's Seafood Restaurant
Bob Davidson	President/CEO Seattle Aquarium

1. Chairman's Welcome

At 9:00 a.m., Board Chairman Frank Finneran welcomed attendees to the SCC Board of Directors 2023 Strategic Planning Retreat meeting, with attendees participating in-person.

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 meeting. Any decisions would be moved to the November 21, 2023, Regular meeting of the SCC Board.

Mr. Finneran took an opportunity to do around-the-room introductions for the Board, SCC staff, contractors, and guests to understand who we all are, our history with the Center, and our roles.

c. Review Mission and Vision

As is the custom at the annual Board Retreat meeting, Mr. Finneran requested Mr. Norwalk to present the Mission and Board Values to the Board:

Mission / Board Values 2023

Mission Statement (revised 7/25/2023)

"Seattle Convention Center elevates and enhances Seattle's global brand and reputation. Driving economic benefits through the power of meetings and conventions, the Center plays a major role as a catalyst for revitalizing and reconnecting downtown Seattle and its neighborhoods. The SCC will lead with industry partners a commitment to workforce development and diversity, creating a distinct level of customer service excellence, sustainable operations, financial stability contributing significant civic benefits for the people of the City, County, and State."

Mr. Norwalk read the proposed updated SCC Board Values to be voted on at the November Board meeting:

Board of Directors Values (revised 10/18/2023)

- *Provide distinct, industry leading service in all areas of operations, sales, and leadership.*
- *Balance maximizing center operating revenues and the creation of broader economic impacts for city and region.*
- *Prioritize safety and a welcoming environment throughout the Center and neighborhood/campus for clients, guests, and staff.*
- *Consistently provide an environmentally sound and sustainable operation.*
- *Actively participate as a contributing partner and leader in and for our community regarding workforce development, diversity, and inclusion.*
- *Provide ongoing leadership, partnership, and funding in the destination sales and marketing effort.*

2. Summit Building Closeout Overview

Mr. Finneran requested Mr. Rosauer to give an update on the Summit Building closeout. Mr. Rosauer stated that the team continues to be focused on the closeout however they are having to work around the busy Convention Center fall event schedule which has slowed things down quite a bit. Mr. Rosauer advised that although progress has been slower than expected, the punch list is down to about 350 items. Of the items remaining on the list, a few are required for the Certificate of Occupancy (CO) and

others are remaining contracts with scope of work that has unfortunately been delayed due to material procurement. Mr. Rosauer completed his update and a discussion ensued regarding the remaining items and issues associated with those items.

3. 2024 Capital Projects Discussion

Mr. Blosser invited Mr. Houg and Mr. Rosauer to present the 2024 Capital Projects list for both Arch and Summit as presented in the board packets. Items on the list include improvements/enhancements in both buildings such as door/rollup door replacements, HVAC replacement, Summit glass graffiti film, as well as new security bicycles and new Arch public furniture. The Capital Projects list totals \$3,799,000.00 for 2024. Mr. Finneran requested the Facility Committee to tour the items on the list over \$100,000 to understand the priorities presented by Mr. Houg. Discussion ensued.

4. Retail Development Discussion

Mr. Blosser presented the SCC retail vacancies for both Arch and Summit as presented in the board packets. Total vacant retail space in Arch is equal to 10,050 square feet and total vacant retail space in Summit is equal to 12,903 square feet. Mr. Blosser advised that SCC has been in communication with FedEx on reducing their total space by 50% and extending their lease as it is set to expire at the end of the year.

5. Marketing Committee (Craig Schafer, Chair)

Mr. Schafer invited the Visit Seattle team to present their 2024 Goals and Scope of Work as presented in the board packets and reviewed at the Marketing Committee meeting on October 16, 2023.

a. Visit Seattle 2024 Goals and Plans

Ms. Canavan presented the 2024 forecasts with data provided by CBRE, STR, Tourism Economics, and Visit Seattle. 2024 Key Tourism Factors include: increased number of events at the SCC; increased business travel; the impact of international conflicts; projected recession; and slowing inflation. Ms. Canavan gave an overview of the Seattle Tourism Improvement Area (STIA) and how it will directly impact Visit Seattle and SCC come January 1, 2024. Ms. Saling walked through the information presented on the screen for the 2024 Goals & initiatives as presented in the board packet. Ms. Daniels provided a brief overview of the Marketing and Public Relations initiatives that are being planned for 2024. Ms. Canavan reported on the Visit Seattle 2024 initiatives for Public Affairs, as related to Diversity, Equity, and Inclusion (DEI), as well as advocacy at the City, County, and State levels.

b. SCC 2024 Sales Goals and Plans

Mr. McQuade reported on the Sales Goals and Strategies for the SCC Sales staff for 2024, as contained in the board packets. As it relates to 2024 National and Regional Sales Strategies, staff will be working to: maximize event bookings and revenue; continue to build awareness of the SCC facility in the region; and enhance the professional skills of the SCC Sales staff. An overview of the Sales Activations / Missions / Travel for 2024 was also provided.

c. SCC 2024 Communications Plan

Ms. Syltebo reported on the SCC Communications Plan for 2024, as contained in the board packets. She provided an overview of the nine Communications Goals which include community outreach, building and maintaining internal and business communications, advertising and media relations, organization operations, and managing/maintaining an updated website to name a few.

6. Luncheon Speaker: Mr. Bob Donegan, President / CEO, Ivar's Seafood Restaurants

Mr. Donegan, President/CEO, Ivar's Seafood Restaurants gave a brief overview of the history of the Alaskan Way Viaduct and provided an update on the Waterfront Construction project. Mr. Donegan also provided an updated on what is to be expected with Pike/Pine Renovations in 2024.

Mr. Finneran thanked Mr. Donegan for his presentation and for taking time out of his busy schedule to be with us.

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

Mr. Flowers introduced the three topics from the Finance Committee and gave a reminder that these items will be brought back to the Board for approval at either the November or December Board meeting. Mr. Flowers advised that the Finance Committee met on October 17, 2023, whereby an in-depth discussion on the proposed budget for 2024 took place.

a. Proposed Operating Budget – Fiscal Year 2024

Mr. Blosser advised that the draft preliminary budget for 2024 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 provided an overview of the 2024 WSCC PFD Preliminary Operating Budget as presented in the Board packet.

b. 2023 Budget Amendments Discussion

Mr. Blosser advised as the Board will recall, we bring a budget amendment for the line item expenses that the staff predicts will go over \$100,000 of the approved line item. Mr. Blosser stated that the line items that could possibly be amended by the Board at the December meeting are Food services, Supplies, and Other Admin Expenses.

c. Property Insurance

Mr. Flowers advised that insurance coverage for both the Arch and Summit buildings will be brought to the Board for final review and approval at the November Board meeting. Mr. Blosser advised that the cost of all aspects of insurance are going up most likely in the \$400,000.00 range more than what we paid last year for the exact same coverages due to earthquake issues and the associated costs. Discussion ensued.

8. Report on Aquarium Expansion Project with Bob Davidson, CEA Seattle Aquarium

Bob Davidson, CEO of the Seattle Aquarium provided an overview of the Seattle Aquarium history, mission, and expansion plans scheduled for the coming years as presented in the board packets.

Mr. Finneran thanked Mr. Davidson for his presentation and for taking time out of his busy schedule to be with us.

9. Operating Goals for 2024

Mr. Blosser advised that the proposed 2024 Operating Goals were contained in the board packets as previously reviewed by each Committee. Mr. Blosser talked through the proposed goals for each committee highlighting the changes made and areas that will continue to be discussed within the specific committees. Mr. Blosser advised that the goals will be brought back to the Board for approval at the November Board meeting.

10. Long-Range SCC Recruitment and Retention Plan

Mr. Blosser invited Ms. Bermudez to present on the long-range recruitment and retention plans for SCC. Ms. Bermudez gave a brief overview of the functions of HR, the HR trends from 2023, and the priorities HR will focus on in 2024. The three HR priorities outlined by Ms. Bermudez for the years 2023-2025 as included in the Board packet are to engage, to elevate, and to retain. Mr. Finneran and Mr. Blosser thanked Ms. Bermudez for taking the time to share with the Board where HR is headed.

11. 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. Mr. Blosser reminded the Board members to take a minute to fill out the retreat evaluation form found at their seat and to return them to either himself or Ms. Castle. Mr. Blosser advised this feedback is very helpful. There were no comments made by the Board on retreat issues or strategies for 2023.

b. 2024 Board Meeting Dates

For Discussion Purposes

A draft schedule of 2024 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 2024 at the Regular November 21, 2023, Board meeting.

12. Conclusion of 2023 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. The SCC Strategic planning retreat was adjourned at 4:16pm.