

## Minutes

Washington State Convention Center  
Public Facilities District

Regular Meeting of the Board of Directors  
May 21<sup>st</sup>, 2024

### I. CALL TO ORDER

Frank K. Finneran, Board Chairman, convened a regular meeting of the Washington State Convention Center Public Facilities District (SCC) at 2:00 p.m., in person and by video conference via Microsoft Teams. At the chairman's request, Ms. Castle conducted a roll call of Board Directors to ensure a quorum in attendance, as well as to identify meeting attendees.

### MEETING ATTENDANCE

#### **Board Directors in Attendance**

Frank K. Finneran, Chair  
Deryl Brown-Archie, Vice Chair  
Tom Norwalk  
Craig Schafer  
Katie Garrow  
Susana Gonzalez-Murillo (via conference call)  
Robert Flowers

#### **Board Directors Absent**

J. Terry McLaughlin  
Taylor Hoang

#### **Officers in Attendance**

Jeffrey A. Blosser, President / CEO  
Linda Willanger, Vice President of Administration / AGM  
Jon Houg, Vice President of Operations

#### **Consultants / Vendors in Attendance**

Melinda Altamirano, ARAMARK	Chris Connelly, Visit Seattle
Keith Hedrick, ARAMARK	Margery Aronson, SCC Art Foundation
Matthew Hendricks, Hendricks - Bennett, PLLC	Matt Griffin, Pine Street Group
Kelly Saling, Visit Seattle	Fred Eoff, PFM Advisors (retired)
Peter Andersen, Visit Seattle	Thomas Toepfer, PFM Advisors
Kaulani Robinson, Visit Seattle	Maggie Marshall, PFM Advisors
	Emelie East, CBE Strategic

#### **Staff in Attendance**

Melina Bermudez	Jules Miller
Sarah Medina	Hannah Ermi
Katie Castle	Renee Wasisco
Michael McQuade	Krista Daniel
Loni Syltebo	Tom Falskow
Lorrain Kelley	Andrew King
Earl Taylor	

II. APPROVAL OF MINUTES

March 26, 2024, WSCC PFD Board Regular Meeting

Mr. Norwalk made a motion to approve the minutes of the March 26, 2024, Regular Board meeting, as presented. Mr. Shafer seconded, and the motion was carried by the unanimous affirmative vote of all Directors present via video conference call.

III. PUBLIC COMMENTS

Mr. Finneran advised that anyone wishing to speak before the Board, either as an individual or as a member of a group, may do so at this time. Individuals desiring to speak shall give their name, address, and the group they represent, if any. There were no public comments.

IV. CHAIRMAN'S REPORT

A. Resolution Recognizing the Service of Jeffrey A. Blosser, Resolution #2024-04.

A Resolution by the District Board Recognizing the Service of Jeffrey A. Blosser.

WHEREAS, Jeffrey A. Blosser has served with the hospitality industry over 40 years in various roles, notably as the executive director for the Oregon Convention Center (1989-2011) and as the president and chief executive officer of the Seattle Convention Center (2011-2024), acknowledged by his peers with an IAVM Lifetime Achievement Award for a career that began at Ohio University, earning a bachelor's degree in business management and a master's of education degree in sports administration/facility management; and

WHEREAS, Mr. Blosser has provided distinctive leadership for the convention center and partnership to the Board providing direction and guidance through a global pandemic and the resulting safeguarding and reestablishment of business and shepherding the expansion of operations to include Summit. Blosser's character and competence blended with his patient Ohio style has enabled him to deliver over 12 years of success for the Center; and

WHEREAS, Mr. Blosser's tireless efforts and commitment to promote and sell the Center has delivered extraordinary results including economic impact and civic contributions, and he has been instrumental in developing staff and internship programs, reinforcing and developing sustainability practices, enhancing the public art program, and executing numerous capital improvement projects. The dedicated public service partnership of Mr. Blosser with the Board should be recognized and honored.

NOW, THEREFORE BE IT RESOLVED that the District Board expresses its gratitude and sincere appreciation to Mr. Blosser for his leadership, partnership, and unmatched dedicated service to the support the Board in achieving its goals and fulfilling its mission, including his monumental stewardship throughout the Summit Project.

Resolution #2024-04, recognizing the service of Jeffrey A. Blosser carried by the unanimous vote of the Directors present in person and via video conference call.

B. Presentation of Consent Agenda

Mr. Finneran presented the Consent Agenda to the Board. The following action items and informational reports had been sent to the Board for review prior to today's meeting:

Action Items:

1. Ratification of Additional Facility Project Contract List (April & May 2024) (*Motion*)
2. Approval of Additional Facility Project Draw Schedule Payment, #113 (April 2024) (*Motion*)
3. Approval of Additional Facility Project Draw Schedule Payment, #114 (April 2024) (*Motion*)

Informational Items:

1. SCC Sales Productivity Report
2. SCC Sales: Regional & Local Business
3. Monthly Expenditures – Auditing Officer Certification
4. SCC Parking Report
5. Food Service Report (ARAMARK)

Mr. Norwalk made a motion to approve the Consent Agenda as presented. Mr. Flowers seconded, and the motion was carried by the unanimous affirmative vote of all Directors present in person and via video conference call.

V. PFD COMMITTEE REPORTS

**A. Facility Committee**

1. Update

Mr. Finneran reported that the update for the Facilities Committee is consistent with previous reports in that the committee is attempting to finalize the aspects of the Addition Project including small pieces and parts, cleaning up the punch list, and warranties. Mr. Finneran advised that the committee is still pursuing two additional sources of credit accommodations from the county; one of which is a line of credit and the other is a deferral of principal payments on the purchase of the land from the county as reported in previous months.

Mr. Finneran advised that the contract with Pine Street Group, the Development Management Firm, is set to expire on May 30, 2024. Mr. Finneran advised that although the contract was ending with Pine Street Group, there is still a need for the services of several contractors to help finish out various aspects of the addition project. Mr. Finneran requested that the full Board give him authority to execute agreements with specific individuals that are needed to help finish the addition.

Mr. Schafer made a motion to authorize the board chair to negotiate and sign a final change order to close out the development management agreement and to negotiate and enter into professional service agreements as appropriate to retain personnel necessary to complete any outstanding items remaining in the development. Mr. Flowers seconded, and the motion was carried by the unanimous affirmative vote of all Directors present in person and via video conference call.

**B. Finance Committee**

1. Property Insurance Renewal Process and Recommendation (Motion)

Mr. Flowers advised that the Finance Committee met earlier today and discussed the upcoming All-Risk insurance renewal for 2024-2025. The current policy expires at the end of June and that Alliant, our insurance broker is pricing final costs for the necessary coverage limits, however the pricing will not be complete until the end of May. Mr. Flowers stated that same as last year, the Finance Committee is seeking approval for authority to review and approve the All-Risk Insurance coverage and costs in June in order to purchase the insurance policy before June 30, 2024.

Mr. Flowers made the motion to grant authority to the Finance Committee to review and approve the All-Risk insurance for the Convention Center facilities that meets the parameters of \$1.8 billion in values to be covered for a cost not to exceed \$1.1 million. Ms. Brown-Archie seconded, and the motion was carried by the unanimous affirmative vote of all Directors present in person and via video conference call.

Mr. Flowers advised the Finance Committee also had the State Auditors exit interview and was presented with no findings. The Committee discussed cashflow modeling options to help predict the future needs of the Convention Center and a quick discussion ensued.

**C. Government Relations & Civic Outreach Committee**

1. Update

Ms. Brown-Archie reported that the Government Relations & Civic Outreach Committee met earlier today, and the Committee received reports from Ms. East & Ms. Sullivan regarding City, County, and State activities.

Ms. Brown-Archie requested Ms. East to provide brief updates of their consultant reports which were reviewed by the Board prior to the meeting.

2. Consultant's Report

Ms. Brown-Archie advised that the consultant update reports from Ms. East (CBE Strategic) and Ms. Sullivan (Sullivan Advocacy) are contained within the Board packets.

#### **D. Search Committee**

Mr. Norwalk provided an update on the timeline for the search for the new President / Chief Executive Officer in partnership with SearchWide Global as contained within the Board packets and a discussion ensued.

#### **VI. VISIT SEATTLE & SCC Sales Report**

##### **A. Visit Seattle Destination Overview & Visit Seattle Sales Report**

Mr. Andersen provided a summary of Hotel Performance for the downtown Seattle area for year-to-date April 2024, YOY compared to 2019, Occupancy up 10.4%; Average Daily Room Rate down 1.4%; RevPAR up 8.9%; Supply down 1.3%; Demand up 9.0%; Revenue up 7.5%.

Mr. Andersen reported on the Smith Travel Research (STR) Select Competitive Set numbers for April 2024. The Seattle Downtown market, along with our tracked competitive set, continue to make progress with occupancy rates (from 82.8% in Downtown Vancouver, to 69.4% in Seattle Downtown, and to 75.0% in Phoenix), average room rates (from \$310 in Boston CBD, \$197 in Seattle Downtown, and to \$248 in Phoenix Central), and RevPAR (from \$248 in Boston CBD, to \$137 in Seattle Downtown, and to \$186 in Phoenix Central). STR reported Full Year 2024, Seattle Downtown occupancy rate of 62.2%, an 12.1% change over prior year; average room rate of \$190, a 0.2% change over prior year; and RevPAR of \$118, a 12.2% change over prior year. A discussion ensued.

Ms. Saling provided an update on booking progress for the two buildings (Summit and Arch) for years 2024 to 2030, for booked (definite) business in April 2024 and for sourced (tentative) business in April 2024. An overview of business on the books for Summit and for Arch for the years 2024 through 2034 was provided. Ms. Saling also reported on SCC room nights on the books compared to the target for 2024 compared to 2023. Ms. Saling also provided an overview of recent Sales Activities, Convention Services Welcome Activations, Convention Services Microsites, Pickleball Activations, and a brief overview of Microsoft and Amazon events, as contained within the Board meeting packets.

Ms. Robinson provided an update on Visit Seattle's public relations efforts and reported that the Seattle Convention Center and Visit Seattle had recently been nominated for some accolades and awards; Winner of the 2023 World Mice Awards and named winner of the 11<sup>th</sup> Annual Bizbash Event Experience Award for Best Convention Center. Ms. Robinson provided an update on the Summit LEED Platinum Coverage received including thirteen meeting media stories. An overview of recent meetings media highlights and leisure highlights were provided. Ms. Robinson gave an update on April advertising with ad and advertorials in Meetings Today, Women's History Month profiles, and an Emerald City Comic Con economic impact report.

##### **B. SCC Sales Report**

Mr. McQuade provided a year-to-date at-a-glance report for the period of January to April 2024. For this period, SCC & Visit Seattle Sales staff total combined top-line rent actualized was \$3,025,716 for Convention Center contracted bookings (28% of FY2024 goal), with total net rent actualized coming in at 31% of goal at \$2,404,937.

There were fifteen (15) events booked in March and April 2024, realizing 877 in forecasted hotel room night bookings, with 15,335 estimated delegates, and an estimated \$1,126,227 in top-line revenues.

There were twenty-seven (27) events hosted in March and April, realizing 1,908 in hotel room night bookings, with 40,086 delegates, and with \$2,256,833 in top-line revenues (rent, food & beverage, services, and parking). Year-to-date actuals saw 122,638 delegates; 4,595 in hotel room night bookings; and combined top-line forecast revenues of over \$3,920,697 for rent, food & beverage, parking, and subcontractor services.

#### **VII. PRESIDENT'S REPORT**

Mr. Blosser advised the SCC team is working to finalize and send the 2023 Annual Report to the Chairman and the Board for final review and approval.

#### **VIII. FINANCIAL REPORT**

The Financial Report was distributed to the Board in their packets in advance of this meeting. Mr. Blosser announced that the Public Facility District will run operating deficits at the Convention Center for the first four months of the year of \$2.1M, SCC operations is budgeted for a deficit of \$8M for 2024 after the \$2 million dollar reduction from FF&E funds to reduce the parking garage debt service. Mr. Blosser spoke to the Budget to Actuals Report, Ops Forecast, the Cashflow report for April 2024, as contained in the Board packets.

XI. ADJOURNMENT

Ms. Garrow made a motion to adjourn the May 21, 2024, Regular Board meeting at 3:37p.m. Mr. Norwalk seconded, and the motion was carried by the unanimous affirmative vote of all Directors present in person and via video conference call.