

Georgia World Congress Center Authority

Board of Governors Meeting

May 24, 2016





Financial Snapshot – April 2016



Profit/Loss



Budgeted	\$529,920	\$906,087	\$117,721
Actual	\$1,478,531	\$865,025	\$68,272
Budgeted YTD	\$2,318,057	\$26,939,880	(\$63)
Actual YTD	\$3,407,138	\$29,286,625	(\$387,508)



H/M Tax YTD

Actual **\$25.6M**

Budget **\$23.3M** **9.6%**

FY15 **\$22.7M** **12.69%**



Customers

(Estimated)

104,151



Economic

Impact

(Estimated)

\$143.5M



Campus Facility Assessment

Adam Straight
Sr. Director Project & Program
Management





Overview

Why?

- Aging facilities
- Future Project validation
- Capital Planning

Who?

- Three proposals received.
- Apparent Awardee - NOVA (\$477,500)





Scope of Work

A comprehensive review of Facility envelope and systems (interior/exterior)

- Buildings A, B, C; COP; Parking facilities; and Campus landscape/hardscapes
- MEP Systems
- Fire Protection Systems
- Structural Systems
- Specialized Building Systems
- Landscape and Grounds Systems





Questions?





Board Action

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors of the Geo. L. Smith II Georgia World Congress Center Authority that the Executive Director is authorized to negotiate and execute the terms and conditions of a proposed agreement for the facility assessment study and services.

Staff recommends approval.





Parking Management Services Agreement

Patrick Skaggs

Sr. Director of Campus Operations





Parking Management Services Agreement

- Overview of services
- Snapshot of the selection process
- Staff recommendation





Overview of Parking Management Services

- Estimated \$7.4 million in net revenues in FY17
- Approximately 6,700+ parking spaces on campus
- Services include (but not limited to):
 - Marketing of parking facilities
 - Collection of revenues
 - Vehicular and pedestrian management
 - General daily maintenance
- 5-Year agreement
 - Authority has right to extend for 2 one-year terms.





Selection Process

- 11-month process including Atlanta & Savannah campuses
- Discovery meetings (16 participants in ATL)
 - Identify requirements & priorities
 - RFP Document
- Pre-proposal conference
 - Responses to written questions
- 8 Proposals submitted





WALKER
PARKING CONSULTANTS



Phill Schragal Director of Parking Operations

- Develop Request for Proposal.
- Develop list of qualified firms.
- Participate in Pre-proposal Meetings.
- Assist in answering RFP questions .
- Assess RFP budget submittals.
- Participate as non-voting member of selection committee.





Evaluation Criteria

Evaluation criteria

- TECHNICAL MERIT (60%)
 - ❖ Suitability
 - ❖ Experience
 - ❖ On-site team
 - ❖ Completeness of proposal
- COST (40%)
 - ❖ Management fee
 - ❖ Est. operating expenses

2-part scoring process

- Scoring for initial 8 companies
- Scoring for 4 finalists





Proposals Received

- AAA
- ABM
- ACE
- Lanier
- LAZ
- PMS
- Republic
- SP+





Evaluation (1st Round)

60% Technical Merit

	Possible points	AAA	Lanier	LAZ	SP+
Experience of the firm, on-site team, Suitability, completeness of proposal, etc.	6	5.36	5.42	5.12	5.54

40% Cost

		AAA	Lanier	LAZ	SP+
Management Fee		\$48,000	\$184,110	\$60,000	\$168,250
Sub-Total - Salaries and Wages		\$1,626,907	\$1,482,030	\$1,360,705	\$1,856,505
Sub-Total - Payroll Tax, Benefits & W/C		\$419,254	\$497,962	\$287,789	\$342,863
Total - Other & General/Miscellaneous		\$879,558	\$432,673	\$141,732	\$183,148
Total Operating Expense Budget		\$2,973,719	\$2,596,774	\$1,850,226	\$2,550,766
Cost/Spaces (projected for 6,698 spaces)		\$443.97	\$387.69	\$276.24	\$380.82
Score	4	3.2	2.96	3.28	3.04
Total Score	10	8.56	8.38	8.40	8.58



NFL Stadiums

- **FedEx Field**
- **Soldier Field**
- **MetLife Stadium**
- **M&T Bank Stadium**
- Paul Brown Stadium
- **Sun Life Stadium**
- **Lincoln Financial Field**
- Mercedes Benz Superdome
- Nissan Stadium
- FirstEnergy Stadium
- Arrowhead Stadium
- Edward Jones Dome

MLB Stadiums

- Dodger Stadium
- U.S. Cellular Field
- Tropicana Field
- Coors Field
- Oriole Park at Camden Yards
- Busch Stadium
- Great American Ballpark
- Citizens Bank Park
- Progressive Field
- Fenway Park

NBA Arenas

- United Center
- Toyota Center
- BMO Harris Bradley Center
- Barclays Center
- Wells Fargo Center
- Madison Square Garden
- Time Warner Cable Arena
- Smoothie King Arena
- Quicken Loans Arena
- TD Garden
- Verizon Center
- US Airways Center

NHL Arenas

- United Center
- Nationwide Arena
- TD Garden
- Verizon Center
- Scottrade Center
- Prudential Center
- Wells Fargo Center
- Madison Square Garden
- Time Warner Cable Arena
- Bridgestone Arena

Other Arenas & Stadiums

- US Bank Arena
- Richmond Coliseum
- Mississippi Veterans Memorial Stadium
- Neyland Stadium
- Knoxville Civic Coliseum
- AutoZone Park
- DCU Center
- TD Ameritrade Park
- CenturyLink Arena
- Sprint Center
- Kemper Arena
- BOK Center
- ONE Ok Field
- Bank United Center (Miami)
- Yulman Stadium (Tulane)
- McLane Stadium (Baylor)

Race Tracks

- Daytona International Speedway
- Kansas Speedway
- Talladega Superspeedway
- Homestead-Miami Speedway
- Richmond International Raceway
- Michigan International Speedway

Race Tracks (Cont.)

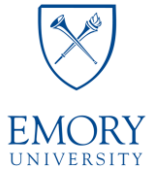
- Auto Club Speedway
- Phoenix International Raceway
- Las Vegas Motor Speedway

Theaters, Performing Arts Centers, Other Venues

- Radio City Music Hall
- Carnegie Hall
- **Birmingham Jefferson Convention Center**
- Metropolitan Museum of Art
- New Jersey Performing Arts Center
- Liberty Science Center
- Fauquier County Fair
- **Jackson Convention Center**
- Music City Center
- **Knoxville Convention Center**
- Orpheum Theater
- Arena Stage for the Performing arts
- Ford's Theatre
- Kennedy Center
- The Muny Theater
- Orange County Performing Arts Center
- Eisemann Performing Arts Center
- **Ft. Worth Convention Center**
- Tulsa Performing Arts Center
- Ohio Expo Center
- **Will Rogers Memorial Center**
- The Greek Theatre LA
- Navy Pier
- **McCormick Place**
- Mann Center for Performing Arts

MLS

- **MAPFRE Stadium**
- **Sporting Park**
- **Red Bull Arena**



Atlanta 1996



FOUR SEASONS
Hotels and Resorts



LSU



McCORMICK PLACE
CHICAGO



THE UNIVERSITY OF
TEXAS
AT AUSTIN



XXXIV XXXV XXXVI XXXVII XXXVIII XXXIX XL XLI XLII XLIII XLIV XLV XLVI XLVII XLVIII XLIX





- Atlanta office on 3391 Peachtree Road
 - Headquarters in Chicago, IL
- 40 locations containing approximately 70,000 parking spaces in Metro-Atlanta area

SP+ operating groups include:

SP+ Airport Services
SP+ Healthcare Services
SP+ Municipal Services
SP+ Residential Services
SP+ University Services

SP+ GAMEDAY
SP+ Hotel Services
SP+ Office Services
SP+ Retail Services

SP+ service lines include:

SP+ Event Logistics
SP+ Security Services

SP+ Facility Maintenance
SP+ Transportation





Questions?





Board Action

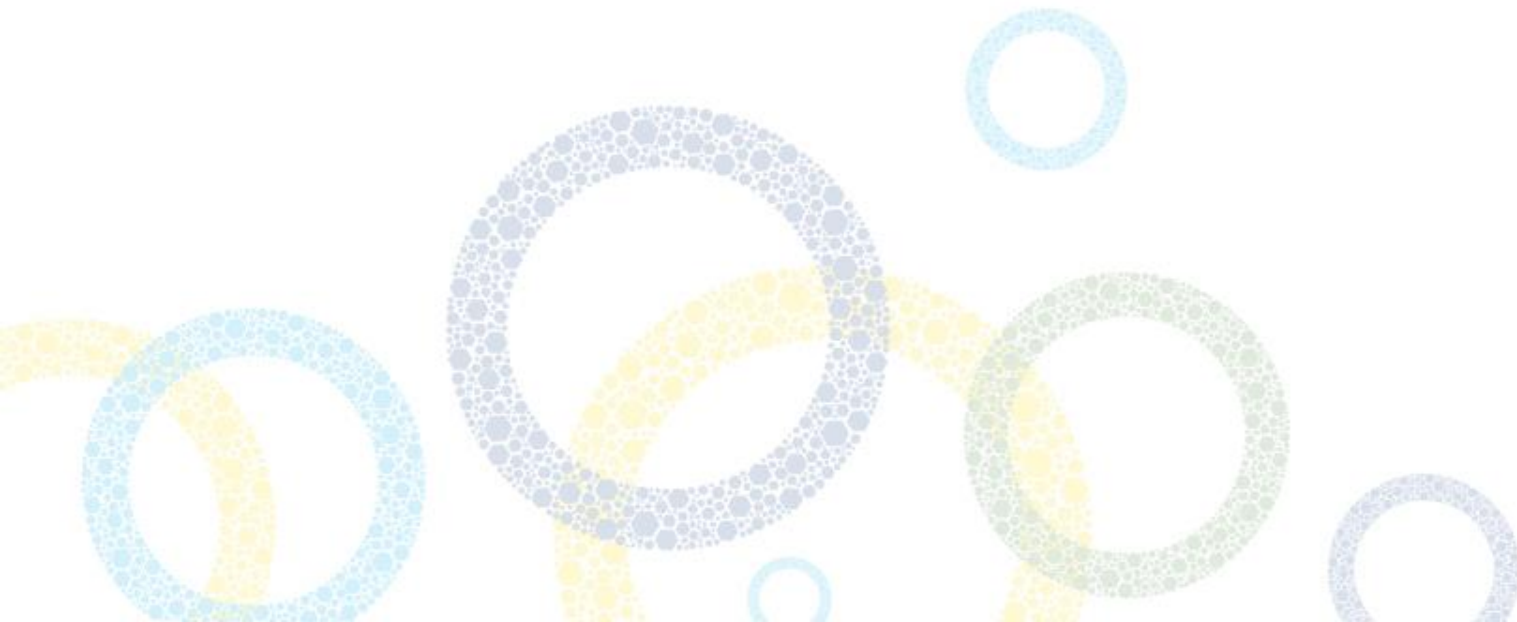
NOW, THEREFORE, BE IT RESOLVED by the Board of Governors of the Geo. L. Smith II Georgia World Congress Center Authority that the Executive Director is authorized to negotiate and execute the terms and conditions of a proposed agreement for parking management and related services.

Staff recommends approval.





FY17 Budget Overview





Executive Level



Frank Poe
Executive Director

Dale Aiken
Executive Assistant



Jennifer LeMaster
Chief Administrative Officer



Kevin Duvall
Chief Operating Officer



Carl Adkins
Chief Commercial Officer

Janet Arsenault
Sr. Director of Finance

TBD
Director of HR

TBD
Director of Communications

Adam Straight
Sr. Director of Projects & Program Management

Erik Waldman
Sr. Director of Logistics & Dome Event Operations

Patrick Skaggs
Sr. Director of Campus Operations

Julia Karrenbauer
Sr. Director of Business Development

Mark Adams
Director of Sales

Joe Skopitz
Director of Products & Services

Mark Zimmerman
GM Convention Business Development

Lindsay Strickland
Director of Government Relations

Pargen Robertson
Legal Counsel

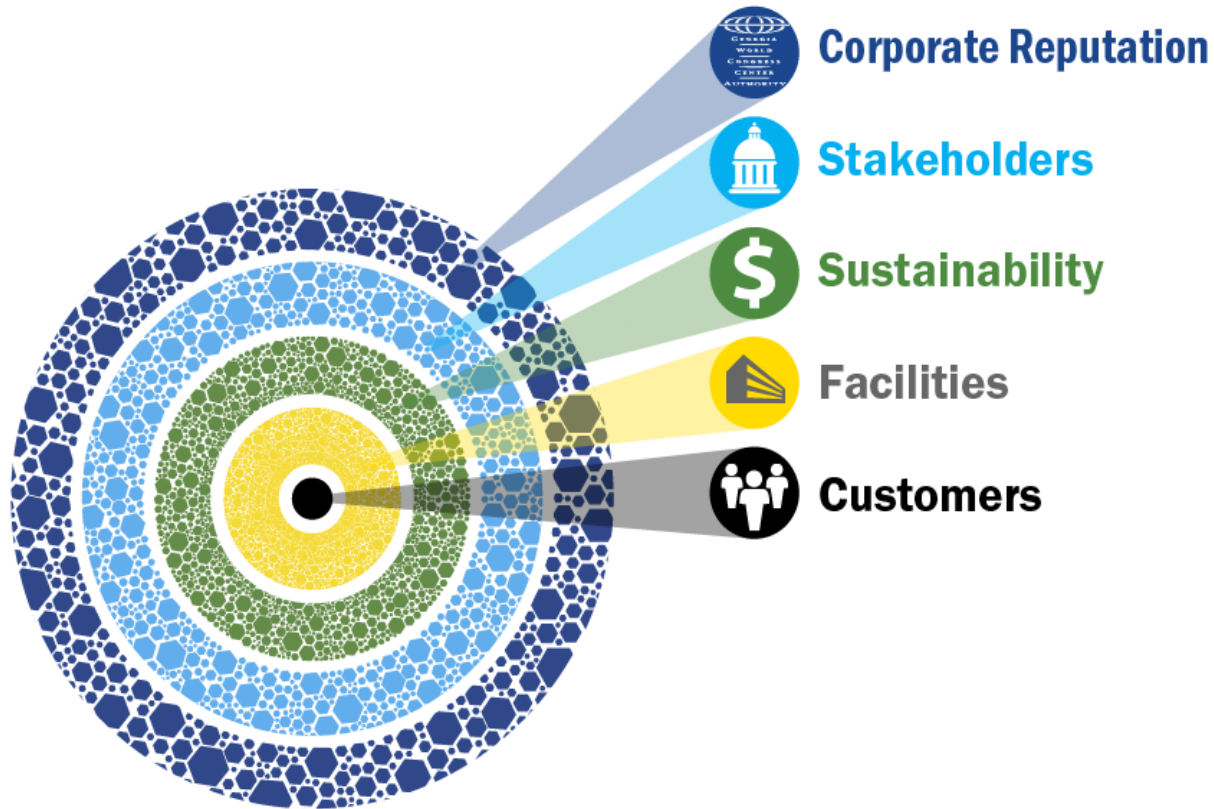
Carla Sayeh
Director of Internal Audits

Sherrie Spinks
SITCC General Manager

Direct Reports



Organizational Targets





Campus-Wide Key Points



The following highlights are reflected in each budget:

- H/M Tax
- Personnel
 - Insurance
 - Merit Pool
 - Health





Georgia World Congress Center & Centennial Olympic Park

FY17 Revenue Budget





GWCCA – FY17 Revenue Overview

- Revenue Summaries
- How we measure ourselves





**GEORGIA WORLD CONGRESS CENTER
AND
CENTENNIAL OLYMPIC PARK
OPERATING BUDGET SUMMARY COMPARISON
FY 2017**



<u>REVENUE</u>	<u>Projection FY 2016</u>	<u>Budget FY 2017</u>	<u>Variance</u>	
Rental	\$ 12,479,287	\$ 12,813,703	\$ 334,416	
Food & Beverage	5,829,787	9,119,827	3,290,040	
Exhibit Utility Service	7,787,316	7,601,700	(185,616)	
Parking	6,492,056	6,796,147	304,091	
Hotel/Motel Tax	7,488,256	5,825,942	(1,662,314)	
Other	5,096,742	5,407,224	310,482	
REVENUE	\$ 45,173,444	\$ 47,564,543	\$ 2,391,099	5.29%





GWCC Scorecard



	Events	Estimated Attendance	Economic Impact
FY 17	32 Tradeshows 9 Corporate Events 14 Consumer-Public 198 Other Events (58 Confirmed + 140 Forecasted ITYFTY)	1,206,145	\$811 Million Tradeshow & Conventions
FY 16	36 Tradeshows 11 Corporate Events 14 Consumer-Public 194 Other Events (67 Confirmed + 127 ITYFTY)	1,165,269	\$856 Million Tradeshow & Conventions





Centennial Olympic Park



FY16

- 4th of July
- 1 Day of Foo Fighters
- 3 Days of Sweetwater 420 Fest
- 14 Run/Walks
- 17 Wednesday WindDown Concerts
- 6 Days of “Shaky” Music Festivals
- 35 Music at Noon Concerts
- 51 Days of Ice Rink

FY17

- 4th of July
- 20th Anniversary Celebration
- 3 Days of Sweetwater 420 Fest
- 13 Run/Walks
- 17 Wednesday WindDown Concerts
- 6 Days of “Shaky” Music Festivals
- 35 Music at Noon Concerts
- 45 Days of Ice Rink



Revenue Per Occupied Square Feet (RevPOS)

Market Segment Forecast



Market Segment	FY16	FY17	FY18	FY19
Association	\$ 0.07	\$ 0.11	\$ 0.12	\$ 0.13
Corporation	\$ 0.18	\$ 0.20	\$ 0.22	\$ 0.24
SMERF	\$ 0.25	\$ 0.26	\$ 0.27	\$ 0.28
Sports	\$ 0.13	\$ 0.20	\$ 0.21	\$ 0.22
Avg	\$ 0.17	\$ 0.19	\$ 0.21	\$ 0.22

**RevPOS = Total Net Revenue
Total Square Foot Usage**



Top Market Segments

Total Net Operating Revenue



	FY17		FY16	
	Rank	Net Revenue All Event Types	Rank	Net Revenue All Event Types
Technology/Computers/Communication	1	\$ 7,495,873	18	\$ 427,640
Consumer Products/Services	2	\$ 4,491,108	6	\$ 1,243,452
Manufacturing/Industrial/Distribution	3	\$ 3,930,179	3	\$ 3,497,067
Health/Medical/Pharmaceutical	4	\$ 2,575,006	1	\$ 4,334,468
Agricultural/Commodity/Food Product	5	\$ 2,336,780	2	\$ 4,093,528
Educational	6	\$ 2,100,160	11	\$ 802,257
Entertainment	7	\$ 1,554,426	4	\$ 1,581,790
Religious	8	\$ 1,446,837	27	\$ 90,221
Retail/Commercial/Business	9	\$ 1,287,569	8	\$ 972,711
Non-Profit.Charitable Org	10	\$ 1,215,897	28	\$ 89,545
Amateur Sports - Volleyball	11	\$ 1,144,222	16	\$ 567,948
Professional Sports - Football	12	\$ 1,000,000	9	\$ 961,093
Amateus Sports - Cheerleading	13	\$ 957,237	10	\$ 821,549
Government/Public Affairs	14	\$ 941,420	5	\$ 1,490,383
Scientific/Engineering/Electrical	0	\$ -	7	\$ 1,066,190



GWCCA Revenue Trends

Total Operating Revenue



Revenues	FY16	FY17	FY18	FY19
Rental Revenue	\$ 12,479,287	\$ 12,813,703	\$ 13,357,740	\$ 13,502,949
F&B Net Revenue	\$ 5,829,787	\$ 9,119,827	\$ 7,881,067	\$ 7,966,740
Utility Services Revenue	\$ 7,787,316	\$ 7,526,700	\$ 8,148,221	\$ 8,236,799
Parking Revenue	\$ 6,492,056	\$ 6,776,147	\$ 7,131,236	\$ 7,416,485
Hotel/Motel Tax Revenue *	\$ 7,488,256	\$ 5,825,942	\$ 6,058,980	\$ 6,301,339
All Other Operating Revenue	\$ 5,096,742	\$ 5,502,224	\$ 6,411,715	\$ 6,481,416

* Includes \$1,738,911.6 Reserve GWCC transfers to COP, otherwise \$5,749,345.



Georgia World Congress Center & Centennial Olympic Park

FY17 Expenses





Expenses

- Overview
 - Changes from FY16 projected
 - Performance Contracting
- Projects
- Reserves
 - Request for FY16 Reserve for Park and Projects





GEORGIA WORLD CONGRESS CENTER
AND
CENTENNIAL OLYMPIC PARK
OPERATING BUDGET SUMMARY COMPARISON
FY 2017



<u>EXPENDITURES</u>	<u>Projection FY 2016</u>	<u>Budget FY 2017</u>	<u>Variance</u>
Personnel Services	\$ 23,231,458	\$ 24,727,670	\$ 1,496,212
Regular Operating	11,659,074	10,537,229	(1,121,845)
Equipment Purchases	234,559	319,984	85,425
Per Diem/Fees/Contracts	4,574,495	4,125,114	(449,381)
Projects	972,000	1,400,000	428,000
Computer Charges/Other	1,935,103	2,107,078	171,975
EXPENDITURES	\$ 42,606,689	\$ 43,217,075	\$ 610,386 1.43%



FY17 Projects

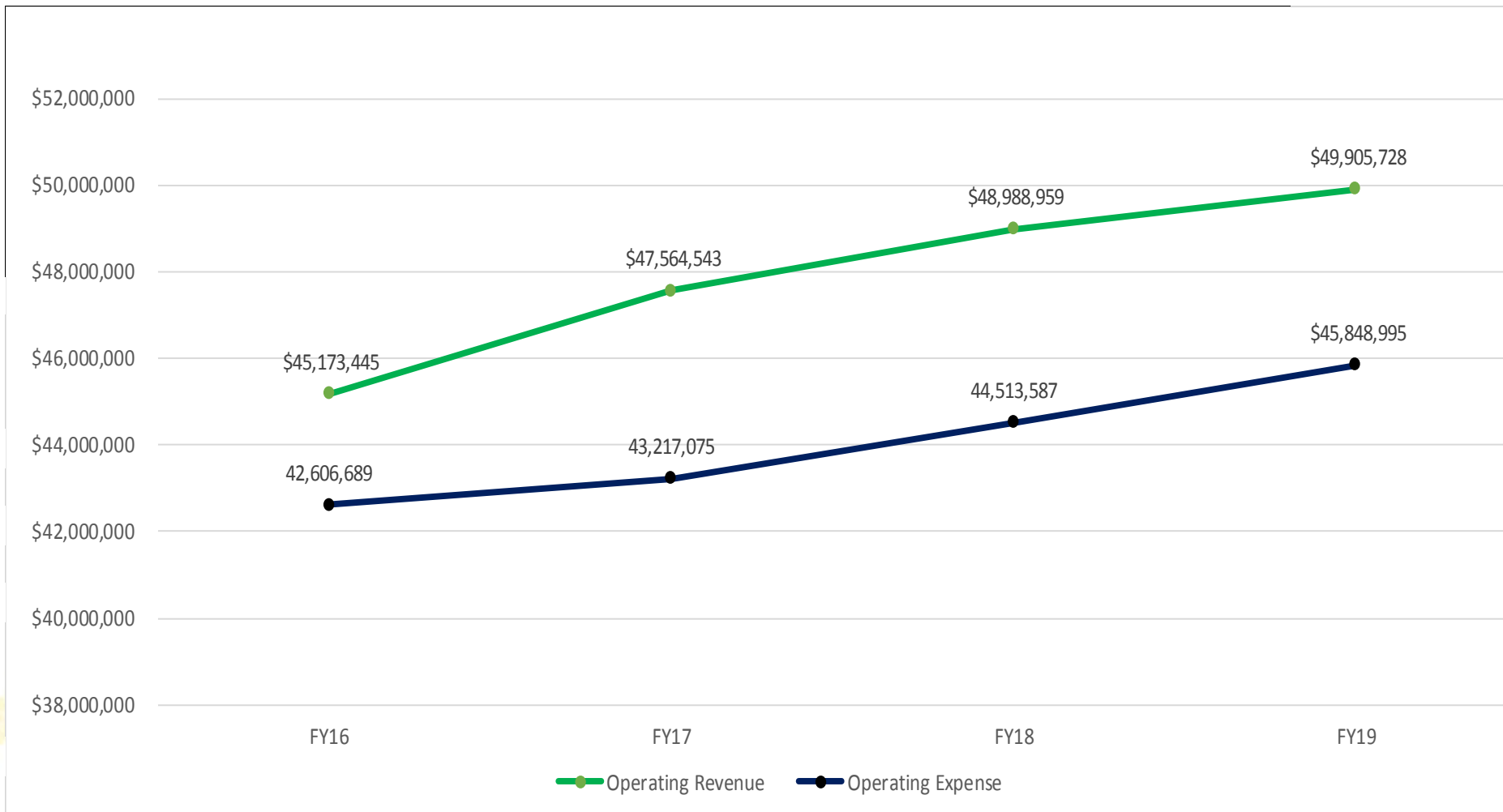
We have identified funding for \$1.4M worth of projects within the operational budget inclusive of:

- Digital media technology upgrade
- Digital camera upgrades (zone budget)
- Campus wayfinding
- Office upgrades – Public Safety
- Authority Boardroom AV upgrade
- Red Deck improvements (cosmetic & operational)





Revenue & Expense Trends





**GEORGIA WORLD CONGRESS CENTER & COP
OPERATING BUDGET SUMMARY COMPARISON
FY 2017**

<u>REVENUE</u>	Projection FY 2016	Budget FY 2017	Variance	
Rental	\$ 12,479,287	\$ 12,813,703	\$ 334,416	
Food & Beverage	5,829,787	9,119,827	3,290,040	
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REVENUE	\$ 45,173,444	\$ 47,564,543	\$ 2,391,099	5.29%
<u>EXPENDITURES</u>				
Personnel Services	\$ 23,231,458	\$ 24,727,670	\$ 1,496,212	
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Projects	972,000	1,400,000	428,000	
Computer Charges/Other	1,935,103	2,107,078	171,975	
EXPENDITURES	\$ 42,606,689	\$ 43,217,075	\$ 610,386	1.43%
OPERATING PROFIT (LOSS)	\$ 2,566,755	\$ 4,347,468	\$ 1,780,713	

OPEB investment from FY16 Fund Balance \$568,547

Projects funded from FY16 Fund Balance \$1,250,000





Staff Request

Set aside funding from the GWCC FY16 net operating revenue as outlined below.

1. Establish a Park maintenance reserve of \$300k.
 - For continued maintenance of hard scape (bricks, granite, sidewalk, concrete, tree grates, etc.) and soft scape (turf, shrubbery, etc.)
2. Add \$950k to the existing project reserve.
3. Invest \$569k in our OPEB Trust Fund.
4. Roll remaining balance of approximately \$750k into fund balance.





GEORGIA
WORLD
CONGRESS
CENTER
AUTHORITY





Georgia Dome FY17 Scorecard



Events	Attendance	Estimated Economic Impact
40 Publicly Ticketed 7 Private	1,303,250	\$372 million
18 Additional Events Projected - in year for the year		





Georgia Dome Overview



High Profile Publicly Ticketed Events

- Guns N' Roses
- Beyoncé #2
- 35 Football Games
- 3 Feld Events (Monster Jam, SX)

Major Convention

- Passion conference/concert(campus-wide event)





Decommissioning

- ❖ Salvage
- ❖ Georgia Dome Operating Cash





Salvage

- ❖ Buckets identified.
 - Food service equipment
 - Estimated cost avoidance of at least \$525k
 - Rolling stock – tables, chairs and staging
 - Estimated cost avoidance of at least \$1.5M
 - Equipment – carts, gators, forklifts
 - Estimated cost avoidance of at least \$450k
 - AV and Digital assets
 - Storage/material handling
- ❖ Estimated salvage costs - \$750k
- ❖ Minimum Estimated Cost Avoidance - \$2.5M





Operating Cash Balance



• Balance end of FY16	\$7,487,885
• Projection FY17	988,283
Total	<u><u>\$8,476,168</u></u>





**GEORGIA DOME
OPERATING BUDGET SUMMARY COMPARISON
FY 2017**

<u>REVENUE</u>	Projected FY 2016	Budget FY 2017	Variance	
Rental	\$ 11,582,196	\$ 9,748,355	\$ (1,833,841)	
Food & Beverage	8,284,928	7,653,906	(631,022)	
Food Service Equip & Expendable Reserve	2,759,193	1,600,000	(1,159,193)	
Suite/Seats License Fees	25,467,259	25,564,826	97,567	
Advertising	4,684,717	4,712,993	28,276	
Hotel/Motel Tax	24,019,572	-	(24,019,572)	
Other	2,359,954	1,753,334	(606,620)	
REVENUE	\$ 79,157,819	\$ 51,033,414	\$ (28,124,405)	-35.53%
 <u>EXPENDITURES</u>				
Personnel Services	\$ 10,307,322	\$ 8,858,662	\$ (1,448,660)	
OPEB Funding	2,759,193	-	(2,759,193)	
Regular Operating	7,770,495	6,567,083	(1,203,412)	
Per Diem/Equip	12,582,818	12,456,678	(126,140)	
Game Tickets	11,735,177	11,468,200	(266,977)	
Contract-Falcons	4,000,000	4,000,000	-	
Debt Service Interest	1,281,078	-	(1,281,078)	
Other	1,313,357	888,666	(424,691)	
EXPENDITURES	\$ 51,749,440	\$ 44,239,289	\$ (7,510,151)	-14.51%
Falcons Contingency Pmt	1,794,123	2,840,992	1,046,869	
NET PROFIT/(LOSS)	\$ 25,614,256	\$ 3,953,133	\$ (21,661,123)	



Board Action

- Finance Committee has been briefed by staff and approved advancing the FY17 Budget to the Board for their consideration and action.
- Staff recommends approval of the FY17 Budget including an allocation of FY16 net operating income and Georgia Dome cash for reserves, investments, projects, and salvage.





**Next Meeting:
Tuesday, June 28, 2016**

