

Georgia World Congress Center Authority

BOARD OF GOVERNORS MEETING

March 27, 2018



Authority



Financial



Facility



Operations



ACTION ITEM

Approval of Minutes February 27, 2018





FEBRUARY FINANCIAL UPDATE

Janet Arsenault
Sr. Director of Finance





Financial Snapshot – February 2018

Profit/Loss



Actual	\$1,038,849
Budgeted	\$2,035,095
Actual YTD	\$3,229,299
Budgeted YTD	(\$747,277)



Actual	\$4.2M	
Budget	\$4.2M	<0.38%
H/M Tax	FY17	\$4.01M
		>4.6%



Customers
(Estimated)

212,506



Economic Impact
(Estimated)

\$146.1M





RESOLUTION HOTEL DEVELOPMENT AGREEMENT WITH DREW COMPANY, INC.

Pargen Robertson
GWCCA Legal Counsel





Hotel Development Agreement: Background

Under the Site Coordination Agreement executed between the Authority and the Atlanta Falcons Stadium Company, LLC (“StadCo”) dated May 18, 2015, the Authority reserves a right to redevelop a portion not to exceed 60,0000 square feet of the Georgia Dome Site (the “Limited Redevelopment Right”).





Hotel Development Agreement: Background

Recall that on October 31, 2017, the Board authorized the Executive Director essentially to communicate notice to StadCo that the Authority intends to exercise its Limited Redevelopment Right under the SCA (and that notice was given at least one year prior to the groundbreaking of the proposed project and contained preliminary drawings and other details about the proposed project).





Hotel Development Agreement: Background

In that October 31, 2017 Resolution the Board also essentially requested approval from GSFIC for the incurrence of debt by the Authority in the form of hotel revenue bonds, the selection of Public Resources Advisory Group as the Authority's financial advisor, and of the selection of Citigroup Global Markets, Inc. as the lead underwriter of the hotel revenue bonds.





Hotel Development Agreement: Background

Subsequently on November 28, 2017, the Board passed another Resolution which essentially authorized the Executive Director to continue to negotiate and execute with Drew Company, Inc. a proposed Predevelopment Agreement for the Hotel Project.





Hotel Development Agreement: Background

Additionally, that with that November Resolution the Board essentially declared its official intent to reimburse the Authority for Expenditures incurred and paid on or after November 1, 2017 from the proceeds of the Bonds when issued.





Hotel Development Agreement: Essential Terms

Since then, the Authority has continued to negotiate with Drew, and has reached an agreement on the essential material deal terms of a presumptive Development Agreement.

The parties have exchanged draft revisions and have engaged in several lengthy discussions of that written Development Agreement with an eye toward preparing to execute that written agreement.

The following is a summary of the key business terms of that deal.





Hotel Development Agreement: Essential Terms

Scope of Developer's Services

As the Authority's fee developer, Drew Company would perform those services listed in Schedule 7.10 of the (DRAFT) Development Agreement.

See Handout.





Hotel Development Agreement: Essential Terms

Developer's Fee – How Calculated

Drew Company's fee for performing the development services is computed as follows:

- (a) 2.50% of the Hotel Project Improvements Budget; plus
- (b) 0.50% of the Hotel Project Improvements Budget if the project is completed within budget and on schedule.

Provided, however, that the Developer Fee is capped at \$9million.

DRAFT Development Agreement, §7.1.5.





Hotel Development Agreement: Essential Terms

Developer's Fee – When Paid

Drew Company's fee shall be payable as follows:

(a) The Authority shall pay to Drew the sum of **\$100,000 per month** from the date of the Development Agreement up until the hotel revenue bonds are issued, but in an amount **not to exceed \$1.2 million**; and

(b) Once the proceeds from the sale of the hotel revenue bonds are deposited in the Construction Fund (the "Financing Date"), the Developer's Fee will be calculated based on the Hotel Projects Improvements Budget in the percentages shown in the preceding slide.

Additionally, the parties have discussed a hold-back of 20% of the Developer Fee until final completion.

DRAFT Development Agreement, §7.1.5.





Hotel Development Agreement: Essential Terms

Authority Responsibility Third-Party Expenses

The Authority is responsible to pay third party expenses incurred prior to proceeds from the sale of the hotel revenue bonds being deposited in the Construction Fund (the “Financing Date”).

However, the Authority’s obligation to pay such third party expenses is capped at \$5 million (\$1.2 million of which is that portion of the Developer Fee which may be paid prior to the Financing Date).

After the Financing Date, third party expenses will be paid from bond proceeds.

DRAFT Development Agreement, § 8.3.





Hotel Development Agreement

At this time, staff recommends that the Authority move forward also to execute a preliminary, limited scope engagement of Gensler & Associates, the architect member of the team selected in the RFQ/RFP process, for Preliminary Programming, Due Diligence and Conceptual Design Services.

Staff anticipates coming forward at a later date to request board approval for a draft of a more comprehensive agreement for architect services.





Hotel Development Agreement

With today's Resolution, the Board essentially would authorize the Executive Director to execute a Development Agreement with Drew essentially in the form attached to the Resolution.

Additionally, the Board essentially would authorize the Executive Director to execute an Agreement for the Remaining Due Diligence and Conceptual Design Services.





QUESTIONS?





SALES UPDATE

Damon Bell

Sr. Director of Convention Sales





FY 18 Successes / Forecast

Diamond Jubilee Event – March

- \$500K in rent
- \$500K in additional spend
- Event booked six weeks out

Non-Trade Show Business (Q3/Q4)

- Films: Boss Level, A Mel Gibson film
- NFL Retail Summit
- Call of Duty competition
- Jurassic Quest
- Wendy's March Madness activation
- Atlanta United Fan Fests (new spring business)

	Ordered Rent	Total Room Nights	F&B Minimum/Contract	Number of Events Booked
July-Dec 2017	\$16,948,496.73	613,033	\$9,531,507.00	160
July-Dec 2016	\$7,683,166.69	264,176	\$1,246,501.00	87





Future Year Wins

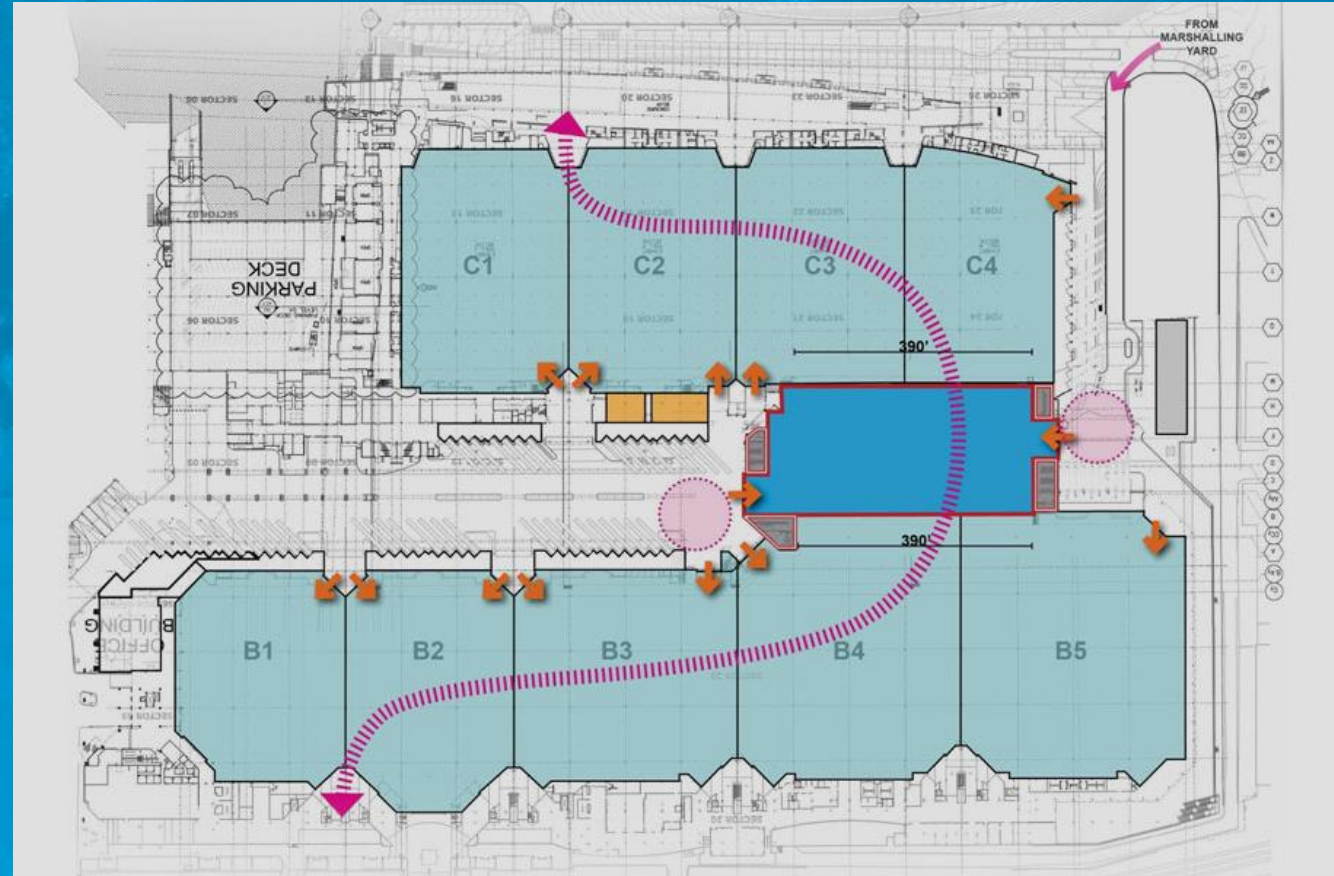
SHOW	YEARS
SGIA – Specialty Graphics Association	2020, 2023, 2027
Primerica	2019, 2020
Citrix (\$1.75 million in F&B)	2021
National Black MBA	2022, 2027
North American Commercial Vehicle	2021





CEF Construction

- May 2018: 18-20 month project
- C3/C4 AND B4/B5 IMPACT
- \$1.5 MILLION risk identified
 - Load in/load out time
 - Additional labor fees
 - Spaces out of inventory
 - Relocation of events





GWCCA Convention Hotel Blocks

Hotel Revenue and Room Night Potential

	Sum of HQ2 Revenue (\$229 rate)	Sum of Approx. HQ2 Hotel TRNs (640 pk)
2021	\$1,319,040	5,760
2022	\$7,181,440	31,360
2023	\$5,129,600	22,400
2024	\$5,276,160	23,040
2025	\$2,344,960	10,240
2026	\$2,931,200	12,800
2027	\$1,465,600	6,400
2028	\$293,120	1,280
2029	\$732,800	3,200
GRAND TOTAL	\$26,673,920	116,480





QUESTIONS?





GWCCA SURVEY TOOL

Mark Koeningger
Director of Business Intelligence
and Process Improvement



Filtering by: Response Date: Jul 1, 2017 to Today Respondent Role: All Event Name: All [Hide Filters](#) [Reset to Default](#)

⚙ Page Options ✎ Edit Page

Key Metrics

- Catering
- Concessions/Dining
- Digital
- Internet
- Parking
- Utilities
- Commentary
- Ticket Reporting
- Commentary (copy)
- Key Metrics (copy)

[+ Add Page](#)

Overall Satisfaction 📌

4.43

▲ 0.04
Over previous 3 months

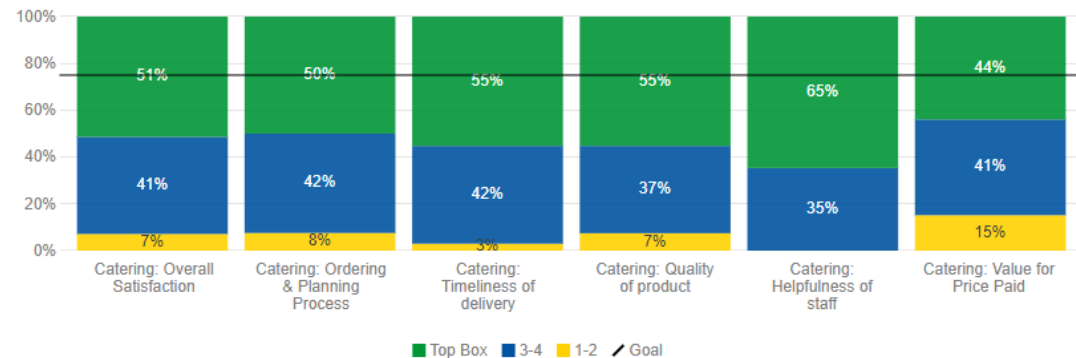
Total Responses

1,634

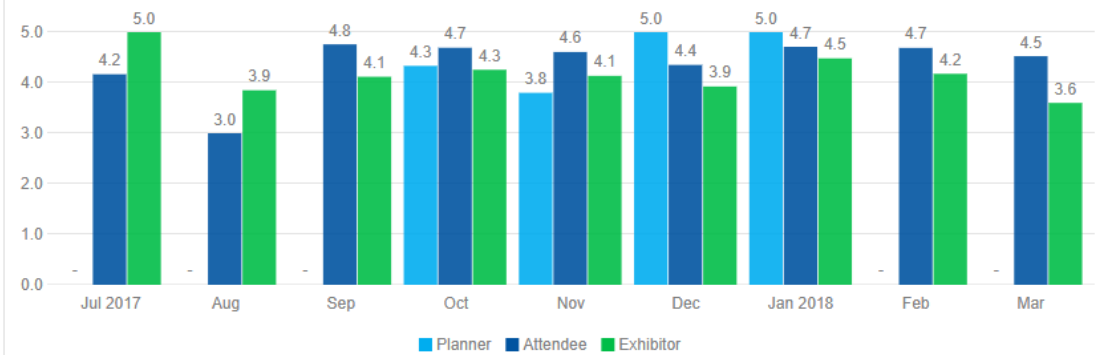
Overall Satisfaction ⌵



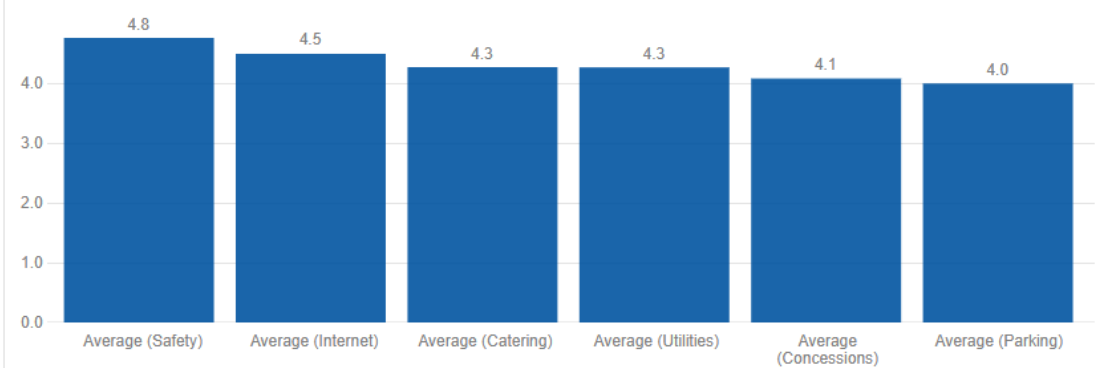
Catering (Planners, Exhibitors) ⌵



Average Satisfaction ⌵

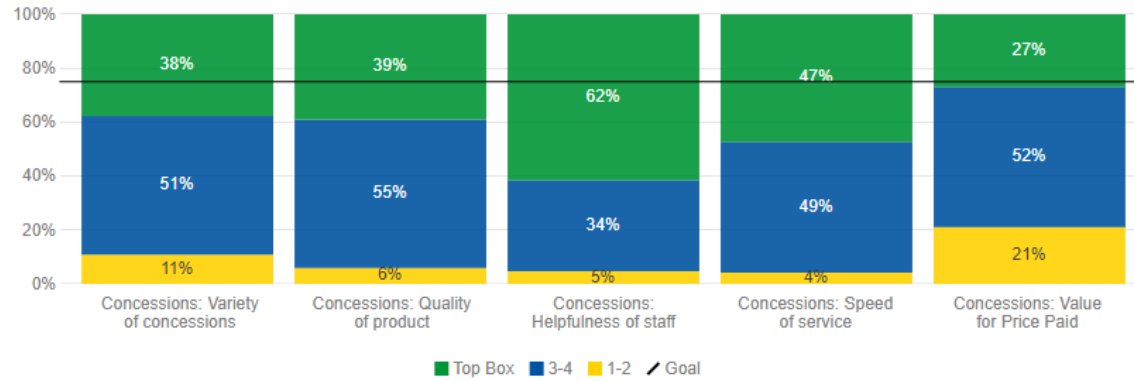


Average Scores by Group ⌵

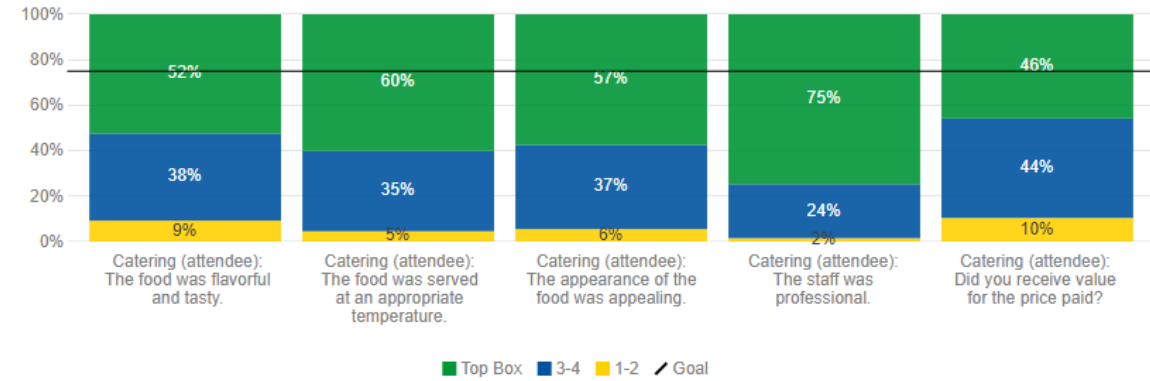


Back to top

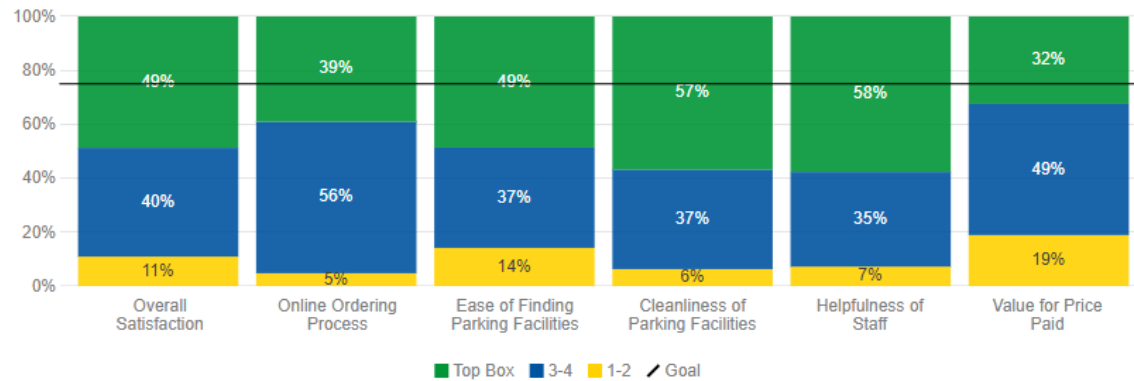
Concessions (Planners, Exhibitors)



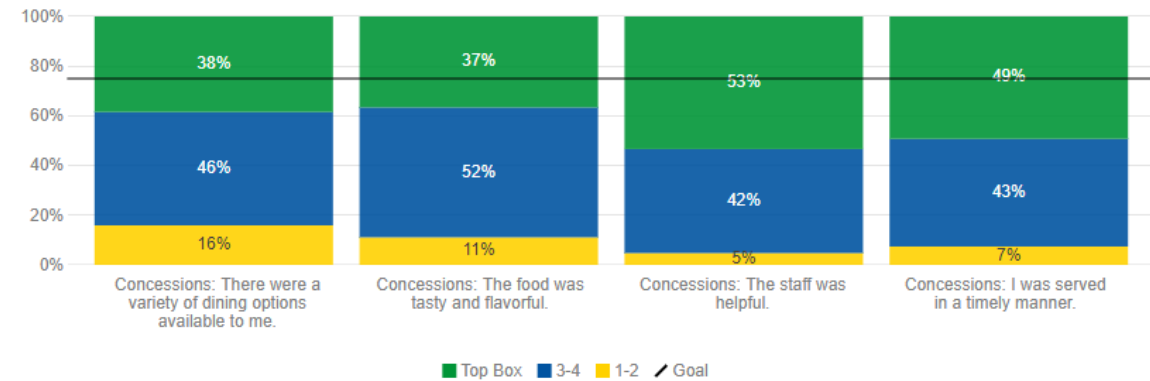
Catering (Attendees)



Parking (Planners, Exhibitors)



Dining/Concessions (Attendees)






Ticketing Dashboard

GWCCA Dashboard ⚙️ Projects Contacts Library Admin Help 👤

Filtering by: Ticket: Created Hide Filters ⚙️ Page Options ✎ Edit Page

[Click here to manage tickets](#)



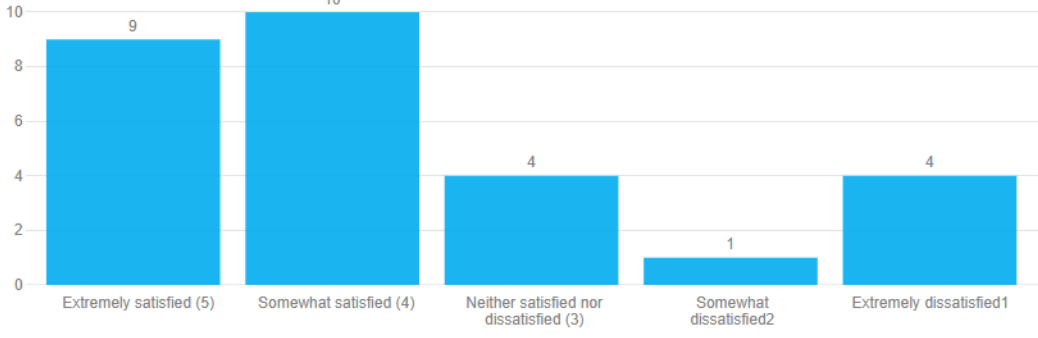
Total Open Tickets (section SAT only) ▼ 2

13

Total Tickets this week (section SAT only) ▼ 2

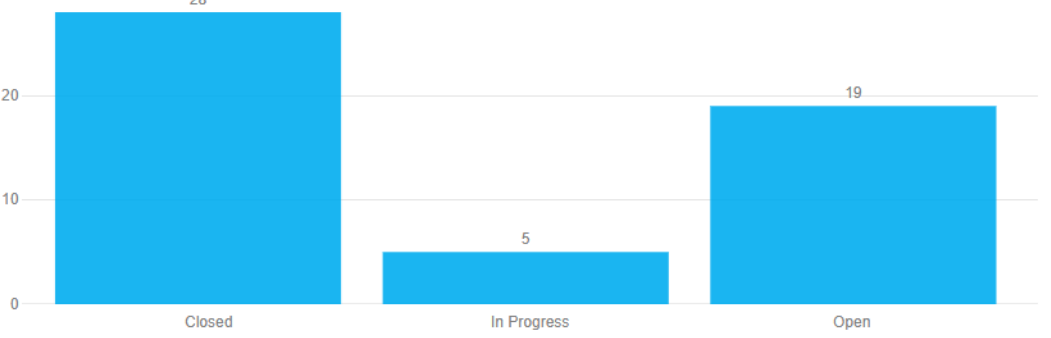
0

Ticket Count by Overall Satisfaction ⌵ ▼ 1



Satisfaction Level	Count
Extremely satisfied (5)	9
Somewhat satisfied (4)	10
Neither satisfied nor dissatisfied (3)	4
Somewhat dissatisfied2	1
Extremely dissatisfied1	4

Ticket Count by Status ⌵ ▼ 1



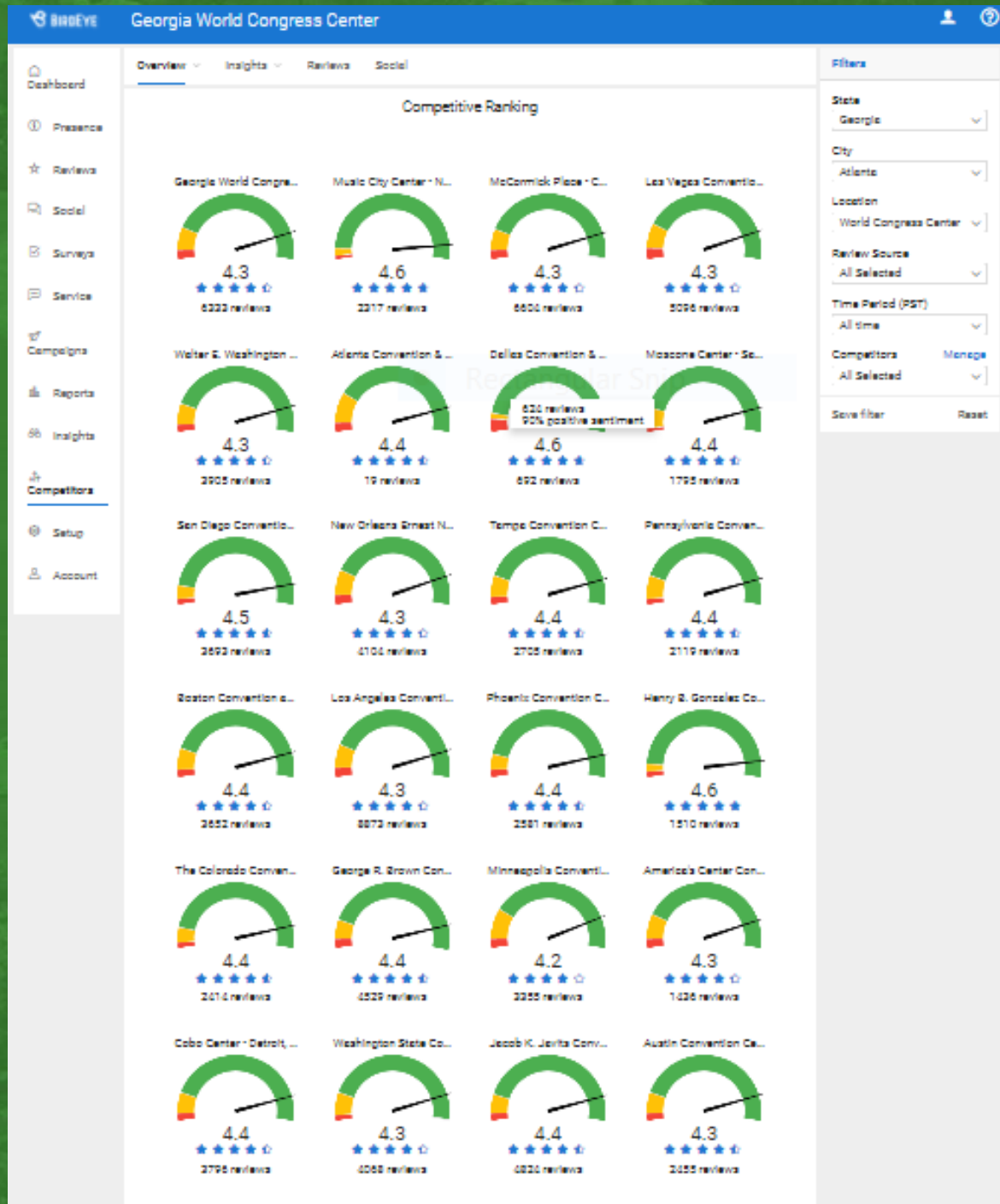
Status	Count
Closed	28
In Progress	5
Open	19

Average Resolution Time (in hours) by team ⌵

- ↓ Key Metrics
- ☰ Catering
- ☰ Concessions/Dining
- ☰ Digital
- ☰ Internet
- ☰ Parking
- ☰ Utilities
- ↓ Commentary
- ☰ Ticket Reporting**
- ↓ Commentary (copy)
- ↓ Key Metrics (copy)
- + Add Page



Birdeye Competitor Rankings





Birdeye Social Mentions

BIRDEYE Georgia World Congress Center

Your reviews **4.3** ★ ★ ★ ★ ★ 6333 reviews

All Most recent reviews

5 ★ on Google, Mar 21, 2018 World Congress Center
College Tours
Great place to meet.

5 ★ on Google, Mar 21, 2018 World Congress Center
Hans Reinford

5 ★ on Google, Mar 21, 2018 World Congress Center
Amsal Khimani
I love the Georgia World Congress Center. We were there for the Diamond Jubilee Visit of the Aga Khan IV. It is very spacious. It is just like McCormick Place in Chicago.

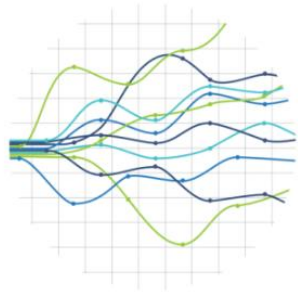
5 ★ on Google, Mar 21, 2018 World Congress Center
Wilton Lopez

- Dashboard
- Presence
- Reviews**
- Social
- Surveys
- Service
- Campaigns
- Reports
- Insights
- Competitors
- Setup
- Account





Introducing Qualtrics iQ: A Predictive Intelligence Engine for the Masses



TEXT*iQ*

The most actionable insights are often hidden deep in open text responses. With artificial intelligence and natural language processing, Text iQ instantly analyzes it all so you can see what, in customers and employees own words, matters most.



DRIVER*iQ*

Driver iQ automatically bundles, analyzes, and correlates your experience data to prioritize the key drivers of your business and predict the actions that will drive the most business impact. All in an easy to read 2x2 matrix.



STATS*iQ*

Stats iQ enables everyone, from beginners to expert analysts, to uncover meaning in data, identify trends, and produce predictive models without spending days in SPSS or Excel—no training required.





QUESTIONS?





PROJECT UPDATE: CARPET DESIGN/SCHEDULE

Jeff Oden

Director of Project and Program Management

Danielle Trost, tvsdesign

Bobby Moore, Shaw Contract





How We Got Here

- Preliminary planning began in January 2015
- TVS selected to create flooring master plan same year
- Overall flooring budget \$6,735,000 with \$1.5M Internal Reserves
- September Board approval to enter in contract with Spectra
 - Carpet- \$2,245,000

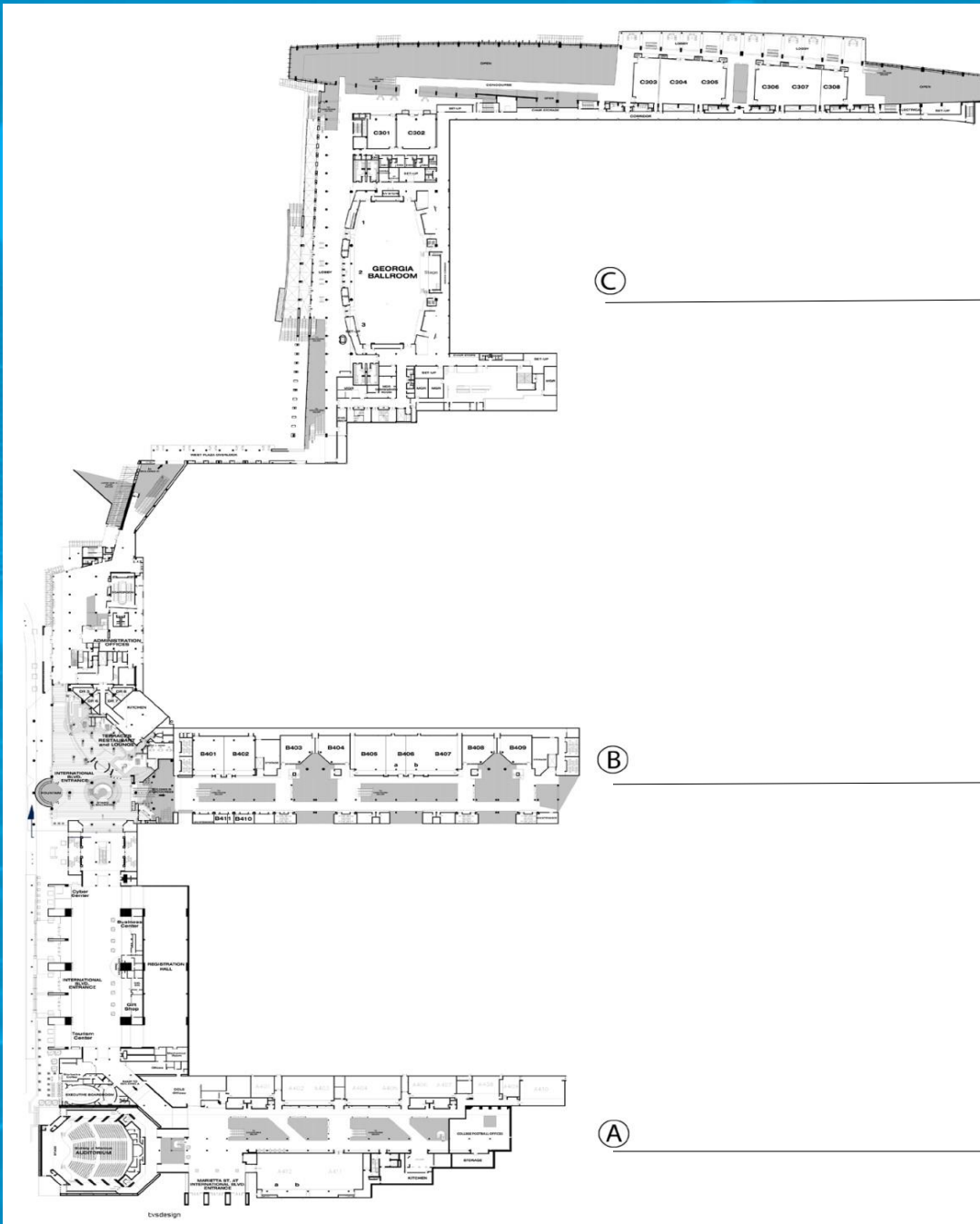




Carpet Selection and Placement

- Carpet Options
 - Broadloom, Carpet Tile, Printed Carpet
- Final Selection
 - Printed Carpet
- Placement
 - Common Areas, Ballrooms, and Auditoriums
 - Total of 82,500 sq yards





Georgia Mountains



Georgia Trees

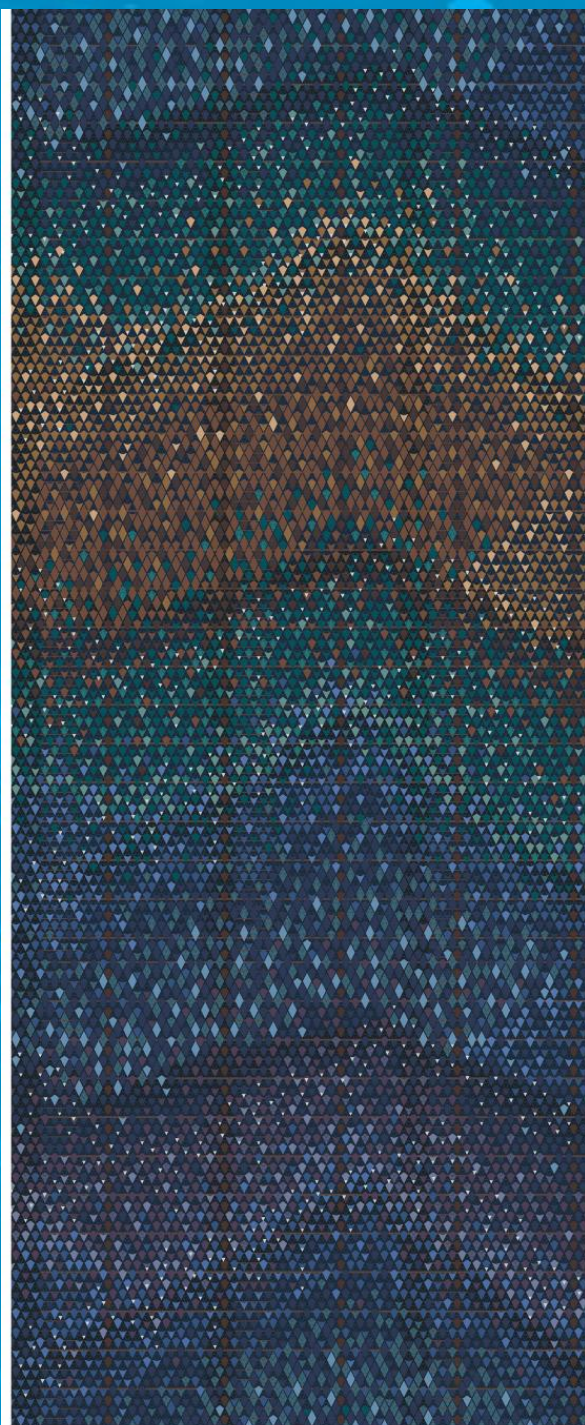


Georgia Beaches





Mountain Concept Bldg C

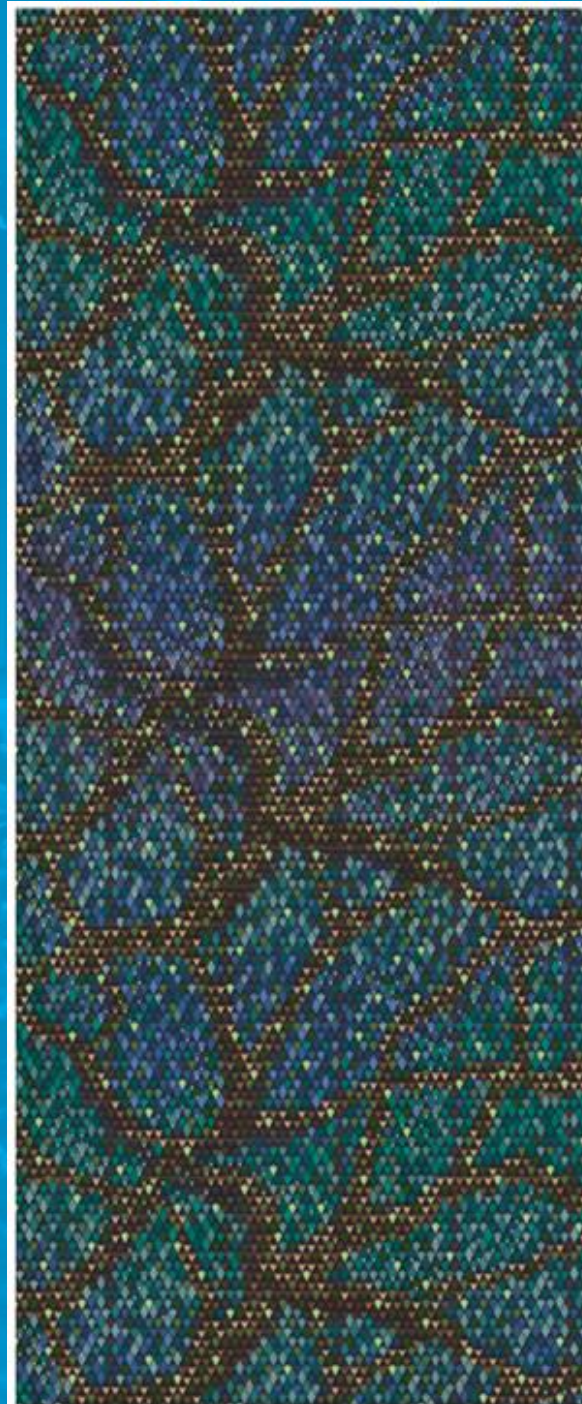


25272B	846948
282E3C	6177AA
353D56	748FAF
473935	757B9C
334B5B	728F8D
5D483C	C0A37E
43557D	CBD2CF
30535A	
4C4358	
684F41	
4D6373	
595977	
487273	
596EA2	

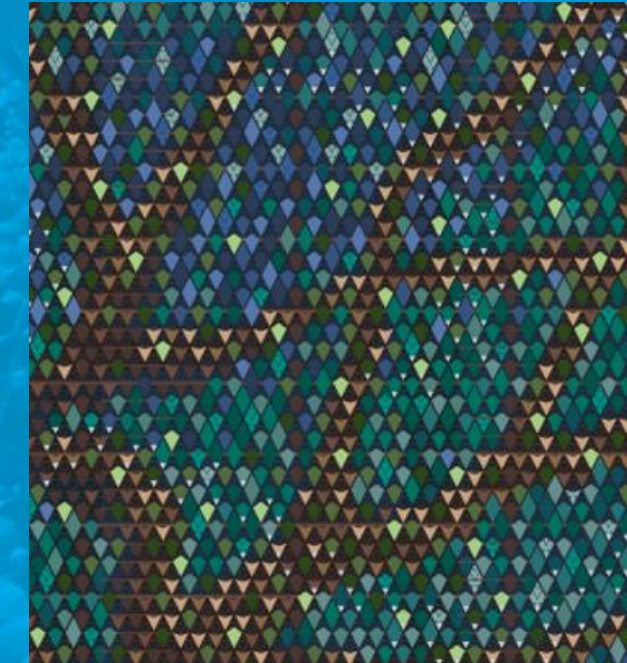




Trees Concept Bldg B

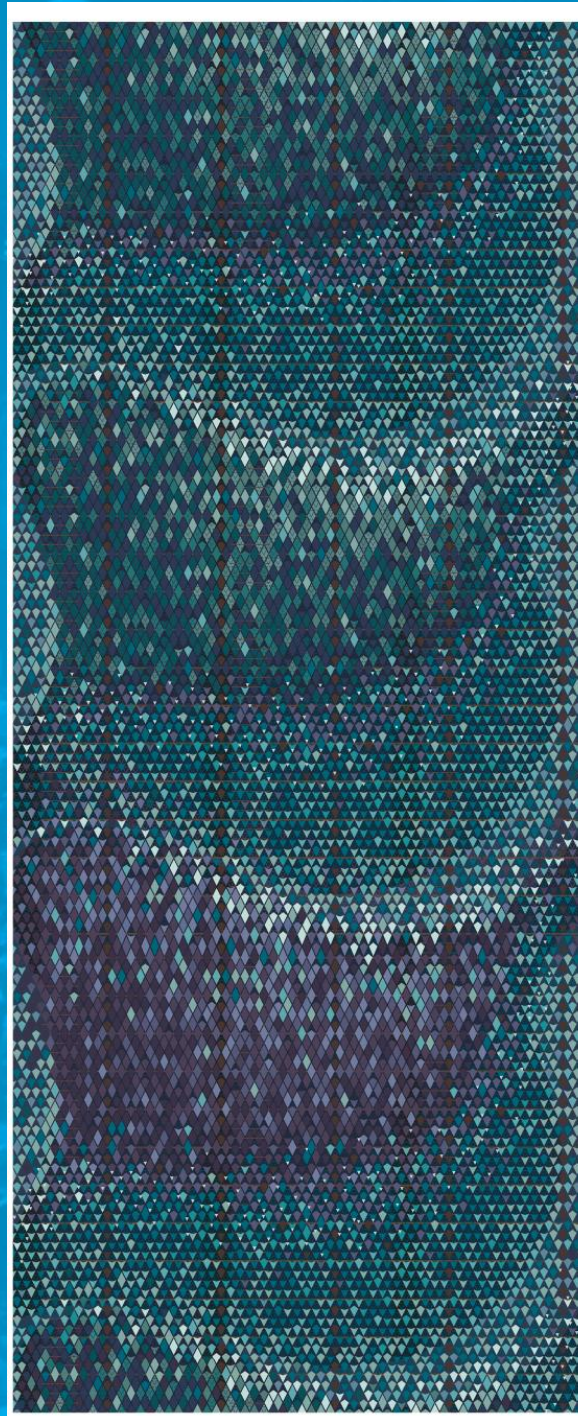


25272B	8FA9A5
282E3C	30535A
2F2522	487273
5D483C	728F8D
473935	394922
334B5B	5C6D42
486198	B1CE86
353D56	684F41
43557D	846948
6177AA	C0A37E
2B8E7C	5E5281
14574B	4C4358
1B7162	595977
608179	757B9C
	CBD2CF





Beach Concept Bldg A

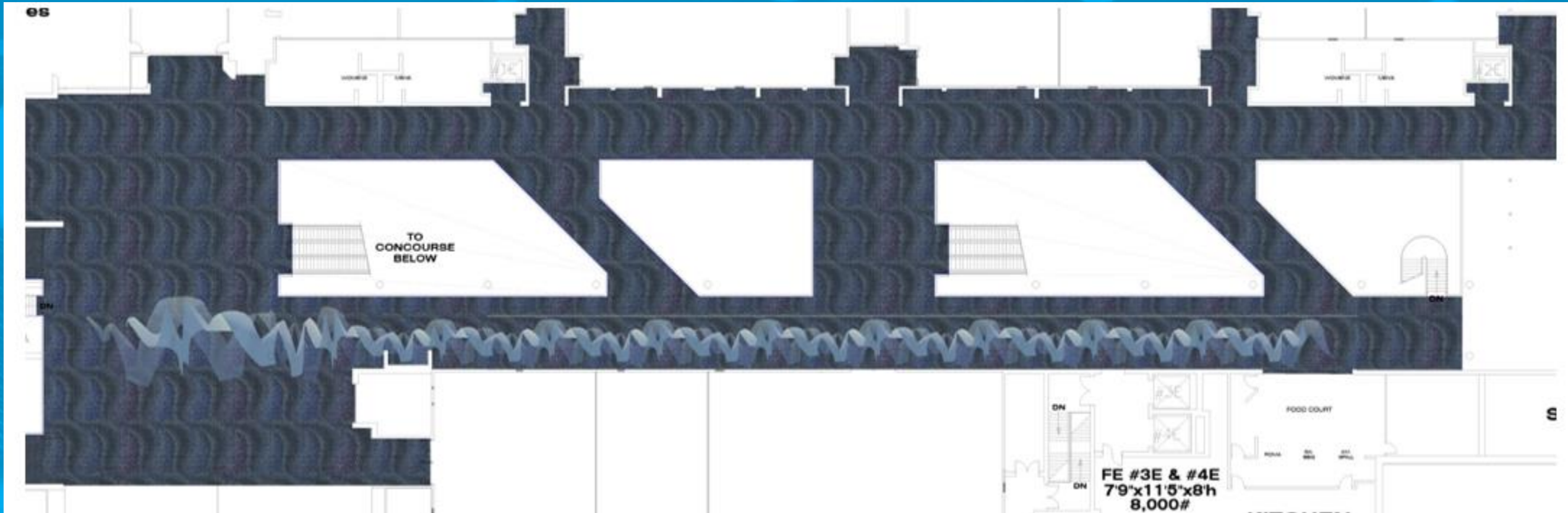


282E3C	473935
363E50	5D483C
5D483C	CADDD9
8FA9A5	757B9C
6D8699	676F92
7AA7AC	595977
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569195	3D3548
728F8D	CBD2CF
607D7B	
487273	
353D56	
30535A	

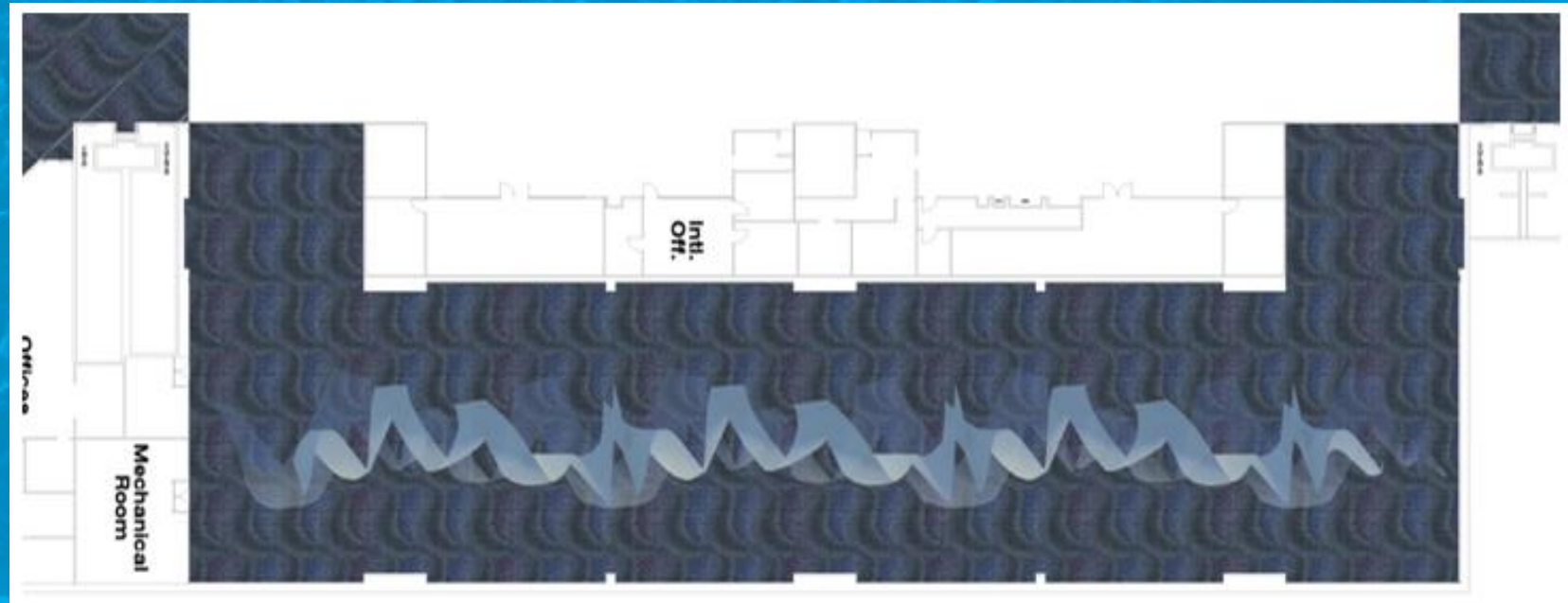




Bldg A Level 4



Registration Hall





Schedule

- Design approval
- Start installation June/July
- Complete in Jan 2019





Shaw Contract: Who We Are

- World's largest carpet manufacturer
- More than \$4 billion in annual sales
- Innovative design leaders
- Passionate about Sustainability





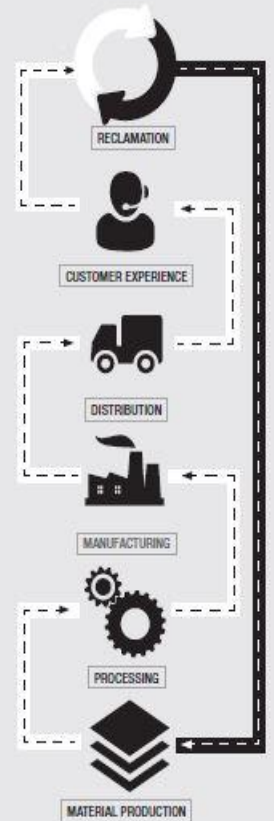
Georgia Partnership

- Headquartered in Dalton, Georgia
- 3rd largest employer in Georgia
- Approximately 15,800 employees in Georgia
- New carpet tile/resilient manufacturing facilities in North Georgia
- Create Centre in Cartersville, Georgia
- Partnerships with local United Way, particularly United Way of Northwest Georgia
- Community projects with St. Jude's and Boys and Girls Club



Integration and Custom Studio

- Cost control and cost stability
- Consistency in quality
- On-time production and delivery schedules
- Custom Design Team located at Shaw Create Centre in Cartersville
- Custom Design Team includes a project manager, two designers, an estimator, sample coordinator and support staff
- Partnered with TVS to create custom designs for GWCCA
- Designs will be manufactured in Calhoun, once approved





QUESTIONS?





OPERATING REPORT

Adam J. Straight

Sr. Director of Campus Operations





What We Will Discuss...

- Foundation
 - Organizational structure
- Creating Metrics
- Setting the “Standards”
 - Operating expense resources
- Deployment





Foundation – Organizational Change

- Director positions filled in 60 days
- Re-development
 - Facility Management
 - Facility Operations
- Re-deployment
 - Exterior facilities
 - Resource allocation (contract v. internal staff)





Staffing Adjustments

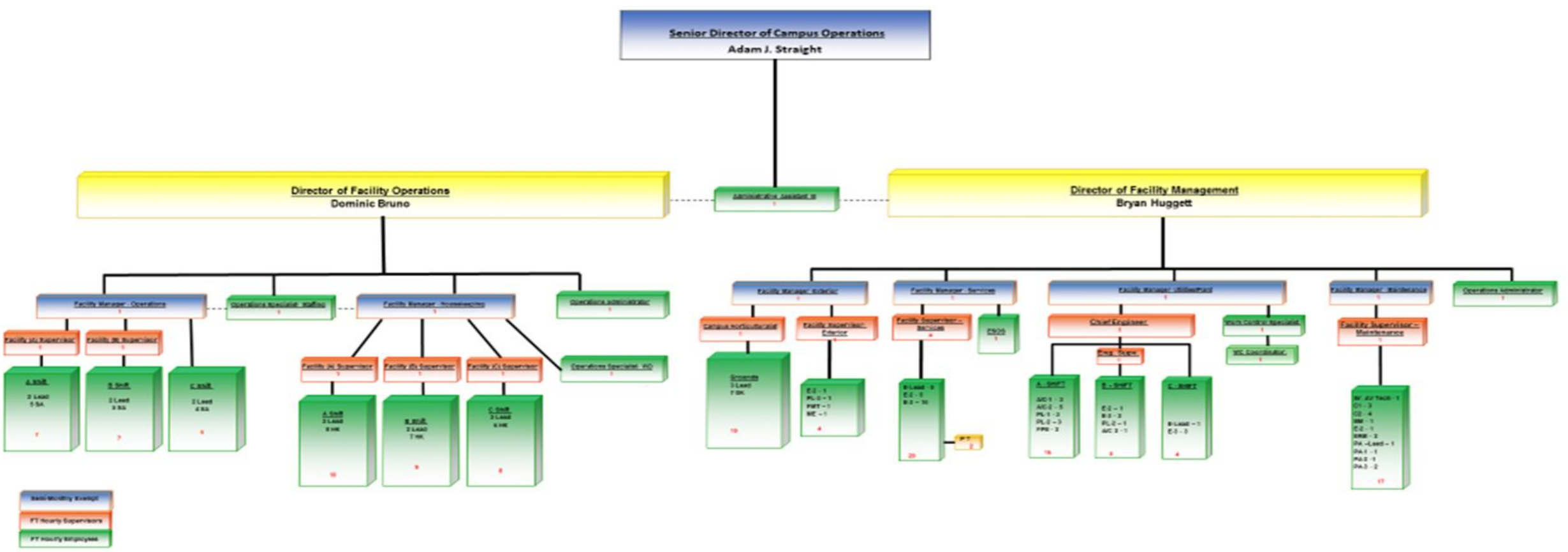
- We have continued to steadily increase the influx of part-time GWCCA employees.
- We raised the hourly rate for part-time employees from \$8.50 to \$10/hr. to directly compete with other area employers.
- Since then, we have hired more than 30 part-time employees.
- Each hour shifted from contract to part-time employees saves the Authority \$4/hr. (even at the new higher rate).
- With this shift we are getting greater consistency and stronger front of house personnel.





GWCCA Campus Operations

GWCCA Campus Operations Department
Organizational Chart





Succession Planning

- A clear path
- Title alignment
 - Facility Manager
 - Facility Supervisor
 - Operations Specialist
- The “want” to excel
 - Employee empowerment/engagement





Internal Growth and Development

- Started as a Painter, now the Facility Manager – Maintenance
- Started as a part-time Set Up Attendant more than 20 years ago, now the Facility Manager – Housekeeping
- Started as a part-time Custodian, now a Campus Operations Administrator
- Started as a Guest Services representative, now an Operations Specialist
- Started as a part-time Set Up Attendant, now the Facility Supervisor – Operations





Staffing Stories

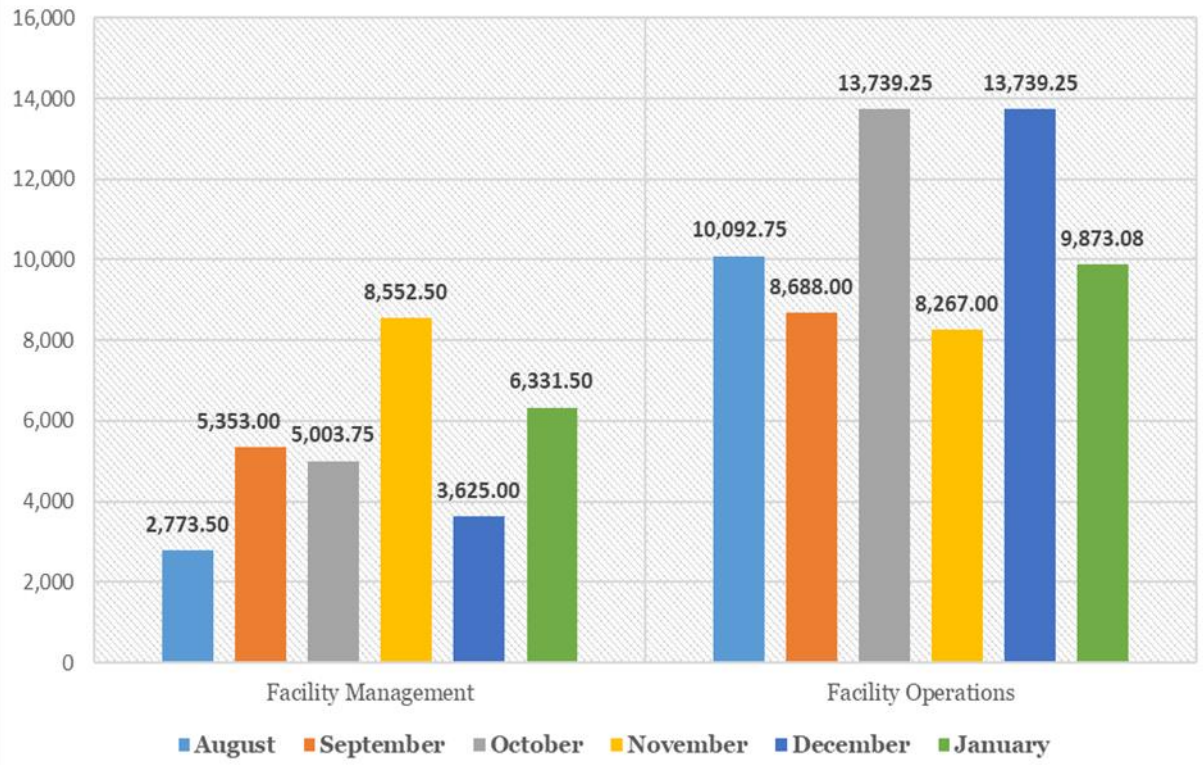
- Started as a Carpenter 3 – now a Facility Supervisor
- Growing from an Administrative Assistant to Work Control Specialist
- We have had multiple internal promotions and “cross-training”:
 - Painter 1 to Lead Painter
 - Carpenter 2 to Carpenter 1
 - Electrician 3 to Painter 2
 - Electrician 3 to Electrician 2
 - Electrician 3 to A/C 2



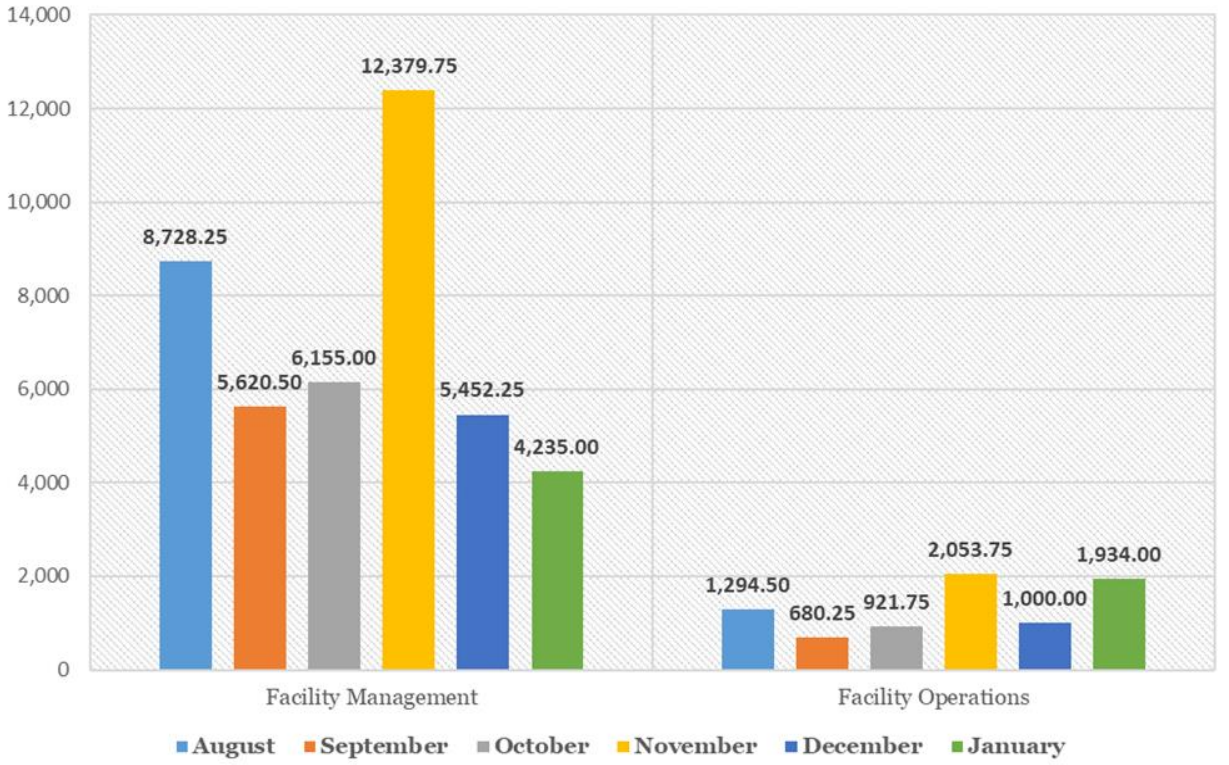


Creating Metrics – Personnel Labor Hours

Event Labor Hours



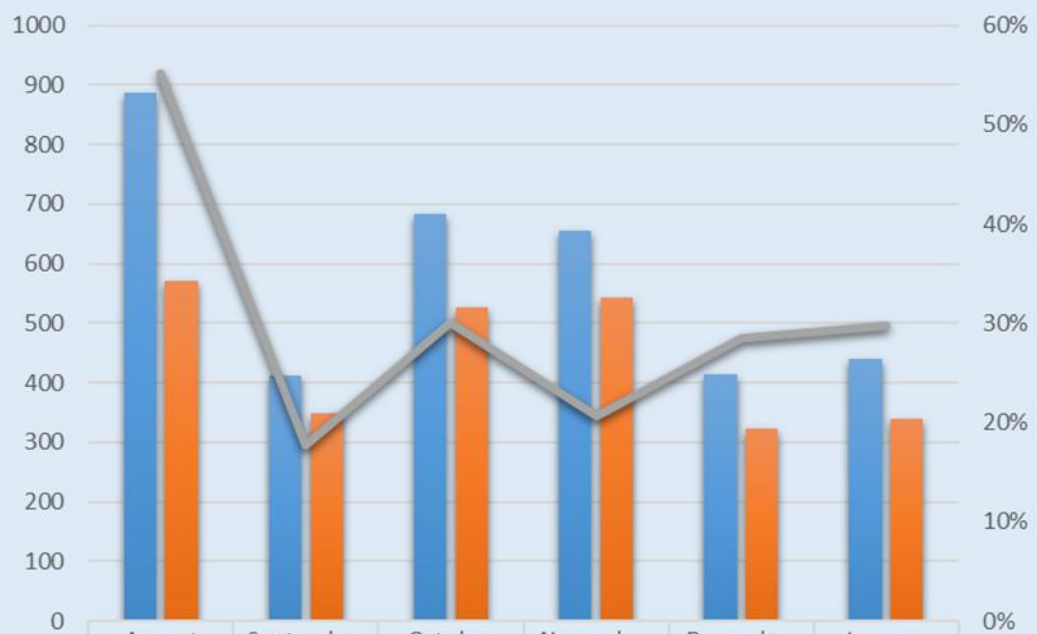
Non-Event Labor Hours





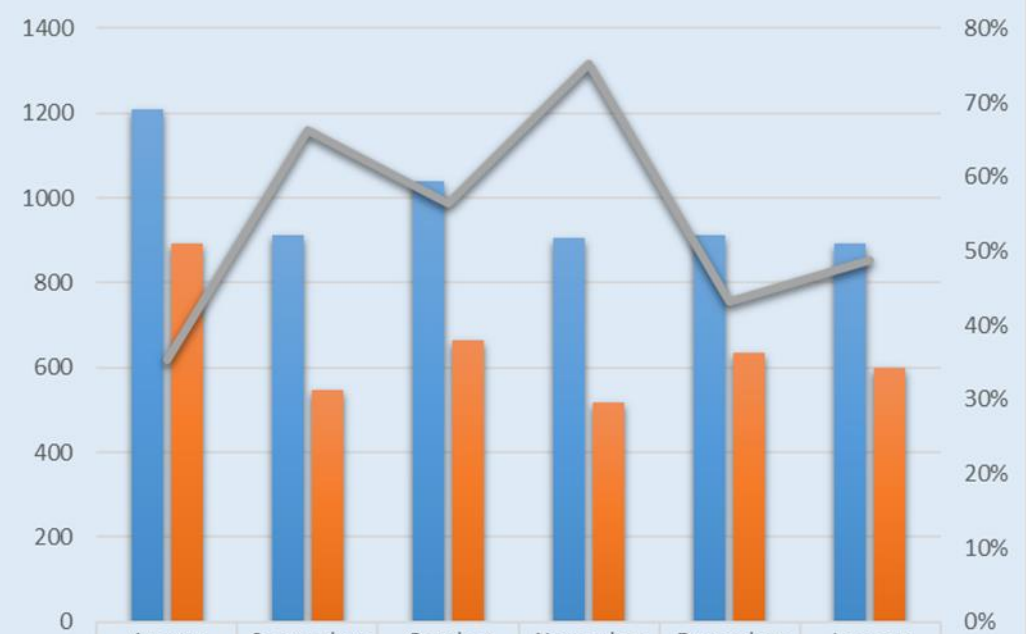
Creating Metrics – Work Control

Maintenance Work Orders



	August	September	October	November	December	January
Total Entered	886	411	684	654	415	441
Total Closed	571	349	526	542	323	340
Percentage	55%	18%	30%	21%	28%	30%

Preventative Maintenance Work Orders

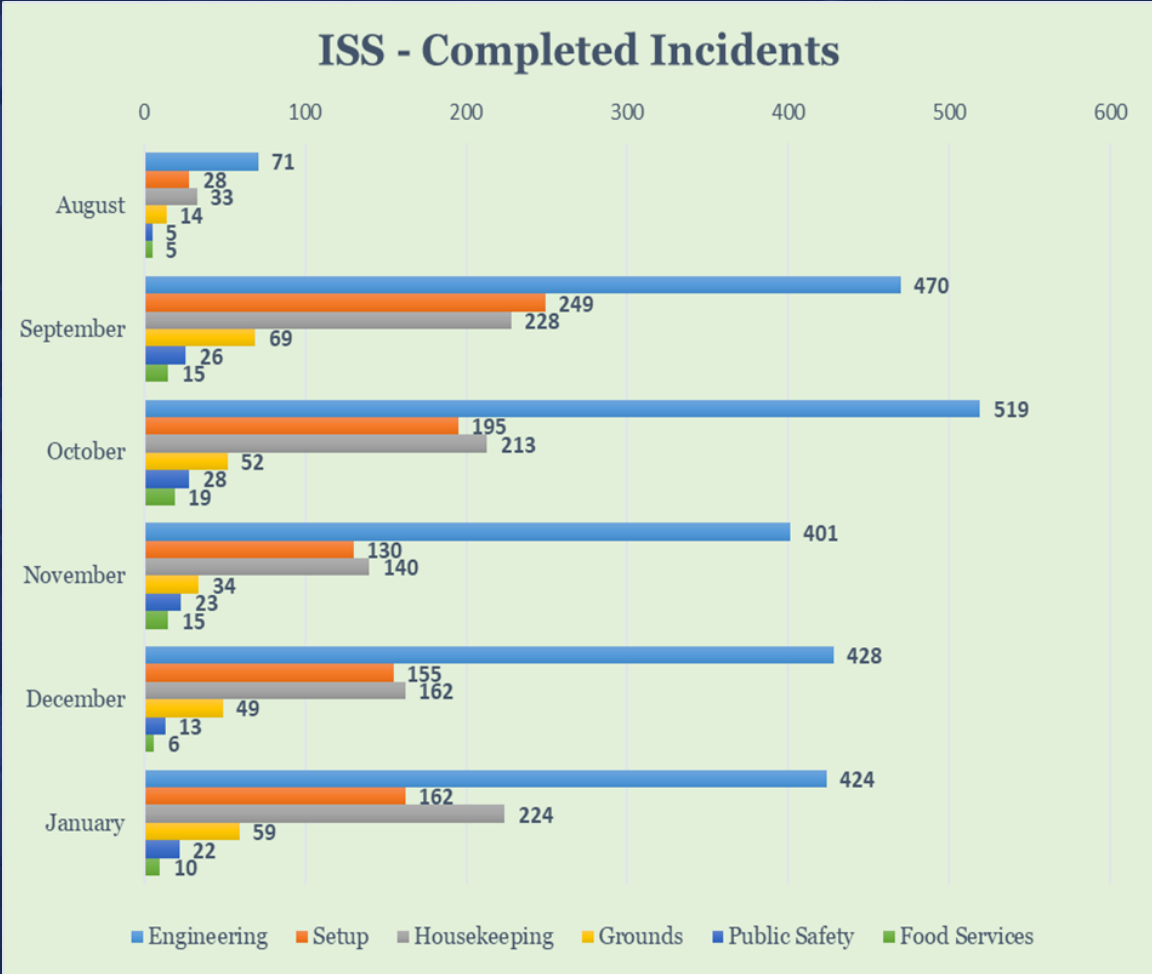
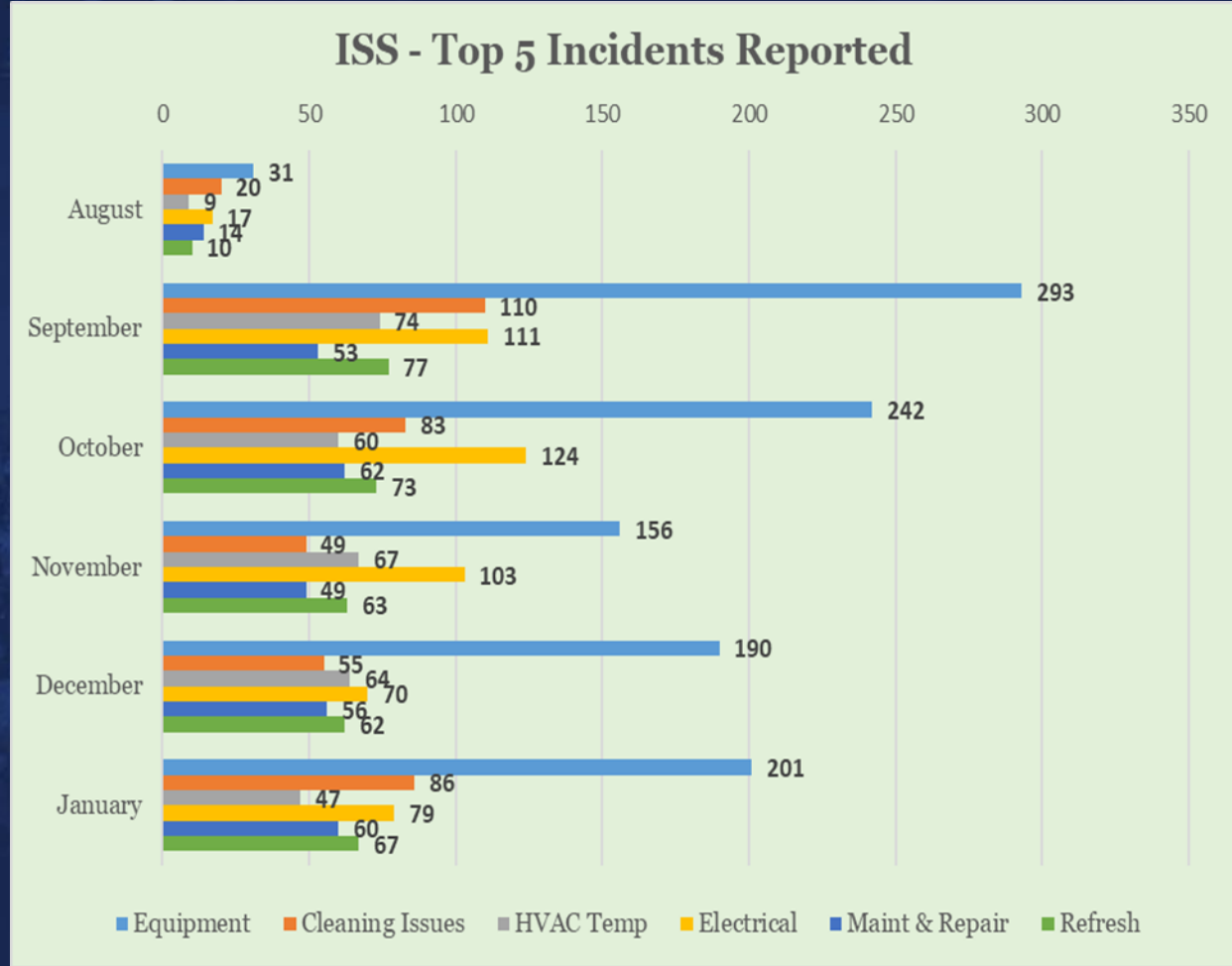


	August	September	October	November	December	January
Total Entered	1210	911	1038	906	911	893
Total Closed	894	548	664	517	636	600
Percentage	35%	66%	56%	75%	43%	49%





Creating Metrics – Service Tickets





Setting the “Standards”- Quality Operating Standards (QOS)

- Strategic Thinking
- Efficiencies Gained
- Delivery of Standards
- Financial Resources





Setting the “Standards”

➤ SOP Development

- Every procedure detailed to the standard

➤ Operational Excellence

- A guidebook to operating success

➤ Pro-active Response

➤ Accountable Measures

- Individual roadmaps
- Departmental alignment





The Next Phase...





Deployment- Quality Operating Standards (QOS)

- Implementation Process
 - Operating departments
- Organizational Spread
 - Introduce standards
- Systematic Delivery
- Organizational Benefit





QUESTIONS?





NEXT MEETING

Tuesday, April 24, 2018

