

Georgia World Congress Center Authority

December 3, 2013

Authority Meeting



Finance



ACVB



Authority





2014 Business and Financial Plan

Atlanta Convention & Visitors Bureau, Inc.

Mission

To sell and market metro Atlanta and Georgia globally as the premier conventions, meetings and tourism destination in the regional, national and international marketplace and favorably impact the Atlanta economy through conventions and tourism.



2013 Highlights

	Goal	Estimated	% of Goal	2012 Actual
Total room nights	1,605,000	1,540,800	96%	1,457,166
City wide room nights	1,200,000	1,104,000	92%	1,060,696
# of major citywides	20	19	95%	18
> 5000 peak nights				
3 year running average				
Room nights for 2,500 peak+	925,000	815,000	88%	801,639
Leads				
Total # of Leads	3,700	4,000	108%	3,673
# of city-wide leads	520	550	106%	500
Attendance goal for major city wides	100%	115%	115%	114%

2013 Highlights

- Continued productivity growth from Group Sales and Convention Services efforts
 - Lead volume up 17% over goal
 - Projected year end room night bookings at 92-96% of goal
 - Booked 25 new business opportunities (not in Atlanta for >5 years) representing 290,000 room nights
 - Enhanced sales efforts with major third party distribution channels resulting in a 10% increase in hotel room nights and 1% market share growth
 - Improved lead to definite conversion ratio by 1%
 - 21 of 23 conventions have exceeded their attendance goals YTD by 15%
- Successfully hosted ASAE 2013 annual meeting
 - Scored highest satisfaction rating of any ASAE annual meeting
 - Had highest executive attendance for ASAE since 2008
 - Complimented ATLFiles, a high quality episodic video campaign targeting ASAE attendees, with a final epilogue shown to ASAE 2013 attendees at opening ceremony in Atlanta
 - Provided ASAE client with comprehensive marketing leadership, designing their collateral, signage, bus wraps, etc. and ensured the ASAE and Atlanta brands were fully integrated through multiple attendee touch points
- Implementation of new International strategies
 - Finalized marketing plan with Brand USA for 2014 that will include online and print exposure for Atlanta in 5 different languages.
 - Launched our International partnership with three southeastern destinations

2013 Highlights-continued

- Significant growth and focusing of marketing initiatives
 - Increased web traffic by 14% year over year
 - Increased page views by 5% year over year
 - Increased our eCRM (social media followers and newsletter subscribers) base by 18% year to date
- Successfully executed a major meeting planner media campaign behind I AM ATL, which won the “Best travel integrated campaign” award from IAC
- Orchestrated a 72 page Atlanta feature in Delta Sky magazine
- Successfully executed 4 consumer co-op campaigns integrating radio, TV, social media, and digital for summer, Big Boo, Buckhead, and holiday, meeting or exceeding goals
- Initiated comprehensive marketing partnerships with Brand USA, Georgia, Travel South and International Gay Lesbian Travel Association for promoting Atlanta
- Solid successes with East Point Destination Marketing programs
 - Promoted East Point as a family reunion destination with comprehensive digital, TV and print media campaign
 - Evolved positioning and messaging of East Point, leveraging East Point content across all Atlanta platforms, including: Airport Visitor Center screens, leisure campaigns, atlanta.net and social media
 - Redesigned VisitEastPoint.com, East Point Parks & Recreation Guide, and developed Family Reunion Guide for Atlanta/East Point reunions
 - Hotel room demand up 16.3% year over year

2013 Highlights-continued

- Held a yearlong celebration of ACVB's 100 year anniversary creating programming with the underlying goal of educating the general public on ACVB and Atlanta's hospitality industry.
 - Deals of the Century: monthly special offers featuring a total of 22 attractions and sports teams
 - Atlanta's 100 Signature Dishes: receiving over 225 submissions from Atlanta restaurants
 - ACVB's Centennial Cocktail Contest: 67 cocktails were submitted by restaurants and bars voted on by the general public with 2500 votes
 - The Centennial Celebration Gala on April 26th was attended by 1,000 people with Jeff Foxworthy serving as host
 - Atlanta Business Chronicle featured ACVB's 100th in their second quarter Hospitality Quarterly and Atlanta Magazine included a special 100th anniversary section in their October 2013 issue.
 - The 15th Annual Atlanta Hospitality Hall of Fame will serve as the year end celebration for the 100th anniversary.

*Continued positive momentum with visitor metrics from 2012 in City of Atlanta:

- Occupancy up 1.3% from 2012 to 67.1% (+18.3% from 2009)
- REVPAR up 4.9% from 2012 (+ 25.9% from 2009)
- Demand up 2.2% from 2012 (+ 27.2% from 2009)

*Metro market share of demand in top 25 destinations up to 5.37% from 5.29%

2014 Goals

- Increase room night bookings and maximize 1% Convention Marketing Fund
 - Room nights:
 - 1,200,000 room night goal for trade show sales
 - 3% increase in room nights for in-house meetings over year end actual
 - 3-year average of major citywide conventions booked/events (5,000 peak nights and above) increase to 20
 - 925,000 room nights booked for 2,500 peak and above
 - Leads to increase by 3% over year-end actual
- Achieve 100 percent attendance goal for major citywide conventions
- Increase visibility of Atlanta as one of the top U.S. meeting and travel destinations
- Maintain atlanta.net as the premier hospitality online marketing platform
- Position ACVB as an industry expert nationally and as the singular voice of hospitality in Atlanta

Increase room night bookings and maximize 1% Convention Marketing Fund

New or significant ramp up in focus

- Maximize opportunity with hosting Rejuvenate Conference in Atlanta.
 - Over 1,300 religious conference planners will converge on Atlanta October 27-31, 2014
 - public relations, marketing, direct sales mobilized to generate attendance and showcase Atlanta
- Reengineer Update Atlanta programs in DC and Chicago
 - Attract more high impact decision makers
 - Create a more interactive environment with customers and stakeholders
 - Smaller more impactful sessions
 - Experiential program to include presentations relevant to the audience
- Conduct group sales presentations in markets outside of DC and Chicago
- Restructure partnership with ASAE
- Roll into second part of in-house meeting redesign
- Revamp sales programs to maximize exposure
- Launch international online training resource for hospitality industry
- Re-launch meeting planner website based on extensive user research

Increase room night bookings and maximize 1% Convention Marketing Fund

Continue or enhance focus from prior year

- Host four meeting planner FAM tours, totaling 100 participants
- Host sales missions in Washington, D.C. and Chicago
- Attend one major prospect's event per quarter
- Quarterly regional sales calls by each manager
- Identify 25 trade shows not considering Atlanta and attend their convention
- Continue efforts in the medical, manufacturing, construction, financial, energy and education industries to support the sales team's emerging industries strategy
- Host 25 FAM trips for international tour operators, totaling perspective clients
- Participate in 70 industry events and trade shows to highlight Atlanta as a premier meeting and convention destination
- Upgrade content and presentation of *Attend* micro-site for all non city-wide groups
- Further enhance our partnership with the major third party partners
- Optimize Atlanta's destination advertising campaign targeted to meeting planners to achieve maximum reach and impact
- Train key staff on utilizing online bid books

Achieve 100% attendance goal for major citywide conventions

New or significant ramp up in focus

- Increased destination promotion activities and resources to meeting planners and attendees- to drive attendance, increase roomnights, attendee guest travel and visitor spend with membership via the following activities:
 - Launch targeted content messaging strategy to support key industry groups' attendees, and exhibitors with redesigned content delivery channels (mobile, social, apps, etc)
 - Launch digital and print Planners Promotional Timeline to provide Convention Services and their clients with enhanced marketing tools
 - Expand International websites to provide international attendees relevant destination content
 - Target attendees with destination content through social media channels
 - Explore most effective way to facilitate increased international meeting attendance

Continue or enhance focus from prior year

- Ensure ACVB efforts are aligned with clients' goals for major groups
- Develop integrated branding minisites, providing online attendance-building marketing for all full service city-wide groups
- Expand visibility of Atlanta at 2014 conventions of 2015 citywide customers

Increase visibility of Atlanta as one of the top U.S. meeting and travel destinations

New or significant ramp up in focus

- Provide Sales with enhanced collateral and tools
 - Meeting planner and destination videos
 - Redesigned meetings website
- Maximize regional partnerships/alliances focusing on international visitation
- Begin leisure market expansion of the I Am ATL destination awareness campaign, while maintaining historical 2012 meeting planner media weights
- Tactically use paid media within social channels to increase advertising reach among target audiences
- Kickoff key influencer strategy – building brand advocates among residents and Atlanta expats.

Continue or enhance focus from prior year

- Extend partnership approach with EventSphere to other Housing companies to influence attendance of midsize groups
- Continue integration of brand messaging across all communication channels
- Integrate storytelling approach to evolve brand creative and messaging for richer destination experiences
- Leverage special events, anniversaries, new product and current news to drive continuous destination coverage
- Continue with refreshed summer, Halloween, and holiday co-op campaigns
- Further optimize the editorial planning across all media (web, social, TV and print) while increasing reach and distribution
- Continue successful integration of East Point messaging and the East Point Initiative support of the both the group and leisure markets
- Curate weekend getaway experience packages for target audience

Maintain atlanta.net as the premier hospitality online marketing platform

New or significant ramp up in focus

- Launch new responsive design website with curated mobile content
- Begin eCRM re-engagement program, merge with social media messaging
- Overhaul content for international markets
- Develop online resources for sales and meeting planners to increase relevancy and functionality of Atlanta.net/meetings

Continue or enhance focus from prior year

- Continue positioning atlanta.net assets (web, mobile web, social) as the definitive source for information on what to see and do in Atlanta
- Ongoing refinement of successful search engine optimization (SEO) strategy to drive qualified traffic to the key content categories
- Ongoing refinement eCRM (includes social) program to maximize user engagement while growing user base
- Optimize ad model to leverage growth of mobile and provide additional revenue opportunities

Position ACVB as an industry expert nationally and as the singular voice of hospitality in Atlanta

New or significant ramp up in focus

- Re-alignment around staffing changes to improve focus on business objectives
- Finalize revamped corporate by-laws supporting “best-in-class” industry standards

Continue or enhance focus from prior year

- Continue focus on cabinet alignment against industry priorities and initiatives
- Engage public and private sector by serving on boards, speaking engagements and utilizing Atlanta executives in ACVB sales efforts
- Maintain relationships with city and state administrations
- Maintain leadership positions on hospitality industry boards
- Highlight industry expertise through guest columns and editorials



2014 Financial Plan

2014 Financial Plan Points

- Total revenue flat
 - Public sector revenue up 30% over 5 years
- Payroll and related expenses, for ACVB only, up 2%
 - 2.5% merit increase pool,
 - Annual increase in group health of 3%
- Operating expenses, direct promotional expenses and expenses for capital assets are relatively flat

2014 Summary Budget

	2014 Budget	2013 Forecast
Total revenue	\$ 28,539,278	\$28,535,404
Total expense	28,348,089	28,297,624
Excess(deficiency)	\$ 191,189	\$ 237,780

Total Public Sector Revenue

	2014 Budget	2013 Forecast
Georgia World Congress Center-Atlanta	\$ 10,700,000	\$10,698,560
Georgia World Congress Center-Fulton Co	27,000	25,090
Atlanta Convention Marketing Fund - 80%	5,436,000	5,434,188
Atlanta Convention Marketing Fund - 20%	1,359,000	1,358,547
City of East Point	1,210,000	1,194,196
Total Public Sector Revenue	\$ 18,732,000	\$18,710,581

Total Private Sector Revenue

Annual meeting/HHOF/HBN	\$ 100,000	\$ 168,500
Contributed services	3,575,000	3,337,575
Co-op cash support	1,215,000	1,305,585
Grants/sponsorships	15,000	12,000
Internet revenue	1,716,603	1,702,215
Membership dues	1,515,000	1,500,748
Membership services	20,000	20,000
Other revenue	194,000	382,256
Publication ad revenue	1,456,675	1,395,944
Total private sector revenue	\$ 9,807,278	\$ 9,824,823

Total Expense

	2014 Budget	2013 Forecast
Direct promotional expense	\$ 12,127,169	\$12,238,468
Expense against capital assets	1,543,000	1,602,690
Other operating expense	908,510	813,914
Payroll and related expense	8,333,410	8,208,364
Transfer to ACMF reserve	5,436,000	5,434,188
Total expense	\$ 28,348,089	\$28,297,624




Total Budget by Corporate Entity

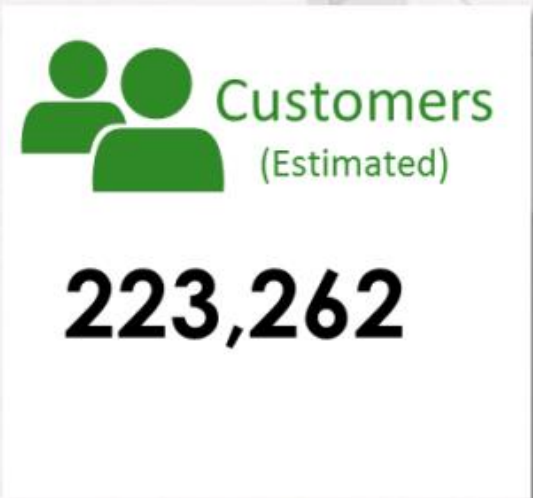
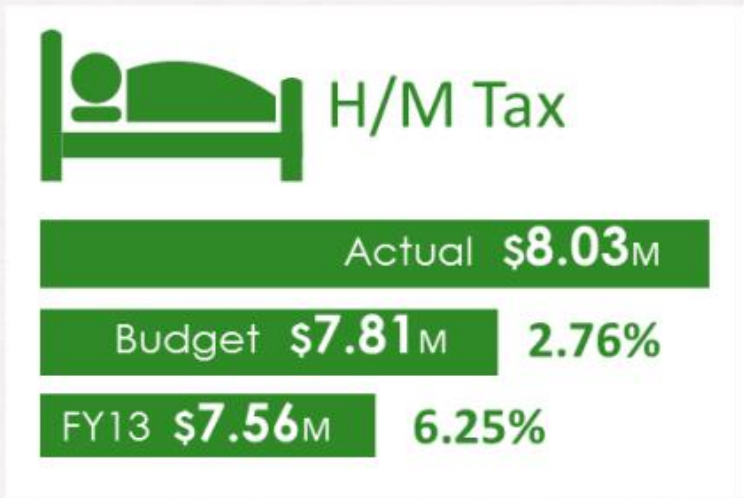
	2014 Revenue	2014 Expense
Atlanta Convention & Visitors Bureau, Inc.	\$ 23,840,000	\$23,766,100
ACVB Enterprises, LTD	3,173,278	3,081,989
ACVB Foundation, Inc.	1,526,000	1,500,000
	<hr/>	<hr/>
	\$ 28,539,278	\$28,348,089



Financial Update



			
Profit/Loss			
Projected October	\$2,085,751	\$1,976,694	\$5,523
October	1,798,504	1,870,413	135,393
Projected YTD	2,340,399	21,092,755	312,384
YTD	1,788,413	23,606,970	462,795





Resolution – Uncollectable Accounts

Pursuant to the Authority's Administrative Policies and Procedures Policy for Bad Debt Write-Off and O.C.G.A. §50-16-18, the Board of Governors regularly shall evaluate the collectability of debts greater than \$25,000 and pursuant to the Policy, the Chief Financial Officer has advised the Board of Governors that those debts are deemed uncollectible and that such debts should be reflected in the Authority's financial statements.

THEREFORE, BE IT RESOLVED by the Board of Governors of the Geo. L. Smith II Georgia World Congress Center Authority that the Chief Financial Officer expressly is authorized to designate those debts listed below as uncollectible.

American Water Works/Maverick Group (Levy)	\$ 120,490
Stadium Super Trucks/Team Gordon	\$ 55,000
International Soccer Challenge/ IEGO	\$ 207,877





Resolution – Private Property Acquisitions

Pursuant to the Project Development Agreement and the License Agreement, the Authority is obligated to make available to StadCo all real property necessary for the construction of the NSP.

The General Appropriations Act for fiscal year 2012-2013, adopted at the 2012 Regular Session of the General Assembly, provided for the appropriation of Fifteen Million Dollars and 00/Cents (\$15,000,000).

Therefore, the Board of the Georgia World Congress Center Authority requests that the Department of Economic Development request that the State Properties Commission authorize the acquisition of the Additional Required Parcels known as the BB&T/Murray and Robert Lane parcels.





Resolution – City of Atlanta

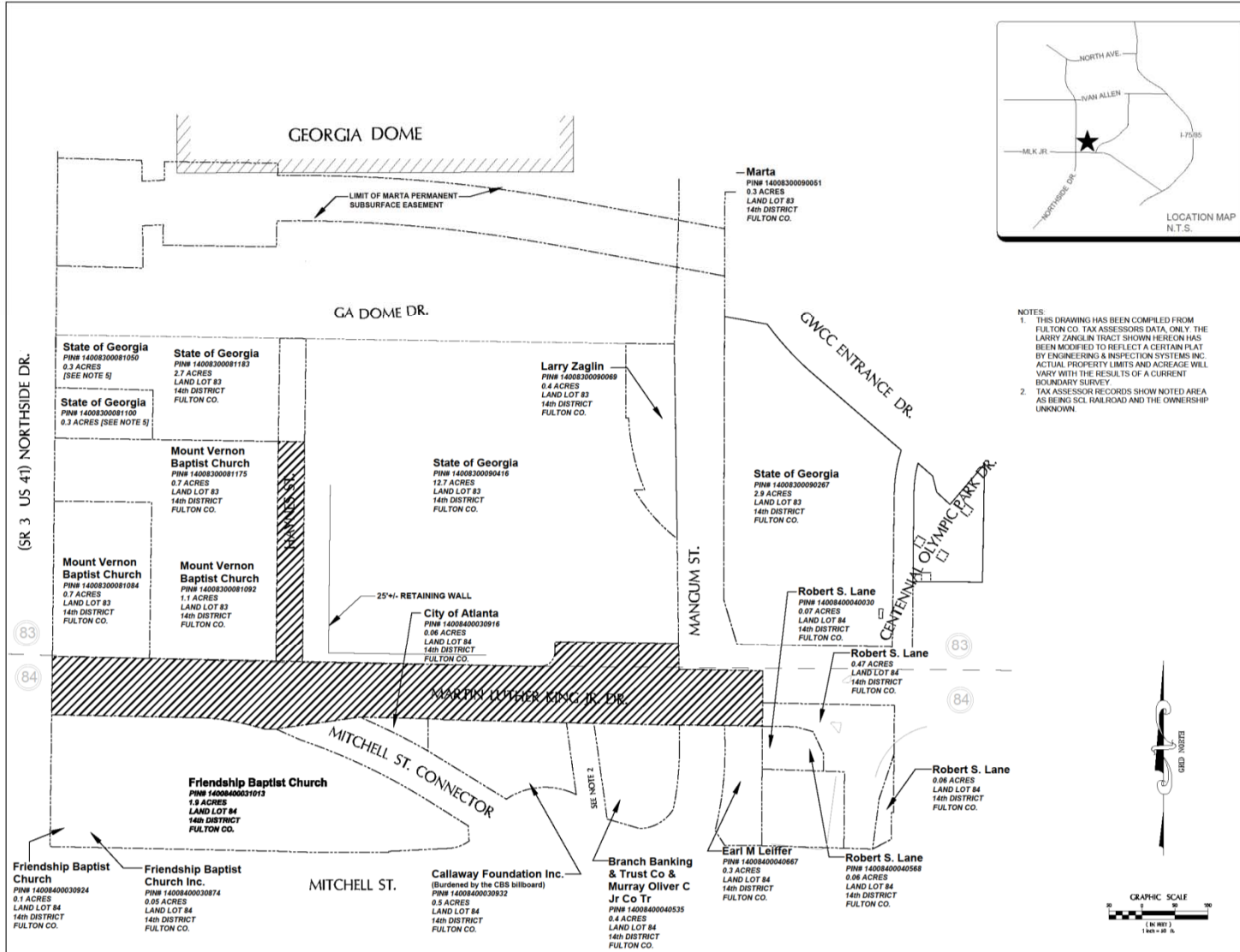
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Therefore, the Board of the Georgia World Congress Center Authority requests that the Department of Economic Development request that the State Properties Commission authorize the acquisition of the Additional Required Parcels known as the MLK, Jr Blvd. and Haynes Street.





Property Acquisition – City of Atlanta



NOTES:

- THIS DRAWING HAS BEEN COMPILED FROM FULTON CO. TAX ASSESSORS DATA. ONLY THE LARRY ZANGLIN TRACT SHOWN HEREON HAS BEEN MODIFIED TO REFLECT A CERTAIN PLAT BY ENGINEERING & INSPECTION SYSTEMS, INC. ACTUAL PROPERTY LIMITS AND ACREAGE WILL VARY WITH THE RESULTS OF A CURRENT BOUNDARY SURVEY.
- TAX ASSESSOR RECORDS SHOW NOTED AREA AS BEING SCL RAILROAD AND THE OWNERSHIP UNKNOWN.



2015/11/01
Scale: 1/8" = 1'-0"

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LONG
ENGINEERING, INC.

FULTON COUNTY, GA

PROPERTY EXHIBIT
FOR
NEW ATLANTA STADIUM PROJECT
CITY OF ATLANTA

U.S. & 95, 9TH DIST.

DATE: 4/23/15
DRAWN BY: [redacted]
CHECKED BY: [redacted]
SCALE: AS SHOWN
SHEET NO.: 01 OF 02

SHEETS
1/1





Initial Closing update



Update on Transaction Agreement and New Stadium Project Document Negotiations

**Prepared for Geo. L. Smith II
Georgia World Congress Center Authority
Stadium Development Committee**

December 3, 2013



Agenda

General Transaction Overview and Update
On Transaction Agreement and Open Issues in Select Project
Documents



General Transaction Overview and Update



- We last updated you on October 29, 2013 concerning the Transaction Agreement and certain open issues relating to the Project Documents contemplated in the MOUs between the Parties
- All key Project Documents, other than the Site Coordination Agreement and the PSL Marketing Agreement, have been reviewed with this Board
- Negotiations between the Parties have proceeded since that time and we are close to finalization of almost all open issues
- We will endeavor to provide you with updates on any key Project Document open issues and the proposed approach to resolving those open issues



- The next step is the execution of the Transaction Agreement on or about **December 15, 2013**, which is referred to as the “Initial Closing”
 - The Transaction Agreement will supersede the MOUs
 - The Transaction Agreement will have various Project Document forms attached to it, all of which we reviewed with you in detail in July 2013
- Since your last meeting, Invest Atlanta has approved the issuance of the H/MT Revenue Bonds and the Project Documents to which it is a party
- The road ahead calls for the parties, as the case may be, to:
 - Complete the acquisition of all parcels needed for delivery of the NSP Site to StadCo
 - Proceed with the structuring and validation of the H/MT Revenue Bonds and with finalization of all Project Documents as we move toward Final Closing



Transaction Agreement



Pre-Final Closing Actions/Rights/Obligations

- As previously outlined for you, execution of the Transaction Agreement constitutes the “Initial Closing” as defined in the MOUs
- The Transaction Agreement supersedes the MOUs and sets forth actions to be taken prior to Final Closing and at Final Closing
- Key “Pre-Final” Closing Actions have either taken place or remain on pace



Update on Other Pre-Final Closing Documents

- Execution of the Project Development and Funding Agreement is on track for execution simultaneously with the execution of the Transaction Agreement
- Execution of the PSL Marketing Agreement, designating StadCo as the sole and exclusive sales representative for the NSP “seat rights” has been delayed and will follow the execution of the Transaction Agreement
- Substantial progress has been made in the negotiation of the Site Coordination Agreement between GWCCA and StadCo
- The IP License Agreement between GWCCA and StadCo, however, has been delayed due to recent comments from and revised drafting by the NFL
- The acquisition of the Herndon Homes site or interests therein continues to be deemed a requirement for StadCo to proceed with Final Closing, but this position has softened



OPEN ISSUES



Stadium License Agreement or “SLA”

- StadCo seeks approval rights over the GWCCA’s ability to approve changes to the H/MT Revenue Bond Indenture as requested by Invest Atlanta
- StadCo also seeks approval rights over GWCCA’s ability to rebuild the Stadium in the last 3 years of the term of the SLA
- GWCCA seeks to have a material default under the Site Coordination Agreement be a default under the SLA



Invest Atlanta Rights and Funding Agreement

- Final disposition of funds and accounts under the Georgia Dome financing documents after payment of the Georgia Dome Bonds



Non-Relocation Agreement

- Liquidated Damages represented the last key open issue in the Non-Relocation Agreement
- Since our October 28 briefing, GWCCA, Invest Atlanta and the Club have agreed on the requisite level of Liquidated Damages available to GWCCA and Invest Atlanta in the Event of Default
- GWCCA and Invest Atlanta have also reached agreement in principle on the allocation of Liquidated Damages as between them



Club Guaranty

- The Club guarantees the full, faithful and punctual payment and performance of all StadCo obligations under the Project Documents, and is unlimited as to amount
- The Parties previously disagreed as to the contours of a key element of the full payment guarantee of the Club
- The Club, StadCo, Invest Atlanta and GWCCA have now reached agreement on responsibility of the Club to pay GWCCA's and Invest Atlanta's legal fees in the event of a StadCo default



QUESTIONS?

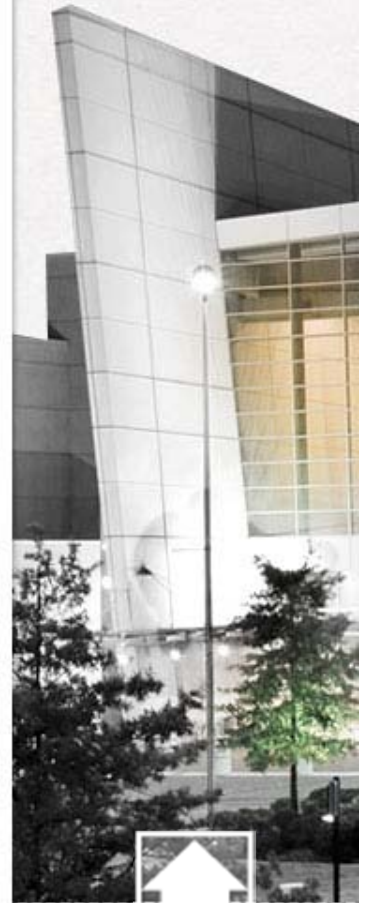




Nominating Committee Report

Glenn Hicks


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2014 Board Meeting Schedule





Board Technology Demo

Sam Brown


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