



Georgia World
Congress Center
Authority

BOARD OF GOVERNORS MEETING

January 28, 2020

Approval of Minutes December 3, 2019

TEAM

GWCCA Team Member Milestone Recognition

20, 25, 30, and 35 Years

20 & 25 Years of Service

TEAM



Juan Smith (25)
Purchasing



Ajit Podder (20)
Facility Operations

30 & 35 Years of Service

TEAM



Barry Boatfield (30)
Facility Management



Gary Bowen (35)
Facility Management

FINANCIAL

Financial Update

Janet Arsenault

Sr. Director of Finance

Financial Snapshot – December 2019

FINANCIAL

Profit/
Loss



Georgia World
Congress Center



CENTENNIAL
OLYMPIC PARK

Actual

\$314,203

Budgeted

(\$623,661)

YTD Actual

(\$137,233)

Budgeted

(\$2,158,249)



H/M Tax

Actual

\$3.37M

Budget

\$3.44M

<2.02%

FY19

\$3.36M

>0.19%



Customers

(Estimated)

469,362



Economic

Impact

(Estimated)

\$248.1M



Year-End Profit / Loss

Budget	\$2,409,028
Projection	\$2,954,905

Questions?

AUTHORITY

Northwest Mutual Agreement

Frank Poe

Executive Director, GWCCA

Pargen Robertson

Legal Counsel, GWCCA

Mercedes-Benz Stadium

2020 Proposed Maintenance Plan, Capital Improvement Plan, Submitted Expense Budget

Greg Beadles

EVP/Chief Financial and Administrative Officer

Justin Antonacci, Director – Finance, MBS

Dietmar Exler, Chief Operating Officer

Scott Jenkins, General Manager, MBS

Submitted Expense Budget

AUTHORITY

Atlanta Falcons Stadium Company, LLC
MERCEDES-BENZ STADIUM
 Accrual Budget
 March 1, 2020 - February 28, 2021
 2020 Department Summary Budget

Description	MBS 2020	MBS Projection 2019	2020 Budget v 2019 Projection	% Change
Operating Expenses				
Ticket Sales, Services, & Ops	5,732,259	5,487,391	244,869	4%
Private Events	4,049,043	3,728,161	320,882	8%
Tours	1,169,449	1,162,479	6,970	1%
Food & Beverage	18,353,472	18,828,822	(475,350)	-3%
Restaurant	690,318	698,035	(7,717)	-1%
Retail	148,705	142,263	6,441	4%
Parking	270,185	280,855	(10,670)	-4%
Administration	3,725,315	3,669,857	55,458	1%
Finance	1,037,794	999,285	38,509	4%
Information Technology	4,988,916	4,902,145	86,771	2%
Stadium Production	2,596,474	1,160,161	1,436,313	55%
Live Events	1,725,624	415,031	1,310,593	76%
Digital Media & Marketing	-	199,794	(199,794)	#DIV/0!
Engineering	11,687,774	11,985,559	(297,785)	-3%
Home Depot Backyard	1,458,050	1,804,678	(346,628)	-24%
Communications	311,282	134,607	176,675	57%
Event Operations	892,935	776,491	116,443	13%
Guest Services	1,511,080	1,469,756	41,324	3%
Security	13,525,882	13,422,797	103,085	1%
Housekeeping	5,140,388	4,313,064	827,324	16%
Conversion	1,786,875	1,740,929	45,946	3%
Other	125,000	128,684	(3,684)	-3%
Total Operating Expenses	80,926,820	77,450,845	3,475,975	4%

2020 Capital Improvement Plan

AUTHORITY

BudgetCategory	BudgetedCost	Timing	Item Description
Building Infrastructure	\$ 750,000	Q3	Retail Project - Gate 1, Helmet Wall and Gate 2 store remodel
Building Infrastructure	\$ 605,000	Q2	Replace our two core redundant network security firewalls, plus all security software.
Building Infrastructure	\$ 385,000	Q2	Expand throughput on the Core Switches and add additional Fiber Cards & Ports to our Fiber Network.
Guest Enhancement	\$ 250,000	Q1	Molly B's Renovation
Building Infrastructure	\$ 200,000	Q3	People flow 2.0
Building Infrastructure	\$ 200,000	Q2	Concrete rails (for retractables), compact with fractured angled sand and utilize Omni-Deck to replace aluminum track system.
FF&E	\$ 196,896	Q3	Inventory items for stadium backstock
Building Infrastructure	\$ 175,000	Q2/Q3	TIFO Banner Rigging System
Building Infrastructure	\$ 172,000	Q3	Upgrade Wi-Fi system to latest software
Guest Enhancement	\$ 100,000	Q2	Fox Bros Mural
Building Infrastructure	\$ 135,000	Q3	Harrah's clubs upgrades to offer All-inclusive
Building Infrastructure	\$ 100,000	Q3	Perimeter door hardware upgrade
Finishes	\$ 86,895	Q2/Q3	Carpet replacement - VIP & Suites Entry Spaces
Building Infrastructure	\$ 78,000	Q1	Suite Equipment upgrade
Building Infrastructure	\$ 54,528	Q1	Bowl units Min OA Controller replacement
Discretionary Improvement	\$ 45,000	Q2	Cycle one-(1) new Tennant M20 Scrubber (incl trade-in value)
Discretionary Improvement	\$ 42,000	Q2	Purchase one (1) new Pioneer P-Rex Field Paint Remover
Discretionary Improvement	\$ 40,000	Q2	Employee Identification
Discretionary Improvement	\$ 40,000	Q1	Variable Message Boards for guest pedestrian messaging at Gates
Building Infrastructure	\$ 38,115	Q4	Install booster pump on cooling tower make-up water system
Building Infrastructure	\$ 25,000	Q1	Radio back up of handheld transmissions
Building Infrastructure	\$ 25,000	Q2	Backup Phone calls into Central Security Office
Building Infrastructure	\$ 23,958	Q2	Climate control for overheating IT equipment in HDBY elec room
Discretionary Improvement	\$ 22,869	Q4	Chillers - Eaton Motor Starter Diagnostic Panels
FF&E	\$ 20,000	Q3	Fabricate two (2) HD specialized carts to transport demountable partitions from Ops lot to field.
Guest Enhancement	\$ 18,000	Q2	Replace RISE UP letters
Discretionary Improvement	\$ 15,790	Q2	KE2 Smart Gate Diagnostic Panel for Refrigeration Rack
Building Infrastructure	\$ 15,000	Q3	Zero Waste Yard Security Improvements: add (2) cameras and razor/barbed wire
FF&E	\$ 14,418	Q2	Graco Airless Paint Sprayers (Field)
Technology	\$ 12,769	Q2	Upgrade CAT-DV to ingest native 4k video
Building Infrastructure	\$ 12,000	Q2	S201 Suite Pantry is not conditioned; install FCU
Discretionary Improvement	\$ 12,000	Q2	Add one-(1) Morse Watchman panel to Stadium Ops Office
FF&E	\$ 11,793	Q2	Tennant stand-on scrubber (20" width) for detail scrubbing in narrow areas (concourse bars)
Guest Enhancement	\$ 10,000	Q1	Refurbish ATLUTD tunnel
Building Infrastructure	\$ 10,000	Q2	Delta Club Pantry needs upsized FCU and duct for proper cooling
Building Infrastructure	\$ 10,000	Q2	MB Club needs upsized FCU and duct for proper cooling
Building Infrastructure	\$ 10,000	Q1	Cable management system for Ticket Office
Technology	\$ 10,000	Q2	Add audio tie lines from rack to rack in press box scoreboard room
FF&E	\$ 8,962	Q2	200 gallon cart mounted wash tank with commercial pressure washer; for exterior plaza deaning
FF&E	\$ 8,200	Q2	Need one more Ridgid Power Jetter KJ-3100 to effectively clean bowl drains between events
Guest Enhancement	\$ 6,000	Q1	ATLUTD Red Carpet
	\$ 3,995,193		

Five-Year Capital Work Forecast

MERCEDES-BENZ STADIUM 2020-2024 5 YEAR Capital Expenditure Projection

updated as of 1/21/20

League Year	MBS Projected Costs	Anticipated HMT Proceeds	MBS Investment Beyond HMT
2020	\$ 3,995,194	\$ 1,061,208	\$ 2,933,986
2021	\$ 3,769,123	\$ 1,082,432	\$ 2,686,691
2022	\$ 3,901,892	\$ 1,104,081	\$ 2,797,811
2023	\$ 4,019,273	\$ 1,126,162	\$ 2,893,111
2024	\$ 4,100,285	\$ 1,148,686	\$ 2,951,599

**MBS is building a capital reserve fund for major updates anticipated in years 7-10*

Questions?

AUTHORITY

Action Item: ACVB FY20 Business and Financial Plan

William Pate

President & CEO, ACVB

Gregory Pierce

Executive Vice President & CAO/CFO, ACVB

A vertical photograph on the left side of the page. The top half shows a city skyline with several tall buildings under a blue sky with light clouds. The bottom half shows a lush green park with many trees and a large crowd of people gathered on a grassy area, some sitting on blankets and others standing. There are several white and blue umbrellas open in the foreground.

Vision 2020

FIVE-YEAR STRATEGIC PLAN

ACVB 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

ACVB VISION

To be the most hospitable convention city in the U.S. that is the easiest with which to do business

VISION 2020

FIVE-YEAR STRATEGIC PLAN

OVERALL OBJECTIVE

While continuing objective to reach a minimum

925,000

room nights for meetings greater than 2,500 on peak, also
maintain a minimum of

20

citywide bookings in each year of 5,000 room nights and greater
on peak



VISION 2020

FIVE-YEAR STRATEGIC PLAN

STRATEGIC PRIORITIES

Targeted focus to optimize the city by increasing meetings booked with room nights between 2,500 and 5,000 on peak which will add 50,000 room nights per year

Execute plan for increased member engagement

Shift processes and technologies to deliver to consumers, meeting planners and stakeholders inspiring, engaging and compelling destination content when, where, and how they want it

Continue emphasis on growth of visitation from Europe and Latin America and dramatically increase our focus on China, doubling visitation by Chinese visitors to 100,000 annually

VISION 2020

FIVE-YEAR STRATEGIC PLAN

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Key Initiatives

- Align ACVB sales process with GWCC revenue management strategy
- Target Atlanta Updates and key sales initiatives toward groups of 2,500 to 5,000 room nights on peak
- Identify strategic partners that influence conventions in order to optimize GWCC and fill gaps in hotel room demand

- Fully define member engagement around mutually beneficial relationships, program involvement across ACVB functional areas and member satisfaction
- Increase engagement and measure against benchmarks through ongoing programs and initiatives

- Re-evaluate target audiences and their content needs and organize accordingly
- Redesign (and potentially reposition) existing websites, with objective to be more automated for content personalization and agile to layout changes
- Develop new video and photography rich digital channels to inspire travelers in the "dreamer" phase
- Establish strategic partnerships with content creators

- Continue the successful international marketing alliance of Atlanta, Nashville and New Orleans (Rhythms of the South) by expanding target markets and furthering our consumer and trade outreach
- Invest in Chinese in-language marketing and sales assets and dedicated native language support as needed
- Invite key Chinese travel trade to visit Atlanta and investigate hosting targeted industry events that focus on the Chinese market
- Continue work with Brand USA



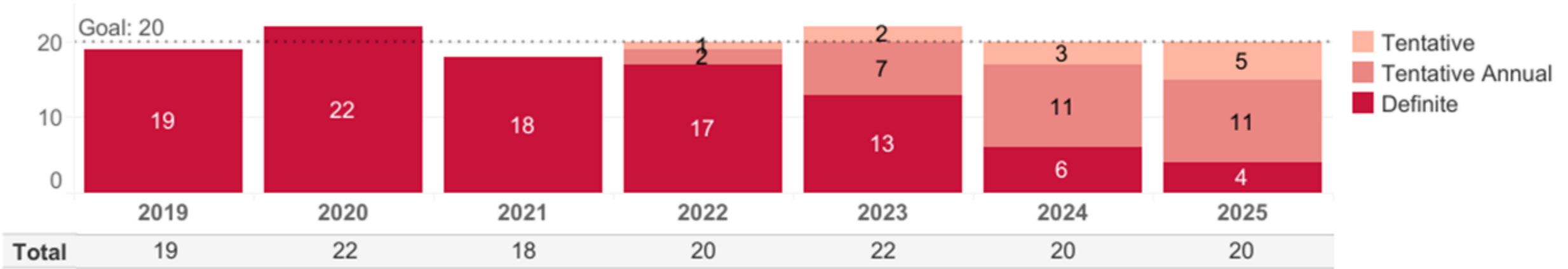
2020 BUSINESS AND FINANCIAL PLAN

2019 HIGHLIGHTS

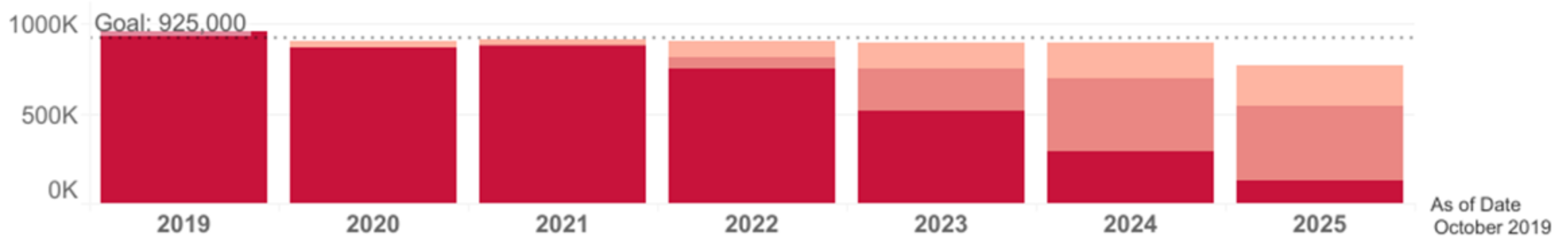
		2019 Goal		2019 Actual		% of Goal		2018 Actual
Total room nights		1,608,500		1,634,160		101.6%		1,595,282
Citywide room nights		1,250,000		1,254,141		100.3%		1,240,456
Room nights 2,500+ peak		925,000		1,013,343		109.6%		1,009,726
Number of major citywides > 5,000 peak nights 3-year running average		20		28		140.0%		20
Leads								
Total number of leads		6,196		6,200		100.1%		5,644
Number of citywide leads		736		800		108.7%		719
Attendance goal for major citywides		100%		104%		103.5%		102.0%

LARGE GROUPS FOR FUTURE YEARS

5,000+ on Peak Number of Events



2,500+ on Peak Room Nights



As of Date
October 2019

2019 HIGHLIGHTS

- Hosted a successful Conference Direct annual meeting
- Hosted 30 customers for Super Bowl LIII
- Promoted awareness of GWCCA expansion among current and new customers
- Maintained top five ranking among meetings destinations (No. 4)
- Hosted 500 meeting and convention site visits
- Maintained positive convention eight-year booking pace
- Positive progress booking the GWCC expansion with two additional bookings
- Achieved 96 million social media impressions (YTD) and 5.1 million engagements (YTD)
- Supported ASAE and IAEE with debut of immersive and high-impact trade show booth including virtual tours and GWCCA new developments video loop
- Premiered two new Music Voyager Atlanta episodes V and VI, syndicated on four continents



2020 BUSINESS PLAN

2020 GOALS

- Increase room night bookings and maintain positive booking pace
 - Room nights:
 - Book 1,250,000 trade show sales room nights
 - Book 358,000 in-house room nights
 - Three-year average of major citywide conventions booked/events (5,000 peak nights and above) to continue at 20
 - 925,000 room nights booked for 2,500 on peak and above
 - Leads to increase by 2% 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
- Establish ACVB content distribution channels as the premier marketing platform for the Atlanta hospitality industry
- Continue to position ACVB as an industry expert nationally and as the singular voice of hospitality in Atlanta

TOP LEVEL SUMMARY OF PROGRAMS AND INITIATIVES IN SUPPORT OF 2020 GOALS

- Expand GWCC expansion efforts by hosting:
 - Large Show Roundtable
 - IAEE board of directors
- Host Southeastern Conference Football Media Days
- Finalize agreement to host ASAE annual meeting in 2023
- Expand Rhythms Of The South partnership to include Travel South Global Partnership Program, extending our reach in seven international markets
- Maximize Final Four exposure and experience by hosting major accounts for the weekend
- Create new long term strategic plan commencing in 2021
- Market Atlanta at 13 future convention pre-shows in preparation for their 2021 convention in Atlanta
- Develop brand campaign targeting leisure and meetings markets with emphasis on culinary
- Ramp up focus on all legislation which could impact our industry



2020 FINANCIAL PLAN

2020 FINANCIAL PLAN NARRATIVE

- We are projecting hotel room revenue in City of Atlanta to be down 1% from 2019 projected year end results. However, when normalizing 2019 for a year without Super Bowl hotel tax will be up 4% in 2020.
- We are budgeting an increase in payroll and related expenses of 5%. This is due to normal increases in both compensation and employee benefits.
- Operating expenses and expenses related to capital assets will increase primarily due to increased depreciation expense.
- Direct promotional expenses will be relatively flat.

2020 SUMMARY BUDGET

	2020 Budget	2019 Forecast
Total revenue	\$ 36,514,921	\$ 36,834,516
Total expense	35,952,672	36,189,241
<hr/> Excess(deficiency)	<hr/> \$ 562,249	<hr/> \$ 645,275

TOTAL PUBLIC SECTOR REVENUE

	2020 Budget	2019 Forecast
Hotel tax - City of Atlanta	\$ 16,750,000	\$ 17,000,529
Hotel tax - Fulton County	-	-
Atlanta Convention Marketing Fund - 80%	8,507,937	8,635,189
Atlanta Convention Marketing Fund - 20%	2,126,984	2,158,797
Total Public Sector Revenue	\$ 27,384,921	\$ 27,794,515

TOTAL PRIVATE SECTOR REVENUE

	2020 Budget	2019 Forecast
Annual meeting/HHOF	\$ 235,000	\$ 235,000
Contributed services	5,265,000	5,000,000
Co-op cash support	725,000	675,000
Grants/sponsorships	-	-
Internet revenue	85,000	85,000
Membership dues	1,425,000	1,418,000
Membership services	18,000	17,000
Other revenue	277,000	475,000
Publication ad revenue	1,100,000	1,135,000
Total private sector revenue	\$ 9,130,000	\$ 9,040,000

TOTAL EXPENSE

	2020 Budget	2019 Forecast
Direct promotional expense	\$ 13,621,677	\$ 14,589,052
Expense against capital assets	2,245,474	1,975,000
Other operating expense	994,573	915,000
Payroll and related expense	10,583,011	10,075,000
Transfer to ACMF reserve	8,507,937	8,635,189
<hr/> Total expense	<hr/> \$ 35,952,672	<hr/> \$ 36,189,241

TOTAL BUDGET BY CORPORATE ENTITY

	2020 Revenue	2020 Expense
Atlanta Convention & Visitors Bureau, Inc.	\$ 33,827,921	\$ 33,375,226
ACVB Enterprises, LTD	1,185,000	1,077,446
ACVB Foundation, Inc.	1,502,000	1,500,000
	<hr/>	<hr/>
	\$ 36,514,921	\$ 35,952,672

Questions?

AUTHORITY

Action Item: Increment Weather Bridge Renovation

Otto Johnson

Director, Project and Program Management

Project Background

- Create a more modern and welcoming entrance into the GWCCA
- Provide an easier, more intuitive way to locate the facility
- Improve upon the customer experience
- GWCCA Vision 2025 Project (Strategic Direction Committee #1)

Project Scope

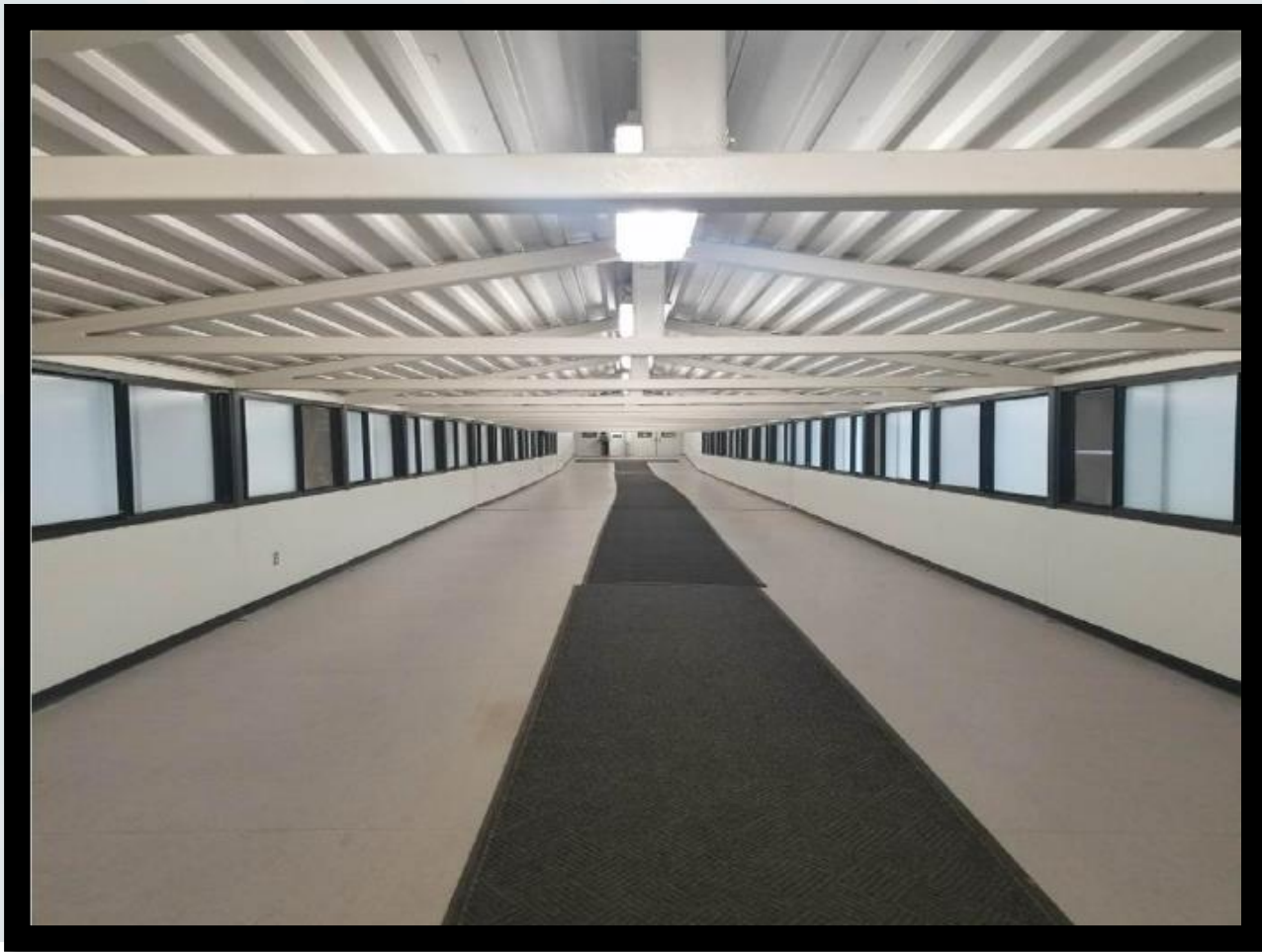
- Updated signage to improve wayfinding
- Automatic sliding doors on both ends of the IWB
- Creating a fully conditioned space
- Updated finishes and lighting fixtures
- Increased life safety features
- Durable walk-off carpeting throughout

Project Funding

- Project Budget: \$510K (material, labor, and contingency)

Inclement Weather Bridge

Existing Condition



New Design



Inclement Weather Bridge

Red Deck Side

GWCCA Side



Action Item: Resolution

The Board of Governors authorizes the Executive Director to execute an agreement with Multiplex LLC Construction Company to furnish all labor, material, tools, and equipment to effect the specified improvements to the Authority's inclement weather bridge.

Staff recommends approval

Questions?

AUTHORITY

Action Item: Building C Terrazzo Replacement

Otto Johnson

Director, Project and Program Management

GWCCA flooring project for Buildings A, B, C included new terrazzo and carpet; Building C terrazzo: September 2016 through November 2017.

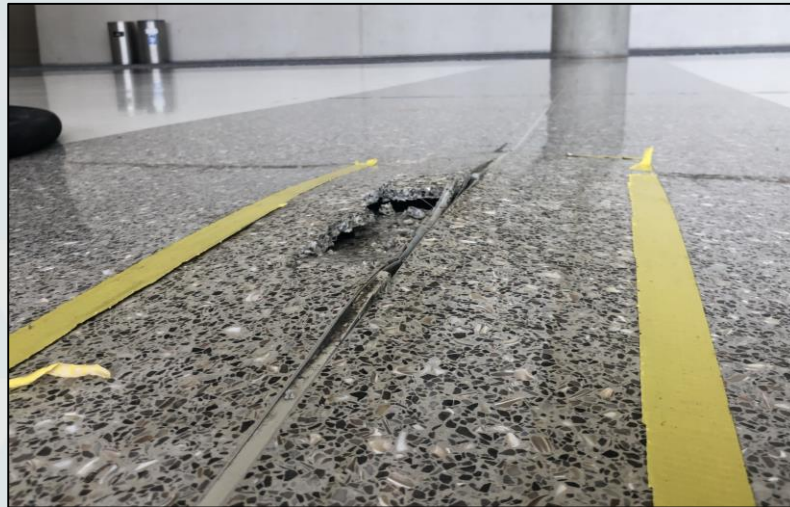
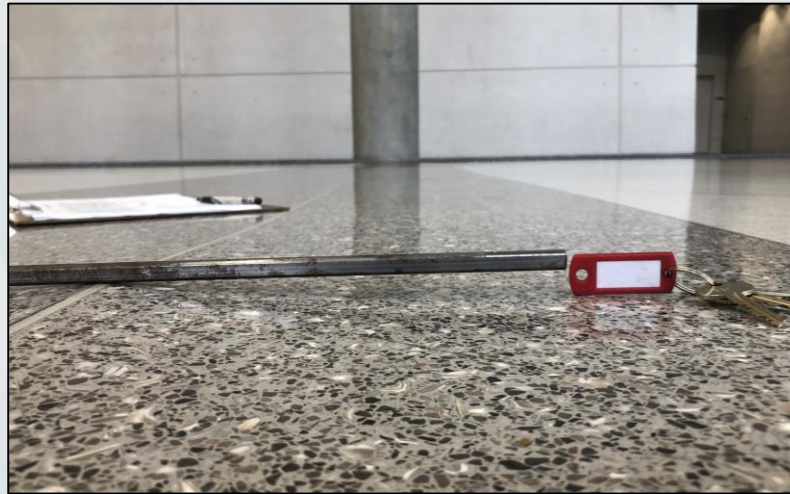
Terrazzo Issues

- Originally, issues were only cosmetic, but have since escalated to become liability issues (trip hazards)
- First known issues appeared in December 2017, including terrazzo buckling, blistering, and substance deposits in multiple locations throughout the space

Short Term Solutions

- Since summer 2018, GWCCA Facility Management Department has worked to provide the following solutions:
 - ✓ Anchoring down trip hazards to minimize height and slow down floor buckling
 - ✓ Cutting out sections of bad areas and filling with cement

Terrazzo Conditions



Photos taken from
January 2018 – December 2019

Long-Term Solution

Removal of existing terrazzo flooring and replacement with Building C carpet which, prior to terrazzo flooring, the area was carpeted with no similar issues. This is the most cost-effective measure that meets demands of event schedule.

Project Scope

- Project divided into eight (8) areas with a 7-day process per area
- Process includes
 - ✓ removal of existing terrazzo
 - ✓ installation of epoxy moisture mitigation system
 - ✓ install leveling coat
 - ✓ installation of Georgia-manufactured Shaw Carpeting to match the existing Building C carpet pattern

Project Schedule

- Start Date: immediately following NCAA Men's Final Four tournament. Completion Date: July before Comic Con.
- All active construction dates scheduled around existing business; some work will be performed at night.

Project Funding

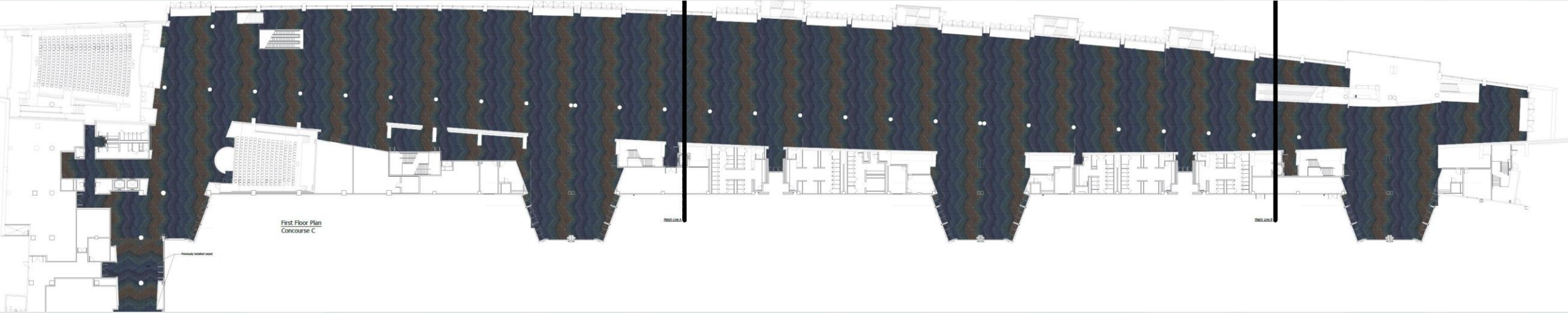
- Project Budget: \$1M (material, labor, and contingency)

Terrazzo Replacement Phasing (Estimated Schedule)

AUTHORITY



Building C Terrazzo Replacement (Conceptual Rendering)



Action Item: Resolution

The Board of Governors authorizes the Executive Director to execute an agreement with Vanguard Commercial Flooring LLC to furnish, deliver, and install flooring and provide related services to the Authority on a contract basis.

Staff recommends approval

Questions?

AUTHORITY

Next Scheduled Board Meeting

February 25, 2020