Georgia World Congress Center Authority

February 25, 2014

Authority Meeting

Finance

Sales

Legislative

Authority
Financial Snapshot

Profit/Loss

<table>
<thead>
<tr>
<th></th>
<th>Georgia World Congress Center</th>
<th>Georgia Dome</th>
<th>Centennial Olympic Park</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Actual</td>
<td>$488,808</td>
<td>$3,771,656</td>
<td>$70,272</td>
</tr>
<tr>
<td>Actual</td>
<td>175,477</td>
<td>5,721,677</td>
<td>45,784</td>
</tr>
<tr>
<td>Projected YTD</td>
<td>782,875</td>
<td>22,608,730</td>
<td>247,832</td>
</tr>
<tr>
<td>Actual YTD</td>
<td>249,824</td>
<td>24,142,653</td>
<td>262,072</td>
</tr>
</tbody>
</table>

H/M Tax

<table>
<thead>
<tr>
<th></th>
<th>Actual $13.6M</th>
<th>Budget $13.9M</th>
<th>FY13 $13.4M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>$13.6M</td>
<td>0.98%</td>
<td>1.01%</td>
</tr>
</tbody>
</table>

Customers (Estimated)

189,592

Economic Impact (Estimated)

80.9M
Georgia World Congress Center
Sales Update
July 2013 - Present

- Weekly Sales Log

- Weekly Dashboard: Reports Sales Actual Revenue to Goal and Budget. As of February 21 we are 96.8% to our overall rent goal

- Tracks Salespersons Performance Goal for Long Term and Short Term Bookings

- Gives a Scope of Events and Revenue for Future Years
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Events</th>
<th>F&amp;B Min</th>
<th>Total Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td>155</td>
<td>$355,142.00</td>
<td>$1,488,723.25</td>
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<tr>
<td>FY15</td>
<td>27</td>
<td>$2,272,500.00</td>
<td>$927,876.25</td>
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<tr>
<td>FY16</td>
<td>10</td>
<td>$330,000.00</td>
<td>$976,939.00</td>
</tr>
<tr>
<td>FY17</td>
<td>6</td>
<td>$1,310,000.00</td>
<td>$1,683,305.00</td>
</tr>
<tr>
<td>FY18</td>
<td>5</td>
<td>$490,000.00</td>
<td>$1,176,095.00</td>
</tr>
<tr>
<td>FY19</td>
<td>5</td>
<td>-</td>
<td>$1,494,685.00</td>
</tr>
<tr>
<td>FY20</td>
<td>1</td>
<td>-</td>
<td>$357,500.00</td>
</tr>
<tr>
<td>FY22</td>
<td>3</td>
<td>-</td>
<td>$857,515.75</td>
</tr>
<tr>
<td>FY23</td>
<td>1</td>
<td>-</td>
<td>$590,000.00</td>
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<tr>
<td>Total</td>
<td>213</td>
<td>$4,757,642.00</td>
<td>$9,552,639.25</td>
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</table>

<table>
<thead>
<tr>
<th>Short Term Goal</th>
<th>Short Term Actual</th>
<th>Long Term Goal</th>
<th>Long Term Actual</th>
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<tbody>
<tr>
<td>$1,806,300.00</td>
<td>$1,488,723.25</td>
<td>$8,060,000.00</td>
<td>$8,063,916.00</td>
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<tr>
<td>Variance</td>
<td>($317,576.75)</td>
<td></td>
<td>$3,916.00</td>
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</tbody>
</table>

| Total Rent Dollar | $9,552,639.25 |
| Rent Goal        | $9,866,300.00  |
| Amount to Goal   | ($313,660.75)  | 97%
Confirmed Event Future Years

<table>
<thead>
<tr>
<th># of Events Booked</th>
<th>FY 15</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>FY 19</th>
<th>FY 20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>77</td>
<td>37</td>
<td>20</td>
<td>16</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>$-</td>
<td>$1,673,775</td>
<td>$2,597,573</td>
<td>$1,002,317</td>
<td>$1,910,585</td>
<td>$910,575</td>
<td>$932,500</td>
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<tr>
<td>$1,000,000</td>
<td>$101,435</td>
<td>$2,597,573</td>
<td>$102,317</td>
<td>$1,910,585</td>
<td>$910,575</td>
<td>$932,500</td>
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<tr>
<td>$2,000,000</td>
<td>$1,795,621</td>
<td>$6,419,597</td>
<td>$4,352,106</td>
<td>$2,175,310</td>
<td>$1,795,621</td>
<td></td>
</tr>
<tr>
<td>$3,000,000</td>
<td>$8,452,462</td>
<td>$6,677,252</td>
<td>$4,406,894</td>
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$- Notice of Intent  Contract Sent  Confirmed
First Option Bookings

FY15: $1,242,930
FY16: $1,563,160
FY17: $2,926,460
FY18: $3,523,619
FY19: $3,311,611
FY20: $3,323,511
Legislative Session Update
Legislative Update

- Legislative Updated Schedule
  - Critical Dates
- Key Pieces of Legislation
  - HB 246: Flex Benefits
  - SR 788: SPC Property Acquisition

- Other Legislation
  - HB 978/SB 385: GIMTCA Board
  - HB 875: Gun Legislation
  - State Budget

- GWCCA at the Capitol
  - Georgia Tourism, Hospitality & Arts Day
Savannah International Trade & Convention Center Update
The Savannah International Trade & Convention Center

SITCC is a convention and exposition facility operated for the Georgia International and Maritime Trade Center Authority (GIMTCA), located on Hutchinson Island, opposite Savannah’s Historic Riverfront.
Georgia International and Maritime Trade Center Authority

- Mark Smith – Chairman
- Ben Polote, Jr. – Vice-Chair
- Henry Monsees – Treasurer
- George Jackson – Secretary
- Ruth Quattlebaum, Joe Marinelli, Dennis Baxter, Steve Green, Stephanie Cutter, Tony Center, Bob McAlister, Otis Bazzard – Board Members
Market Overview

• Savannah is a leisure market. Hotels are running 85-95% occupancy Thursday-Sunday year round leisure travel

• Collaborative sales staff of Visit Savannah (CVB), Westin, and SITCC

• Tourism Leadership Council (TLC) is an advocacy and education organization with offices at the SITCC
A Strategic Alliance

• From Metro-Atlanta to Coastal Georgia

• Synergy between Boards

• Marketing and Sales Strategy

Connecting Atlanta and Savannah
Background

- Facility opened in May, 2000
- Chatham County developed facility using SPLOST, State GO Bond funding
- County retains ‘exclusive right of use’ thru 2051 under agreement with GA DEcD; leases facility to Trade Center Authority (GIMTCA) also through 2051
- GIMTCA engaged SMG to operate from pre-opening to present
- 1% of H/M tax goes to their Authority
- Veteran staff (@26 FT) with longevity with facility
SITTC Facts

330,000 sq. ft. waterfront complex
100,000 sq. ft. divisible exhibit space
50,000 sq. ft. prime meeting space including:
   13 meeting rooms
   4 executive board rooms
   25,000 sq. ft. ballroom
   367 seat auditorium

On site parking and complimentary Water Ferry, Express (downtown) shuttle and River Street Streetcar
Financial Structure

• H/M tax is collected by Chatham County via agreement with cities of Savannah, Tybee, Pooler, Port Wentworth and Garden City; and unincorporated Chatham County.

• Authority utilizes H/M tax to cover operating loss, expansion, capital expenditures, and maintenance.
Financials

- Operating Revenue avg. $2.6M/year
- Operating Expense avg. $3.5M/year
- Net loss @ $1M/year (covered by H/M tax)
- H/M tax @$2.6M
Food Services

- Operated by SAVOR...SAVANNAH (an SMG company)
- Annual sales $3 million
- Solid financial controls
- Excellent customer service ratings
Business Deal

• 3 year agreement with options
• Fixed Management fee plus incentive
• Incentive based on room nights, customer service scores, and financials
Timeline of Activities

- February 12, 2014: GIMTCA Board unanimously votes to award GWCCA management contract
- February – March:
  - Onboard staff
  - Inform customers
  - Develop sales/marketing strategy
  - Analyze systems/vendor contracts/finances/operations/IT infrastructure
- April 1, 2014: GWCCA management commences
GWCCA Bylaws Change

- Article VI – Officers

- Article VII – Powers and Duties of Officers
  - Add General Manager and Assistant General Manager – Savannah to GWCCA Bylaws
Resolution – SITCC Facilities Management Agreement

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 with the GIMTCA regarding the terms and conditions of a proposed agreement for management of the Savannah International Trade and Convention Center; and

BE IT FURTHER RESOLVED the Executive Director is authorized, to take such actions and to execute such documents as may be necessary or appropriate to effect a management agreement or other such contract with the GIMTCA

Staff recommends approval.
NSP Business Item
Resolution – NSP Property Acquisition (South Mangum)

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.

Therefore, the Board of Governors 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 Parcel of South Mangum.

Staff recommends approval.
Property Update
Property Update