Action Item

Approval of Minutes

October 25, 2022
Welcome Shavannia Williams

➢ Director of Strategic Partnerships

➢ Leading Sustainability and Social Responsibility strategy; will supplement GWCCA’s event development efforts

➢ Six years with AMB Sports and Entertainment leading fan innovation for Falcons, United, and Mercedes-Benz Stadium
Financial Update

Janet Arsenault
Sr. Director of Finance
## Financial Snapshot: October 2022

<table>
<thead>
<tr>
<th>Month</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$2,174,892</td>
<td>$2,840,848</td>
<td>$666K 30.6%</td>
</tr>
<tr>
<td>Expense</td>
<td>$3,539,176</td>
<td>$3,501,804</td>
<td>$37K 1%</td>
</tr>
<tr>
<td>Net Loss</td>
<td>$(1,364,284)</td>
<td>$(660,956)</td>
<td>$703K</td>
</tr>
</tbody>
</table>
# Financial Snapshot: YTD thru October 2022

<table>
<thead>
<tr>
<th>Month</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$15,317,817</td>
<td>$18,024,561</td>
<td>$2.7M 17.7%</td>
</tr>
<tr>
<td>Expense</td>
<td>$15,855,510</td>
<td>$16,114,788</td>
<td>$259K 1.6%</td>
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<tr>
<td>Net Profit (Loss)</td>
<td>($537,693)</td>
<td>$1,909,773</td>
<td>$2.4M</td>
</tr>
</tbody>
</table>
Questions?
ACVB 3-Year Strategic Plan
2023 Business/Financial Plan

William Pate
President & CEO

Gregory Pierce
Executive Vice President & CAO/CFO
DISCOVER ATLANTA
RECOVERY 2023

Three-year Strategic Plan

and

2023 Business and Financial Plan
ABOUT 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

Vision

To be the most hospitable convention city in the U.S. that is the easiest with which to do business
## Recovery 2023 | Three-Year Strategic Plan

### Overall Goal

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 of 5,000 room nights and greater on peak each year.

### Strategic Priorities

- Maintain a leadership position in citywide booking pace against top competitors
- Drive visitation among meeting attendees and leisure visitors by enhancing destination appeal
- Maintain our technological leadership with customers, consumers and employees
- Restructure membership in ACVB

### Key Initiatives

- Narrow use of group program resources to focus on citywide business
- Leverage competitive advantage as the premier destination for diversity, equity and inclusion
- Deepen our relationships with third-party lead producers
- Expand martech platform to generate increased leads and bookings
- In partnership with meeting planners, utilize ACVB marketing assets and tools to maximize meeting attendance
- Leverage martech platform to drive increased leisure visitation
- Utilize competitive advantage as a progressive city to drive incremental visitation from diverse audiences
- Mobilize our influence to enhance the destination appeal of Downtown
- Expand martech platform to support sales engagement, email marketing and diversity marketing
- Provide state-of-the-art platforms for staff to work from any location
- Evaluate potential changes in membership structure and revenue and recommend new model
- Implement new membership structure involving different levels of engagement
- Increase involvement with diverse organizations
- Increase efficiency and effectiveness of all private revenue producing programs and products across all areas of ACVB
2023 BUSINESS PLAN
U.S. TRAVEL RECOVERY DASHBOARD
SEPTEMBER 2022 YTD

Source: Tourism Economics and U.S. Travel Association
*Displaying average monthly recovery rate as year-to-date not specifically reported by Tourism Economics and USTA
CITY OF ATLANTA HOTEL DEMAND RECOVERY DASHBOARD

Recovery Rate: Oct 2022 YTD vs. Oct 2019 YTD

Data Sources: STR & Travel Click

Recovery Rate Legend:
- 100% or more
- 60% to 80%
- 80% to 100%
- Less than 60%

- Business = transient (non-group) rooms sold on weekdays within rate categories inferred as related to business travel
- Leisure = transient (non-group) rooms sold on weekends within rate categories inferred as related to leisure travel. Weekday leisure is not included in the displayed values.

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>4.8 M</td>
<td>5.6 M</td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td>1.6 M</td>
<td>2.2 M</td>
</tr>
<tr>
<td><strong>Business</strong></td>
<td>1.3 M</td>
<td>1.5 M</td>
</tr>
<tr>
<td><strong>Leisure</strong></td>
<td>1.1 M</td>
<td>1.0 M</td>
</tr>
</tbody>
</table>

- **Total Demand**
- **Group Demand**
- **Business Demand on Weekdays**
- **Leisure Demand on Weekends**
CITY OF ATLANTA HOTEL OCCUPANCY RECOVERY DASHBOARD

Recovery Rate : Oct 2022 YTD vs. Oct 2019 YTD

Data Sources: STR & Travel Click

Total Occupancy
- 2022: 61%
- 2019: 76%

Group Occupancy
- 2022: 65%
- 2019: 80%

Business Occupancy on Weekdays*
- 2022: 76%
- 2019: 100%

Leisure Occupancy on Weekends*
- 2022: 94%
- 2019: 80%

Recovery Rate Legend
- 100% or more
- 60% to 80%
- 80% to 100%
- Less than 60%

- Business = transient (non-group) rooms sold on weekdays within rate categories rates inferred as related to business travel
- Leisure = transient (non-group) rooms sold on weekends within rate categories inferred as related to leisure travel. Weekday leisure is not included in the displayed values.
GROUP OCCUPANCY OUTLOOK

ANNUAL
Final values for 2017-2022
Latest snapshot of blocked or sold group for 2022

MONTHLY

QUARTERLY by ‘as of’ week

Data sources: STR; TravelClick

As of Nov 20, 2022
OCTOBER 2022 HOTEL OCCUPANCY
CITY OF ATLANTA

SINGLE MONTH
67%

vs. LY 11% 20%
vs. 5 Yr Avg 4% 7%

YEAR TO DATE
61%

vs. LY 13% 28%
vs. 5 Yr Avg 2% 3%
CITYWIDE PACE
Groups with 2,500+ on Peak vs. 2017 - 2019

Source: FuturePace, Pace is based on definite room nights for groups with 2,500+ on relative to 2017-2019. Top Peers includes seven markets Anaheim, Dallas, Chicago, Nashville, New Orleans, Orlando, D.C. Regional peer sets values include the primary city + related or smaller nearby cities because individual competitor pace is not available, e.g., Nashville+ = Nashville, Memphis, Lexington and Louisville

As of 11/2/2022
2022 HIGHLIGHTS

• Booked 18 major citywides and 822,000 convention room nights
• One of the top U.S. destinations in booking convention business
• Hosted 35 groups with more than 2,500 room nights on peak (34 in 2019)
• Hosted 161 in-person site visits (77 definite customer planning visits)
• Launched Atlanta Meta World, a metaverse platform to support virtual site visits for meeting planners
• Secured 2025 College Football Playoff National Championship game
• Hosted two industry organization meetings – IAEE’s annual board meeting and Major American Trade Show Organizers (MATSO)
• Engaged more than 900 international tour operators and travel agents in participation with Delta, Travel South and Brand USA
2022 HIGHLIGHTS

• Leveraged Lonely Planet’s "Best in Travel 2022" and National Geographic’s "Best of the World 2022" accolades in all leisure and group messaging
• Earned Platinum Adrian Award in diversity marketing category for ATL Unguided
• Organized and hosted DNC TAG site selection committee visit to Atlanta
• Achieved a 4.9 / 5 score in overall satisfaction with ACVB from meeting planner event surveys (Tied with 2021 results for the highest score in the last seven years)
• Restructured membership dues policy and moved all members to calendar-year billing dates
• Created a full in-house content publishing effort across print, social, web and video
  • Increased website stories by 400% Y.O.Y.
  • Expanded Spanish language content across web and print
  • Revitalized Discover Atlanta YouTube channel, ramped up TikTok and Instagram Reels and launched Discover Atlanta podcast
2022 HIGHLIGHTS

• Enhanced marketing of diverse travel experiences and DEI efforts
  • Refreshed and expanded ATL Unguided content Black travelers
  • Developed in-language Spanish travel content on all platforms
  • Promoted the return of festivals and special events including Atlanta Food & Wine Festival, Cirque du Soleil and Harry Potter: The Exhibition
CONVENTION TRADE SHOWS

2022 ASAE Annual Meeting & Expo – Aug. 20-23

- 20x20 immersive booth featuring key ACVB and GWCCA collateral
- New developments video loop featuring updated visuals of GWCCA campus enhancements and additions
- Created page to create awareness and drive booth traffic during ASAE 2022 - https://discoveratlanta.com/meetings/asae/

2022 IMEX – Oct. 10-13

- Brand new 10x40 custom designed booth
- New developments video loop featuring updated visuals of GWCCA campus enhancements and additions
ON A DIFFERENT LEVEL CAMPAIGN
ATL UNGUIDED

ATL UNGUIDED

ATLANTA'S BLACK TRAVEL GUIDE

Atlanta’s rich heritage is deep, progressive and continuously evolving. Atlanta supports a bold expression of Black heritage and contemporary expressions that spark Black excellence and pride. It is the heart of the Civil Rights Movement, the largest collection of historically Black colleges and universities (HBCUs), a number of notable churches, popular Black-owned restaurants, trendy lounges andепository on a gateway to Discove ATL’s long black history economy evolution.

LONNIE C. KING JR.
CHAMPION OF VOTING RIGHTS

"If the kings of the 20th-century prison knew exactly the voting rights I’m going to talk about this morning," King said at an interview with a local station.

Lear King (left) and his son, Lonnie C. King Jr., launched the Atlanta Student Movement along with Joseph Dorsey, Julian Bond and others. The movement's advocacy for voting rights and desegregation of the city's schools and restaurants.

King said the movement was important because it encouraged development of the Negro Rights Movement, which led to the Brown v. Board of Education Supreme Court decision in 1954.

"We did not want to wait 100 years for those who are already oppressed to have their voice heard," King said. "Today, you will not be left behind. We are not only for the rights of the minorities, but we are for the rights of all minorities. We want our voices to be heard, and we want our voices to be heard in a way that is not only for the rights of the minorities, but for the rights of all people.

"The civil rights movement was the beginning of a new era of social justice and equality in this country," King said. "The Brown v. Board of Education decision in 1954, which overturned the 'separate but equal' doctrine, was a major victory for the movement, and it paved the way for future victories in the struggle for civil rights.

DR. ROSLINNO POPE
UNDEGRAUNDED

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2023 ASSUMPTIONS

- Convention attendance will continue to improve
- Inbound international will return
- Corporate meetings recovery could be impacted by recession fears
- Hotel occupancy will end the year between 62-66%
- Continued backlog of lead volume will impact convention bookings as organizations reward cities they had to cancel during the pandemic
- Meeting planners will be cautious on booking room blocks and convention space as they look to see how attendance returns
2023 BUSINESS PLAN GOALS

- Book 1 million citywide room nights (goal to be reviewed quarterly based on recovery and market conditions)
- Assist meeting planners to achieve adjusted attendance goals for major citywide conventions
- Increase visibility of Atlanta as one of the top U.S. meeting and travel destinations
- Leverage ACVB martech platforms and expanded content capabilities to deliver highly-targeted content to meeting planners, attendees and leisure audiences
- Continue to position ACVB as an industry expert nationally and locally with a continued focus on diversity, equity and inclusion
- Complete 2024-2026 3-year strategic plan
BOOK 1 MILLION CITYWIDE ROOM NIGHTS TO BE REVIEWED QUARTERLY BASED ON RECOVERY AND MARKET CONDITIONS

New or significant ramp up in focus
• Leverage GWCCA campus improvement assets and messaging to maximize reach and awareness through key meeting channels including LinkedIn
• Host ASAE’s annual meeting in 2023
• Finalize Atlanta’s FIFA World Cup bid for 2026
• Expand in-house email marketing capabilities to deliver industry-specific and personalized content to meeting planners
• Restart trade and consumer international sales and marketing efforts with Nashville and New Orleans
• Prepare for Global Business Travel Association in 2024

Continue or enhance focus from prior year
• Optimize all partnership agreements
• Host in-market sales missions in Washington, D.C. and Chicago
• Enhance airline efforts as flights increase into Atlanta
• Continued efforts with international travel trade in key markets
• Attend 45 industry direct sales events
• Continue LinkedIn and other social media messaging efforts
WORK WITH MEETING PLANNERS TO HELP THEM ACHIEVE ADJUSTED ATTENDANCE GOALS FOR MAJOR CITYWIDE CONVENTIONS

New or significant ramp up in focus
• Expand customized microsite offerings to all size groups to build show attendance
• Promote new and expanded Atlanta Stories series for increased convention destination appeal
• Build attendance for ASAE's Annual Meeting and Expo in 2023 through programming, event promotions and targeted attendee marketing
• Include Atlanta presence and onsite marketing promotions through pre-show travel to 11 of Atlanta's largest 2024 conventions
• Organize local customer FAM to share city developments and destination marketing resources and services

Continue or enhance focus from prior year
• Work with groups to continue to right size attendance expectations and room block needs
• Increase collection of housing pace reports in advance of meetings
• Target citywide conventions for public relations proactive outreach and pitching media FAMs
• Continue to plan and host UpNext Atlanta in Washington, D.C. for meetings booked for upcoming three years
• Continue relationship building activities with Georgia Department of Economic Development and Metro Atlanta Chamber to expand additional resources for successful convention outreach in the region
• Support ongoing collaboration with city partners and public safety to address meeting planner concerns for safety and city readiness
INCREASE VISIBILITY OF ATLANTA AS ONE OF THE TOP U.S. MEETING AND TRAVEL DESTINATIONS

New or significant ramp up in focus

• Highlight citywide events in earned media to help refresh visitor perspectives of Atlanta
• Expand messaging and content delivery focused on culinary and nightlife
• Significantly expand Spanish language content on all channels targeting the domestic Latino travel audience
• Introduce and promote new Atlanta sustainable meetings toolkit in conjunction with Maritz Global Events
• Connect convention leaders with Atlanta’s Giving Circle and community support resources

Continue or enhance focus from prior year

• Promote construction and opening of Signia by Hilton Atlanta and highlight GWCCA campus enhancements to meeting planners
• Continue participation in ESPA Leadership Roundtable virtual meetings
• Partner with Explore Georgia to promote Atlanta as a meetings destination
• Continue meeting planner-oriented editorial strategy
• Continue to amplify travel industry accolades to enhance destination appeal
• Refresh as needed 360ATL content supporting virtual, hybrid and in-person site visits, FAM trips and trade shows
• Pitch and submit Atlanta assets to publications for national accolade opportunities
• Continue to add content to digital platforms and optimize the personalization engine and search (video and website)
LEVERAGE THE MARTECH PLATFORMS AND EXPANDED CONTENT CAPABILITIES TO DELIVER ENGAGING, HIGHLY-TARGETED CONTENT TO MEETING PLANNERS, ATTENDEES AND LEISURE AUDIENCES

New or significant ramp up in focus

• Ramp up email marketing leveraging martech platform to increase personalization and cadence for convention attendees and leisure visitors
• Expand metaverse platform to include GWCCA and other meeting venues and start conducting virtual site visits

Continue or enhance focus from prior year

• Improve the organizational adoption of 360ATL content with CRM platform to better support virtual, hybrid and in-person site visits, FAM trips and trade shows
• Expand content to feed NLP/personalization engine to reach target audiences
• Ensure legal and financial risks of collecting and maintaining proprietary audience data are appropriately documented
• Optimize ad model across all channels to provide additional revenue opportunities (ACVB, Discover Atlanta Publishing, membership – publications and DiscoverAtlanta.com)
• Increase participation in ACVB among disadvantaged business enterprises and local member stakeholders
• Develop and acquire new assets representing diverse audiences (photography, video, UGC, partner content)
• Evaluate platforms, technologies and agencies to streamline efforts
CONTINUE TO POSITION ACVB AS AN INDUSTRY EXPERT NATIONALLY AND LOCALLY WITH A HEIGHTENED FOCUS ON DIVERSITY, EQUITY AND INCLUSION

New or significant ramp up in focus
- Ensure our value is shown through strengthened relationships and leadership roles with organizations that fit our mission, including – but not limited to – our core hospitality partners
- Increase focus on representation by diverse team members at trade shows, conferences, panels, etc.
- Connect meeting planners with community organizations and build a resource library of local engagement and charitable opportunities for convention team building events, exhibit hall donations and community service projects and programming
- Participate in Event Services Professional Association’s Celebrate Services Week to heighten awareness of the hospitality industry and elevate service industry professionals with a team building community service volunteer opportunity

Continue or enhance focus from prior year
- Develop cultural and diversity-specific marketing content and articles to highlight unique Atlanta heritage for convention attendees
- Provide sales and services with collateral and tools that reinforce benefits of working with ACVB along with third-party providers
- Enhanced focus on working with companies committed to DEI or disadvantaged business enterprises for vendors
- Highlight industry expertise through guest columns and opinion editorials
- Capitalize on media opportunities to show importance of Atlanta’s hospitality industry
2023 FINANCIAL PLAN
2023 FINANCIAL PLAN NARRATIVE

• Total revenue over five years:
  • 2023: $40,544,262
  • 2022: $36,278,573
  • 2021: $22,168,062
  • 2020: $26,809,740
  • 2019: $43,739,097

• 2023 room demand increase of 5.7% and annual occupancy rate of 63.5%
• Payroll and related expenses will be up approximately 14% from 2022 and flat to 2019
• Operating and fixed expenses will be up 2.5% from 2022
• Direct promotional expenses will be up 13% from 2022
### 2023 SUMMARY BUDGET

<table>
<thead>
<tr>
<th></th>
<th>2023 Budget</th>
<th>2022 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>$ 40,544,262</td>
<td>$ 36,278,573</td>
</tr>
<tr>
<td>Total expense</td>
<td>39,840,163</td>
<td>35,686,590</td>
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<tr>
<td>Excess (deficiency)</td>
<td>$ 704,099</td>
<td>$ 591,983</td>
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### TOTAL PUBLIC SECTOR REVENUE

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<tr>
<th>Category</th>
<th>2023 Budget</th>
<th>2022 Forecast</th>
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</thead>
<tbody>
<tr>
<td>Hotel tax - City of Atlanta</td>
<td>$ 15,370,850</td>
<td>$ 14,159,473</td>
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<tr>
<td>Hotel tax - City of Atlanta - STR</td>
<td>3,422,128</td>
<td>2,540,972</td>
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<tr>
<td>Atlanta Convention Marketing Fund - 80%</td>
<td>7,807,416</td>
<td>7,188,795</td>
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<tr>
<td>Atlanta Convention Marketing Fund STR - 80%</td>
<td>1,738,224</td>
<td>1,433,396</td>
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<tr>
<td>Atlanta Convention Marketing Fund - 20%</td>
<td>1,951,854</td>
<td>1,733,965</td>
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<tr>
<td>Atlanta Convention Marketing Fund STR - 20%</td>
<td>434,556</td>
<td>342,516</td>
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<td>Total public sector revenue</td>
<td>$ 30,725,028</td>
<td>$ 27,399,119</td>
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<tr>
<td>Source</td>
<td>2023 Budget</td>
<td>2022 Forecast</td>
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<tr>
<td>-------------------------------</td>
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</tr>
<tr>
<td>Annual meeting/HHOF</td>
<td>$ 125,000</td>
<td>$ 127,200</td>
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<tr>
<td>Contributed services</td>
<td>$ 7,825,000</td>
<td>$ 6,728,290</td>
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<tr>
<td>Co-op cash support</td>
<td>-</td>
<td>$ 372,219</td>
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<tr>
<td>Grants/sponsorships</td>
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<tr>
<td>Internet revenue</td>
<td>$ 138,000</td>
<td>$ 135,122</td>
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<tr>
<td>Membership dues</td>
<td>$ 808,069</td>
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<td>Membership services</td>
<td>$ 4,500</td>
<td>$ 24,666</td>
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<td>Other revenue</td>
<td>$ 523,666</td>
<td>$ 438,772</td>
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<tr>
<td>Publication ad revenue</td>
<td>$ 395,000</td>
<td>$ 378,032</td>
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<tr>
<td><strong>Total private sector revenue</strong></td>
<td><strong>$ 9,819,235</strong></td>
<td><strong>$ 8,879,454</strong></td>
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# TOTAL EXPENSE

<table>
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<tr>
<th></th>
<th>2023 Budget</th>
<th>2022 Forecast</th>
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<tbody>
<tr>
<td>Direct promotional expense</td>
<td>$16,494,750</td>
<td>$14,960,429</td>
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<tr>
<td>Expense against capital assets</td>
<td>2,331,483</td>
<td>1,871,925</td>
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<tr>
<td>Other operating expense</td>
<td>958,101</td>
<td>1,018,872</td>
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<tr>
<td>Payroll and related expense</td>
<td>10,510,190</td>
<td>9,213,173</td>
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<tr>
<td>Transfer to ACMF reserve</td>
<td>9,545,639</td>
<td>8,622,191</td>
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<tr>
<td><strong>Total expense</strong></td>
<td><strong>$39,840,163</strong></td>
<td><strong>$35,686,590</strong></td>
</tr>
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</table>
TOTAL BUDGET BY CORPORATE ENTITY

<table>
<thead>
<tr>
<th>Entity</th>
<th>2023 Revenue</th>
<th>2023 Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlanta Convention &amp; Visitors Bureau, Inc.</td>
<td>$38,886,262</td>
<td>$38,275,140</td>
</tr>
<tr>
<td>ACVB Enterprises, LTD</td>
<td>$568,000</td>
<td>$540,023</td>
</tr>
<tr>
<td>ACVB Foundation, Inc.</td>
<td>$1,090,000</td>
<td>$1,025,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$40,544,262</strong></td>
<td><strong>$39,840,163</strong></td>
</tr>
</tbody>
</table>
Questions?
Action Item: ACVB 2023 Business and Financial Plan
Year-end GWCC Sales Report

Kim Allison
Sr. Director of Convention Sales
<table>
<thead>
<tr>
<th>Future Bookings</th>
<th>Number of Events</th>
<th>Revenue</th>
<th>Food and Beverage</th>
<th>Room Nights</th>
<th>Of Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period 1 July – December</td>
<td>FY 2023</td>
<td>55</td>
<td>$5,238,318</td>
<td>$2,791,271</td>
<td>187,050</td>
</tr>
<tr>
<td></td>
<td>FY 2022</td>
<td>51</td>
<td>$3,901,477</td>
<td>$1,545,130</td>
<td>154,523</td>
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<tr>
<td>Funnel To Close</td>
<td>Number of Events</td>
<td>Revenue</td>
<td>Food and Beverage</td>
<td>Room Nights</td>
<td>Of Note</td>
</tr>
<tr>
<td></td>
<td>All Future years</td>
<td>17</td>
<td>$2,983,268</td>
<td>$2,070,684</td>
<td>118,685</td>
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</tbody>
</table>
## A Strong FY23 Trade Show Year

<table>
<thead>
<tr>
<th>MONTH</th>
<th>SHOW</th>
<th>ECONOMIC IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2022</td>
<td>Clean Show</td>
<td>$19,563,895</td>
</tr>
<tr>
<td>August 2022</td>
<td>IWF</td>
<td>$48,912,228</td>
</tr>
<tr>
<td>November 2022</td>
<td>FABTECH</td>
<td>$39,649,614</td>
</tr>
<tr>
<td>January 2023</td>
<td>IPPE</td>
<td>$49,165,519*</td>
</tr>
<tr>
<td>February 2023</td>
<td>AHR</td>
<td>$60,719,609*</td>
</tr>
<tr>
<td>March 2023</td>
<td>HeliExpo</td>
<td>$31,719,611*</td>
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<tr>
<td>May 2023</td>
<td>MRO-Aviation Week</td>
<td>$15,859,845*</td>
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<tr>
<td>May 2023</td>
<td>RIMS</td>
<td>$17,445,829*</td>
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<tr>
<td>June 2023</td>
<td>Messe Frankfurt-TEXPROCESS</td>
<td>$20,391,129*</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>$309,649,343</strong>*</td>
</tr>
</tbody>
</table>

*Estimated Economic Impact
Feedback and Happenings

➢ Since July, customers have reported attendance is back up to 80% of pre-pandemic levels; international participation is lagging

➢ Meeting planners continue to be hesitant about forecasting; for the future they commit to lower F&B and hotel room night projections due to continued concerns over lingering international pandemic implications as well as safety and security

➢ GWCC sales team continues to work collaboratively with ACVB and Signia by Hilton Atlanta sales teams

➢ Upcoming opportunities to show off GWCCA’s Championship Campus:
  ▪ August 2023: ASAE Annual Meeting
  ▪ 2024: Global Business Travel
  ▪ 2025: College Football Playoff National Championship
  ▪ 2026: FIFA World Cup
“Four years ago, you asked us to trust that you could deliver for us. We accepted and you did it.”
John Catalano, Senior Director,
Society of Manufacturing Engineers, FABTECH (November 2022)

“This was the best show we have had.”
Kevin Holtzclaw, IWF (August 2022)

“We had the best meeting we have ever had. We need more space to grow. We love Atlanta.”
Daniel McKinnon, Executive Vice President, Exhibitions and Events, MHI,
MODEX (March 2022)

“Sales, concessions, event services, Levy, and facility ops team provided Exceptional services.”
Shermell Williams, Senior Operations Manager, Messe Frankfurt
(April 2023)
Questions?
Hotel Development Update

Theonie Alicandro
Chief Operating Officer/General Counsel
Drew Company Atlanta, LLC
Agenda

- Construction Update
- Schedule
- Challenges
- Development Budget Update
- Change Order Preview
- Amendment to Architectural Services Agreement with Gensler
- Subcontractor Updates
- EBO and Georgia Contractor Update
- Questions
Construction Update

November 2021

November 2022
Construction Update

Curtainwall Installation
Construction Update

Escalators

Lobby
Construction Update

Triumph Ballroom

Magnificent Meeting Room
Schedule

➢ Per Change Order No. 004, Substantial Completion Date is December 18, 2023

➢ Previously reported tracking one (1) day behind schedule from material shortage issue in May 2022; Skanska just recently logged 3 days of delays due to adverse weather in mid-November; Skanska trying to mitigate

➢ Average number workers on site per day: 400

➢ Schedule reviews being conducted by CASCAD-e
Challenges

➢ Supply Chain disruption causing delays, material shortages, and escalation
  ▪ Escalation Notices

➢ Labor – Notices regarding Manpower

➢ Weather, Geopolitical, COVID-19 continued impact in Asia and other issues beyond our control

➢ OS&E Budget
Development Budget Update

- Total development budget: $450,422,688
- Total spend through 11.30.2022: $208,749,329 (consisting of $16,863,111 GWCCA equity pre-closing and $174,164,389 post-closing requisitions)
- Percent spend through 11.30.2022: 46.35%
# Development Budget Update: December 2022

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revised GMP Hard Cost</td>
<td>$327,545,557</td>
</tr>
<tr>
<td>Preconstruction Fee (not in GMP)</td>
<td>$394,170</td>
</tr>
<tr>
<td>Owner Direct Hard Cost</td>
<td>$3,369,467</td>
</tr>
<tr>
<td>Owner’s Hard Cost Contingency</td>
<td>$6,568,137</td>
</tr>
<tr>
<td>Total Hard Cost</td>
<td>$337,877,331</td>
</tr>
<tr>
<td>Total Soft Cost</td>
<td>$107,341,933</td>
</tr>
<tr>
<td>Owner’s Soft Cost Contingency*</td>
<td>$5,203,425</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>$450,422,689</strong></td>
</tr>
<tr>
<td>Total Hard &amp; Soft Cost Contingency</td>
<td>$11,771,562</td>
</tr>
</tbody>
</table>

*Owner’s Soft Cost Contingency increased from last month due to credit from F&L for Lobby Sculpture and minor adjustments*
➢ CCD 5 cleaned up various design enhancements and miscellaneous coordination being tracked on our Change Order Log, including:
  ▪ Color Changing Lights on Lobby Sculpture Art
  ▪ Beam conflict at the “Knuckle”
  ▪ Exploratory Work at Doghouse

➢ Frank Poe will execute a Change Order totaling approximately $175,000 pursuant to his authority to incorporate these items into the Skanska GMP which will be paid out of Owner’s Hard Cost Contingency

➢ In addition, Owner has requested Skanska to replace roof at the “Knuckle” between GWCC and the Hotel which will also be reflected in a future Change Order in approximate amount of $126,000 which will be paid out of Owner’s Hard Cost Contingency
Agreement for Architectural Services was entered into as of February 12, 2019

Original Agreement contemplated Construction Administration services based on 26-month schedule and needs to be amended to reflect current schedule of 31 months

Schedule Adjustment results in additional fee equal to $665,525

Gensler has also requested additional staffing to adequately address resequencing and acceleration of activities, higher than anticipated volume of cost and scope reviews and front loading of submittals and RFIs

Additional staffing results in additional fee not to exceed $297,000

GWCCA staff recommends approval of an Amendment to the Agreement for Architectural Services between GWCCA and Gensler to reflect these two items
Subcontractor Update (Hard Costs)

Committed Costs
$321,839,241
98%

Uncommitted Costs
$5,706,313
2%

GMP Contract
Value $327,545,554

$284,871,442 Direct Costs
$281,678,018 Subcontractor Agreements Executed (99%)

<table>
<thead>
<tr>
<th>Trade</th>
<th>Top Uncommitted Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

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Subcontractor Update (All Costs)

Development Value $450,422,689

Committed Costs, $411,591,683 91%
Uncommitted Costs, $38,831,007 9%

$115,841,709 Soft Costs
$80,481,485 Subcontractor Agreements Executed (69%)

Committed Costs  Uncommitted Costs

<table>
<thead>
<tr>
<th>Trade</th>
<th>Top Uncommitted Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Opening</td>
<td>$12,008,815</td>
</tr>
<tr>
<td>OS&amp;E</td>
<td>$7,506,055</td>
</tr>
<tr>
<td>F&amp;B Supplies</td>
<td>$4,195,139</td>
</tr>
<tr>
<td>OS&amp;E Warehouse, Install, &amp; Freight</td>
<td>$3,641,496</td>
</tr>
<tr>
<td>Hilton I.T.</td>
<td>$2,686,095</td>
</tr>
</tbody>
</table>

Trade

Top Uncommitted Costs
EBO Plan and Georgia Contractor Update

➢ EBO Plan Target 31% Participation of M/WBE Firms
➢ Currently 27.43% GMP
➢ 95% of GMP paid to Georgia Contractors
  ▪ 79% Firms with Georgia Headquarters
  ▪ 16% Firms with Georgia Offices
Questions?
Resolution: First Amendment to Architectural Services Agreement

Melana McClatchey
Hotel Counsel
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 expressly is authorized to continue to negotiate with M. Arthur Gensler Jr. & Associates, Inc. regarding the terms and conditions of a proposed First Amendment to Agreement for Architectural Services for the Hotel Project and, in case those negotiations with M. Arthur Gensler Jr. & Associates, Inc. are successful, then the Executive Director is authorized, though not required, to take such actions and to execute and deliver such documents as may be necessary or appropriate to effect the execution of the proposed First Amendment to Agreement for Architectural Services (which proposed First Amendment to Agreement for Architectural Services would be in substantially the form attached hereto as Exhibit A), but only so long as such proposed First Amendment to Agreement for Architectural Services complies with applicable law and, in the judgment of the Executive Director, is consistent with the corporate purposes and mission of the Authority and the Authority’s sound business practices.

Staff recommends approval.
Questions?
Executive Session
2023 Meeting Schedule

**JANUARY**
- 31

**FEBRUARY**
- 28

**MARCH**
- 28

**APRIL**
- 25

**MAY**
- 23

**JUNE**
- 27

**JULY**
- 25

**AUGUST**
- 29

**SEPTEMBER**
- 13-14 (Tentative)

**OCTOBER**
- 31

**DECEMBER**
- 5

**MAY** meeting moved to prior Tuesday due to Memorial Day holiday

**SEPTEMBER** meeting typically cancelled in lieu of an Authority planning retreat

**NOVEMBER / DECEMBER** meetings combined
Next Scheduled Meeting

January 31, 2023