

**Hamilton County
Convention Facilities Authority (CFA)
Meeting Minutes**

To: CFA Board Members

From: Jeff Aluotto, CFA Secretary

Subject: Meeting # 43: September 8, 2017

CFA Members Present: Gwen McFarlin, Paul Brehm, Jim Downton, Lee Czerwonka, Lawrence Hawkins, Brendon Cull, Danny Hill, Dan Meyer

CFA Members Excused: Shawn Butler

CFA/Project Staff Present: Jeff Aluotto, Karen Alder, Judi Boyko, Roger Friedmann, Mike Laatsch, Jeff Weckbach

1. Call to Order

Chair McFarlin called the meeting of the Hamilton County Convention Facilities Authority to order at approximately 12:15 P.M. Chair McFarlin indicated that there was a quorum.

2. Review and Approval of March 10, 2017 meeting minutes

Chair McFarlin requested a motion to approve the minutes of the March 10, 2017 meeting. The motion was moved and seconded. Chair McFarlin conducted voice vote. The minutes of the March 10, 2017 meeting were approved unanimously.

3. Review of First and Second Quarter Financial Report

Chair McFarlin began the discussion of the First and Second Quarter Financial Report by noting that the numbers for the first half of 2017 were positive. Karen Alder then provided the CFA will a full report on the financial status of the lodging tax collections through the second quarter of 2017. The City collections totaled \$1.094 million. The County collections totaled \$4.425 million.

Next Karen discussed the CFA Expense Status Report in 2017; we had estimated expenditures of \$65,000 and year to date actual expenses of \$54,449. These expenses cover the cost of the annual audit, liability insurance, and fees remitted to the trustee for maintaining our accounts.

Karen also requested the CFA approve closure of the 2nd Lien Debt Service. A resolution for this is not necessary, only a letter from staff to the Trustee instructing them to close the bonds. These bonds currently have less than \$300 associated with them and the dollars will be transferred to the residual.

4. State Legislative Update / TOT Capital Project Grant

The Board then discussed recent attempts by the State of Ohio legislature to limit Hamilton County's ability to collect TOT revenues. Jeff Weckbach introduced the topic by stating that in the late spring/early summer of 2017, there were two proposals that were contemplated to be included with the State Budget. The first proposal would have required the County to send all TOT collections above \$6 million back to municipalities on a pro-rata basis. The second proposal would have limited the total TOT reserve to \$4 million. Both of these proposals were not advanced with the State Budget.

These proposals were problematic as they would have limited the ability of any convention center in the County to expand and limited the County and CFA's ability to think strategically about the best long term use of TOT dollars. Jeff noted that any remaining residual held by the County is required (per the Ohio Revised Code) to be spent on projects that enhance the overall convention and visitor's infrastructure of the County.

Jeff also noted that in discussions with the legislature, it became clear that better communication of the County's current TOT Capital Project Grant would address several of the concerns of various communities in Hamilton County. The County has taken several proactive steps to communicate these available resources, including meeting with the municipal league, developing a one-page flyer with the CVB, and a commitment to updating the CFA on the status of any applications they receive.

Jeff also highlighted by today's CFA meeting, the County had not received any TOT Capital Grant requests for 2017. Dan Meyer asked if the County had funded projects at Cooper Creek, which the County has funded on two separate occasions. Chair McFarlin also asked about the Springdale Capital Grant project for a hotel demolition. Jeff stated that this project is nearly complete and was funded by both TOT dollars and CDBG dollars. The County also identified that these are the types of projects that we are trying fund, as they can be transformative and have a high impact on the local convention/hotel industry. Dan Meyer also requested information on the Mural Project. Karen Alder clarified that the Mural project was a joint commitment of the CFA, City, and County for a total of \$750,000 over four years. 2017 is the second year of the agreement.

Brendon Cull commented that the Chamber was supportive of the County's communication strategy and reminded the group that there will always be politics surrounding convention center issues.

5. Recognition of Service – Dan Meyer

The September eighth meeting represented Dan Meyer's last meeting on the CFA Board. Chair McFarlin presented Dan with a proclamation detailing his service to the Board and highlighting the various improvements/initiatives he played a role in. Dan was an original member of the CFA and served as Chair of the CFA for the majority of his time on the Board.

Chair McFarlin made special mention to how welcoming Dan was to her when she first joined the CFA and how instrumental he was in getting her acclimated and up to speed on the various goals and priorities of the CFA. Other members echoed these sentiments and brought forward several stories of Dan's leadership. In particular, it was noted that Dan often

served as the “calming waters” during several of contentious meetings of the CFA.

The group all noted that they were losing a valuable member of the team and wanted to wish Dan all the best in his future endeavors. The entire County, City, and both Convention Centers have truly benefited from Dan’s wisdom and expertise over the years.

Dan responded to all of these well wishes by thanking the Board and highlighting that the true success of the Board has been due to the cohesion of the various members. He also left with a final call for a solution to the current issues associated with the headquarter hotel for the Duke Energy Center.



6. Other Business

A request was made that a Funding subcommittee to evaluate the needs for expansion of either convention center be formed or at least be on the radar for creation if necessary. This will appear on the next CFA agenda.

A general question was raised as to the status of Millennium Hotel. Mike Laatsch of the CVB responded there was no real update on the status of the hotel. The CVB has continued to work with hotel ownership to try to obtain some level of commitment to sell or renovate the space. In general, the hotel is typically at 30% occupancy and tends to feature lower overall room night rates, which can hurt the competitive balance of various downtown hotels. To date, the owners of the hotel have invested in other hotels in the United States but not the Millennium.

The question was raised as to whether or not the public could consider taking the hotel. While the answer remains unclear, it is also not clear as to how long the legal process might take. It was noted by Roger Friedmann that the eminent domain process related to the Stadiums took less than one year.

It was requested that the CFA identify solutions and continue to track progress of the hotel as a priority for 2018. This would include a review of the economic impact of the hotel on various conventions and local businesses in the area. As well as the potential economic gains from a new headquarter hotel. Mike Laatsch indicated that he will continue to keep the CFA abreast of any new developments related to the hotel.

Jim Downtown also noted that the Sharonville Hyatt recently opened. The opening of this hotel, which is next door to the Sharonville Convention Center, is a major win for the community. It has already resulted in increased interest in the Sharonville Convention Center and should lead to additional bookings in future years.

7. Next Meeting

The next scheduled CFA meetings will convene on:

-December 1, 2017 at 12pm at the Sharonville Convention Center

8. Adjournment

Meeting adjourned at 1:20 P.M.