

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY**  
**452nd MEETING OF THE**  
**BOARD OF COMMISSIONERS**  
**May 28, 2020**  
**Special Zoom Meeting**

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A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on May 28, 2020 via Zoom, pursuant to notice, at the Rhode Island Convention Center, One Sabin Street, Providence, Rhode Island.

Board members present were Bernard Buonanno, Peri Ann Aptaker, Catherine Parente, Paul MacDonald, George Nee, Dale Venturini, John Hooper, Patrick Butler, Tony Mendez, Stan Israel and Jeff Hirsh.

Also present were James P. McCarvill, Executive Director, Rhode Island Convention Center Authority; Dana Peltier, RICCA; Larry Lepore, Beth Johnson and Kristin Murphy the Convention Center and DDC; Daniel Schwartz and Michael Gravison, the VETS; Alan Chili and Lynn Singleton, PFM; Kristen Adamo and Tom Riel, PWCVB; Mike Crawley, Citrin Cooperman; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.

Also on call Lidea Moreno, Citrin Cooperman; Mark Liff, Chantale Sarrison and Bernie Lane, State of Rhode Island; Michael Holmes

**Mr. Buonanno** called the meeting to order at 9:09 AM. **Mr. Buonanno** and asked for a motion to approve the minutes of the April meeting. Upon a motion duly made by **Mr. MacDonald** and seconded by **Ms. Parente** it was unanimously

**VOTED:** to approve the minutes of the April meeting as presented.

**Mr. Buonanno** invited Kristen Adamo and Tom Riel to present a report on the effects the shutdown is having on the tourism industry and the meetings and convention business. Ms. Adamo noted that she had made the same presentation to the RI Foundation and the Mayors of Providence and Warwick. Ms. Adamo reported that she estimates that it will take 3 to 5 years to for tourism to recover from this. Mr. Riel stated that the Governor made a difficult decision although the right decision to protect the health of the citizens but it is devastating to tourism. The presentation (copy available) showed a comparison to what was expected to the situation that we now face. **Mr. Hirsh** said that he also serves on the CVB board and is aware that SMG is in arrears with the organization. He asked when that might be addressed. Mr. Lepore stated that he is aware that SMG is behind but at the present time our revenue is limited. **Mr. Butler** asked what is the source of CVB income. Ms. Adamo said that income is from hotel room tax, a contribution from the Authority and SMG and membership fees. She continued that the hotel room occupancy is very low and members are having a difficult time staying in business. **Mr. Butler** asked if the staff has been reduced and are those laid off eligible to collect. Ms. Adamo

stated that there are now 7 people working for the PWCVB and those laid off are able to collect. **Mr. Butler** asked if the Authority has reduced our compensation to the CVB. **Mr. Nee** said that would be the worst thing we could do and very short sighted. He continued that we need to have our partners working towards getting trade shows and conventions back as soon as we are given the go ahead. **Mr. Hooper** asked if Ms. Adamo had any sense of permanent closures or bankruptcies. Ms. Adamo answered not to my knowledge.

**Mr. Buonanno** recognized Mr. Schwartz who presented the financial statements for the Vets. Mr. Schwartz noted that the Philharmonic was rehearsing when it was learned that the Governor had issued an Executive Order closing all facilities. Mr. Schwartz stated that April's Net Income was (\$100,335) to budget and (\$126,324) to the prior year. Year to date Net Income was (\$297,684) to budget and (\$296,199) to the prior year. Mr. Schwartz stated that there were no events in April but some rent was received. He continued that any expenses were from previous events. Mr. Schwartz stated that some employees were furloughed and five Directors are left to man the theater. Mr. Schwartz said that the Governor has been holding her press briefings at the Vets for the past 2 weeks. **Mr. Hooper** asked if more family configuration shows without intermission would be better. Mr. Schwartz answered that he does not like shows without intermission because of concession revenue. He said that social distancing would allow only 400 seats. Mr. Schwartz said that they are trying to think out of the box. Many artists are not anxious to tour at this time. Mr. Schwartz said that he hopes to be able to have events at the beginning of 2021. He said that we should be able to do a few stripped down shows and allow for social distancing.

Mr. Lepore stated that we have been closed since March 11<sup>th</sup>. There were 16 shows cancelled in March leaving us in a difficult situation with refunds for events that have not been rescheduled to a future date. Mr. Lepore stated that Net Income for the month of April at the Convention Center was \$136,423 to budget and \$125,185 to the prior year. Year to Date Net Income was (\$584,923) to budget and (\$263,137) to the prior year.

Mr. Lepore reported that the Dunk was on pace to make a profit for the second year in a row. Net Income for the month of April was (\$21,954) to budget and (\$52,261) to the prior year. Year to date Net Income was (\$6,571) to budget and (\$284,416) to last year. Mr. Lepore noted that because of layoffs and lower utility costs there has been a drop in indirect expenses for both buildings.

Discussion ensued regarding the events that were cancelled at both the Convention Center and the Dunk. Mr. Lepore stated that direct event revenue was better than budget because of the buildout of the Alternative Care Facility offset by cancellations due to Covid 19. Mr. Lepore reported that the buildout has helped but this closure has severely impacted all facilities. Significant cancellations were the Home Show, Offshore Wind and NERVA Springfest. Mr. Lepore said that these cancellations as well as events that are not or will not be held at the Dunk had a significant impact on parking revenue. Mr. Lepore reported that 3 P. Bruins games as well as future playoff games were cancelled. A Nelson Freitas concert, WWE, Harlem Globetrotters and Lynyrd Skynyrd have also been cancelled. Mr. Lepore reported that the 75 Clifford Street Garage is nearing completion. He stated that the courts are also not operating. Mr. Lepore said that we have an opportunity to rent some retail space at the garage.

**Mr. Mendez** commented that it appears that Massachusetts is ahead of us in the curve and asked if they are doing better than we are. **Mr. Lepore** said that we are mostly the same. Artists are not excited to about touring in facilities with limited capacity. **Mr. Butler** asked if we have reached out to the NCAA. **Mr. Lepore** answered that we are in constant contact. **Ms. Adamo** said that the CVB is proceeding as if it is business as usual regarding the tournament. **Mr. McCarvill** stated that ASM and Sportservice have plans in place that address safety.

**Mr. Buonanno** asked about redoing the bonds. **Mr. McCarvill** stated that we have had conversations. The favorable interest rate is an incentive to investigate or options. **Mr. McCarvill** noted that Harvard and Brown even with their large endowments are borrowing large amounts at this time. **Mr. Buonanno** asked **Mr. Liff** his opinion. **Mr. Liff** agreed with **Mr. McCarvill** and said that taxable bonds would allow for more flexibility.

**Mr. Crawley** presented event re-cap for the third quarter for the three venues. He reported that the venues were doing well through the third quarter. **Mr. Crawley** noted that because the buildings are closed they have been unable to perform their monthly review although a solution is being considered. Discussion ensued regarding accounts receivable.

**Mr. McCarvill** said that the State is looking for a revised budget. We will be looking at three different scenarios worst, medium and good to submit to the budget office. **Mr. McCarvill** commented that when sports, mostly hockey and basketball, announce a resumption of their schedule things will begin to improve.

**Mr. McCarvill** stated that **Mr. Butler** would like a joint meeting of the Operations and Facilities Committee and the Finance Committee. **Mr. Lepore** said that before that meeting it would be a good idea if some commissioners did a walkthrough to understand what it will take to get us back to operational. **Mr. Hirsh** noted that he had no problem participating in a walkthrough. **Mr. MacDonald** agreed and asked how many people are we allowed to have. **Mr. Lepore** suggested that the combined meeting not take place until after June 8<sup>th</sup>.

**Mr. Hooper** said that although we have lost some business the hospital rent is making up for it. **Ms. Adamo** noted that maybe now people will know the profound effect this building has on the state and the economy.

**Mr. Hirsh** said that he would personally like to thank Dale Venturini for her work with the State. **Mr. Hooper** noted that Governor has given Dale a well-deserved shout out on several occasions.

**Mr. Mendez** questioned the layoffs at the facilities. **Mr. Lepore** said there were 66 layoffs and most that remain are working a 2 or 3 day week. He said that those not affected are security. **Mr. Lepore** reported that 13 individuals continue to work full time. Security is needed 24/7 and covers the Convention Center, the Dunk, the North and South Garage as well as the 75 Clifford Street Garage. **Ms. Parente** asked **Mr. Lepore** to provide the layoff report. **Mr. Hooper** asked if any employees are hurting. **Mr. Lepore** stated that some are doing better than others until July 31<sup>st</sup> when the extra money goes away.

Mr. McCarvill said it is very disappointing when you compare January and February's rolling forecasts to April. The shutdown has prevented what was likely to be our best fiscal year ever

**Mr. Buonanno** thanked everyone for participating and asked for a motion to adjourn. Upon a motion duly made by **Mr. Nee** and seconded by **Mr. Butler** it was unanimously

**VOTED:** to adjourn at 10:30 AM