

# SAVANNAH UPDATE

## Kelvin Moore, SVP/General Manager



# OVERVIEW

- GWCCA in Savannah
- Expansion Update
- Hotel Development Update
- FY25 Strategic Plan



# GWCCA in SAVANNAH

# Savannah Convention Center History



Georgia World  
Congress Center  
Authority



SAVANNAH  
CONVENTION CENTER

- 2000 | Opened as Savannah International Trade & Convention Center
- **2014 | GWCCA Selected as Private Manager**
  - *Renewed 4 times; Current Agreement thru 2028*
- 2017 | Expansion Planning Began
- 2018 | Renamed Savannah Convention Center
- 2019 | Legislation to Restructure Board
- 2021 | Expansion Groundbreaking
- 2024 | Anticipated Expansion Completion (Q4)

# GWCCA Scope



Georgia World  
Congress Center  
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SAVANNAH  
CONVENTION CENTER

- Day-to-Day Operations
  - *Sales, Marketing, Communications, Events Services, Capital Projects, Operations, Maintenance & Engineering, Food & Beverage, Public Safety, Parking, Finance, Human Resources, Community Outreach*
- Assist in Government Relations
- Helped Navigate Expansion Funding and Process
- Lead Position on Hotel Development
- Current Head Count | 120 (45 FT / 75 PT)

# GWCCA Team in Savannah



**Kelvin D. Moore, CMP**  
*Senior Vice President &  
General Manager*



**Alberto Rojas**  
*Vice President &  
Assistant General Manager*



**Ronnie Hickman**  
*Senior Director of Operations  
& Special Projects*



**Angela Daniels**  
*Director of Sales &  
Marketing*

# GWCCA Team in Savannah



**Jamie Parks**  
*Director of Food &  
Beverage*



**Holly Jenkins**  
*Director of Finance*



**Jacqueline Mitchell**  
*Assistant Director of  
Event Services*



**Gail Terrell**  
*Senior Human  
Resources Manager*



# EXPANSION UPDATE



# The Project



- \$276 Million Project
- Doubles Facility Size to 660,000 sq. ft.
- Doubles Exhibit Space to 200,000 sq. ft.
- Adds 44,000 sq. ft. Ballroom
- 900 Space Parking Garage (1,500 total)
- 30+ GA Based Companies
- 3,200+ Jobs in GA (500 direct construction jobs)
- \$490M Economic Impact

# Construction Delay Impacts



- Original Completion Date September 2023
- Now Slated for Year End 2024 Completion
- **\$1.3 Million** Impact to FY24
- **\$1.1 Million** Impact to FY25

# On the Books



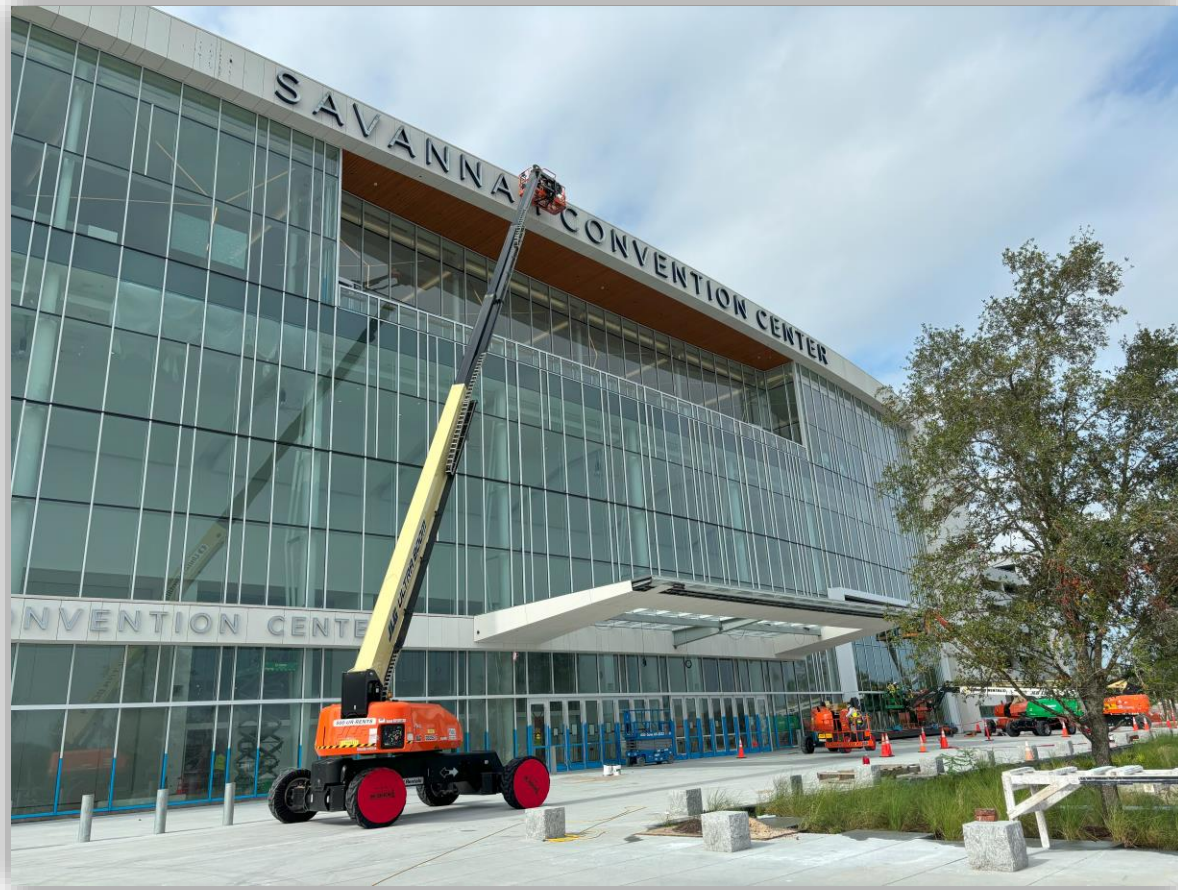
## **63 Events** on the Books Utilizing Expansion Space

- *FY25: 20*
- *FY26: 22*
- *FY27: 12*
- *FY28: 5*
- *FY29: 3*
- *FY30: 1*

# Expansion Updates (Exterior)



# Expansion Updates (Exterior)



# Expansion Updates (Interior)



# Expansion Updates (Interior)





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# HOTEL DEVELOPMENT UPDATE



# Hotel Development Update

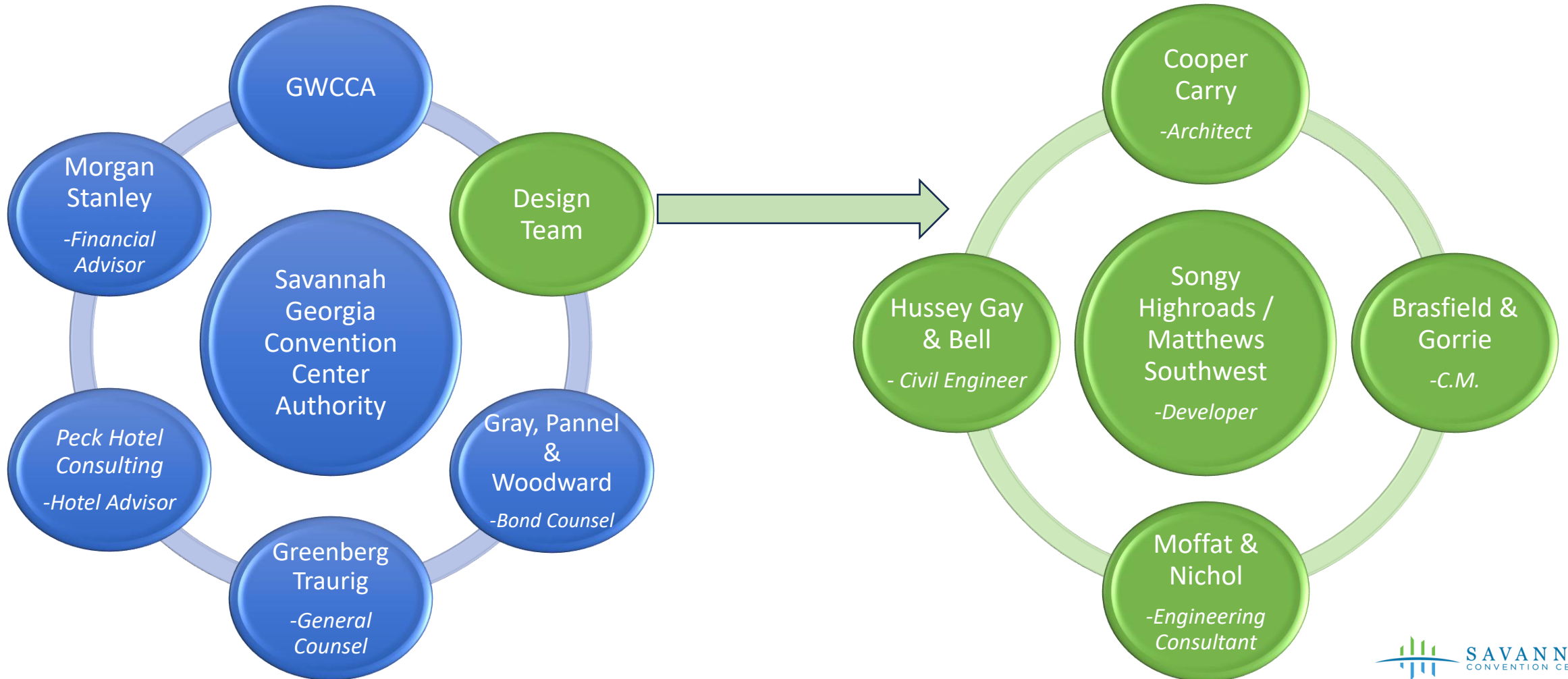
## Signia by Hilton Savannah Convention Center



- **Owner | Savannah Georgia Convention Center Authority (SGCCA)**
- **Property and Process Modeled after Signia by Hilton Atlanta GWCC**
- **GWCCA Running Process for SGCCA**
- **Preliminary Design**
  - *400 Keys (11 Levels)*
  - *40,000 sq. ft. conference space*
  - *8,500 sq. ft. pool deck*
  - *3,400 sq. ft. Club Signia*
  - *4,200 sq. ft. fitness center*
  - *2,800 sq. ft. signature rooftop bar*

# Hotel Development Update

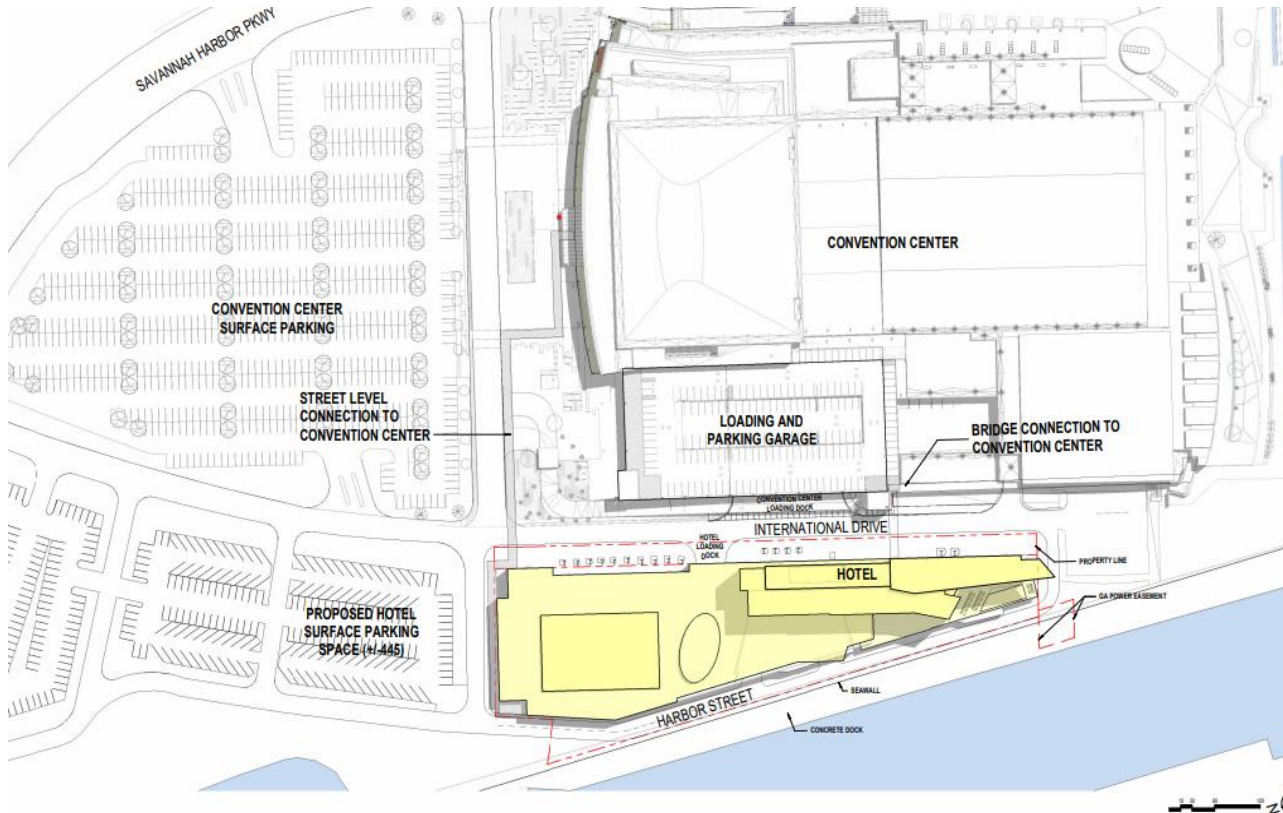
## Project Development Team



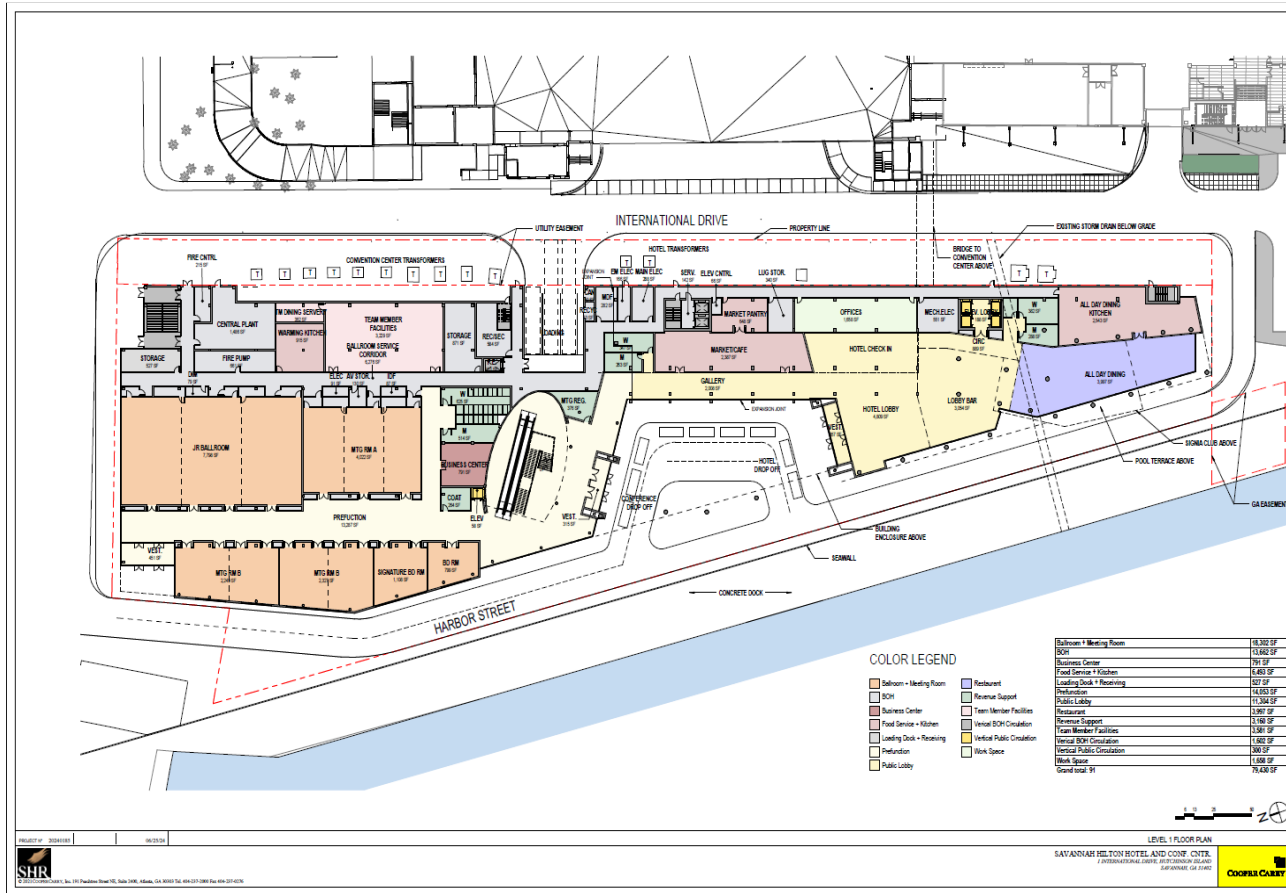
# Hotel Development Update

## Timeline To Date

- ✓ Oct. 2023 - SGCCA Project Approval
- ✓ Feb. 2024 - SGCCA Bonding Capacity Approved (\$400M)
- ✓ March 2024 - Pre-Development Agreement (Songy)
- ✓ March 2024 - Pre-Construction Agreement (Cooper Carry)
- ✓ April 2024 – Morgan Stanley Engaged as Underwriter
- ✓ June 2024 - Development Team Kickoff Meeting
- ✓ June 2024 –Hilton Term Sheet Negotiations Ongoing
- ✓ July 2024 - Preliminary Designs Presented to SGCCA
- ✓ July 2024 – Finance Work Group Formed
- ✓ Aug. 2024 – Bond Counsel Engaged (Gray Pannel & Woodward)
- ✓ Aug. 2024 – Market Study RFP Issued



# Hotel Development Update



## Still To Do

- Parcel 7 Acquisition - Ongoing
- Finalize Hilton Term Sheet
- Engage Market Study Consultant
- Preliminary Pricing Exercise
- Complete Developer Agreement with Sony
- Complete Final Design
- GMP
- Bond Sale
- Construction Document Phase
- Groundbreaking



# FY25 STRATEGIC INITIATIVES

# FY25 Strategic Initiatives

## Budget Environment

### Expansion Assumptions & Delay Impact

**Assume January 1 Opening**

**\$1+ Million Impact**

Revenue Lags Behind Expenses

Ongoing Lost Revenue  
Opportunities

### Industry Trends / New Customer Profile

**Changing Demographic**

More Sophisticated Planners & Attendees

Elevated Expectations

Value Experiences

Meaningful C.S.R. Matters

### Organizational Assessment

Stepping Up In Weight Class

Great Job with Historical Clientele

**Elevation Required to Meet the Needs of New and Desired customers.**

# FY25 Strategic Initiatives

## Revenue Drivers & Operational Efficiencies

### Strengthened Sales Effort

**Revised approach, policies & comp structure**

Yield Management

Extended "Free Sell" Window

Focus D.O.S. solely on Sales

### Corporate Partnerships

**Naming Rights**

Sub-Naming Rights

**Entitlement Zones**

Digital Advertising

Step 1 - Valuation Assessment Complete

### Review Business Unit Profitability

**Parking**

Audio Visual

Utilities

Information Technology

Other Exhibitor Services

### Operational Efficiencies

**Data Driven Decision Making**

Industry Best Practices Based Benchmarking

Increase Part Time Staff

Reduce Contract Labor Usage

# FY25 Strategic Initiatives

Elevating the Operation – Stage 1

## Elevated Service Levels

**F&B Depth**  
*(Leadership & Culinary)*

**ADOE (Event MG)**

F.T. Painter

Ops Coordinator

## Enhanced Security Posture

**24 Hour Coverage**

Add 2 F.T. Officers

More Robust 24-Hour Coverage in FY26

## Communications Program

**Marketing & Communications Manager**

Reputation Management

Proactive Messaging & Voice for the SCC

Amplify & Support Customer Efforts

## Staff Retention & Engagement

Market Adjustment (Ops / EM / Sales)

**Enhanced Education & Training**

H.R. Generalist

## C.S.R Program

Intern Program

**L.E.E.D. / Sustainability Assessment**

Strategic & Intentional Community Engagement

First Steps in Developing an C.S.R. Program



# FY25 Strategic Initiatives

Future Initiatives (FY26 & Beyond)

Elevated Service Levels	Enhanced Security Posture	C.S.R. Program
<p data-bbox="428 739 764 825"><b>Millennial Focused Enhancements</b></p> <p data-bbox="428 875 876 915">Additional Culinary Depth</p> <p data-bbox="428 961 718 1001">Greeter Program</p> <p data-bbox="428 1039 876 1079">Customer Advisory Group</p>	<p data-bbox="1034 739 1452 779"><b>Enhanced Technologies</b></p> <p data-bbox="1034 825 1360 915">Enhanced 24 Hour Coverage</p> <p data-bbox="1034 961 1421 1001">Additional F.T. Officers</p>	<p data-bbox="1640 739 2053 779"><b>Sustainability Manager</b></p> <p data-bbox="1640 825 2104 915">Implementing Assessment Recommendations</p> <p data-bbox="1640 961 2033 1051">“Doing Business With” Programs</p> <p data-bbox="1640 1096 1860 1136">Scholarships</p>



QUESTIONS?



# Hotel Project Closeout

**Melana McClatchey**  
VP, Hotel Counsel

**Janet Finlayson**  
Chief Financial Officer



# Closeout Documents

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➤ **1 open item** (as of 9/16/24)

- Gainesville Mechanical: Test and Balance report

# Hotel Punch List Items

- Of the **22,458** punch list items...there are **16 items** remaining as of 9.9.24; this means that **99%** of all punch list items are complete!

ITEM	UPDATE
JAMCO: new curtainwall trim at north courtyard	The trim is expected to be painted at a JAMCO shop on 9.11.24; next step is to coordinate installation with Hilton
KONE: repair dents in freight elevator	Waiting on Hilton to schedule a time where elevator can be shut down for eight hours
ALLEGHENY: three areas where locks are needed	Waiting on Allegheny to schedule repair date for grand ballroom mag locks and to install hospitality lounge locks; Allegheny has yet to receive the surface mounted card readers
RAYDEO: AYB glass rail work	Work scheduled to be performed on 10.1.24
GOODMAN: grand ballroom wallcovering	Drew Company waiting to receive wallcovering for Goodman to install
TITAN: install of several light fixtures and CO sensors	Level 4 event deck fixtures shipping on 9.14.24; lights in sports bar halo ( <i>Skanska work on credit to owner</i> ); eight fixtures in Club Signia between slats ( <i>working on credit proposal to owner</i> ); CO sensors in Gold Deck ( <i>working on credit proposal to owner</i> )

# Warranty Work

➤ As of 9/9/24, **10 items** are still outstanding

➤ Warranty items include:

- Leaks (5)

- Alpha-Leak at L4 AYB Expansion Joints leaking in GWCC office on L2 which requires downspout solution
- Alpha-Expansion Joint covers and concrete cracking around it - L1 (service elevator) and L2 (freight elevator)
- Alpha-B1 and B2 Water Leaks thru EJ which requires downspout solution
- Gainesville Mechanical-Leak from AC at Valet storage room
- Gainesville Mechanical Chilled Water Return Line - B2 Level Leak

- Millwork repairs (3)

- Mortenson-repair cabinet in small boardroom, millwork in nail salon area, and sports bar

- Carpet (1)

- Spectra-The carpet in the Triumph Ballroom and Meeting Rooms 1133 and 1135 was defectively supplied and installed. The carpet is being replaced in the meeting rooms and Spectra is paying the Authority \$67K in lieu of replacing the carpet in Triumph Ballroom as it would require that the ballroom be unusable for a significant period of time.

- AYIB (1)

- Goodman-Rusting underneath level 4 AYIB

➤ **All warranties began January 4, 2024, and run for a period of one year**

# Financial Exposure Update

ITEM	COST	NOTES
Guest Tek	\$363,091	<ul style="list-style-type: none"> <li>➤ Vendor claim for delays, travel, etc.</li> <li>➤ Drew is going back and forth with the vendor to substantiate the claim</li> </ul>
Pavers	TBD	
Hotel Gold Deck	\$300,000	<ul style="list-style-type: none"> <li>➤ Parking modifications and improvement</li> </ul>
Carpet at connection between Building B and C and Triumph Pre-function Flooring	\$100,000	<ul style="list-style-type: none"> <li>➤ The existing GWCCA carpet and the new Carpet outside of Triumph Ballroom are not complementary; pre-function flooring at Triumph Ballroom is not performing well-the tile is cracking at edge where the tile and carpet</li> </ul>
Hilton Requests (various)	\$115,000	<ul style="list-style-type: none"> <li>➤ Electrical upgrades, directional elevator pads, service elevator balusters</li> </ul>
DAS ROM	\$500,000	<ul style="list-style-type: none"> <li>➤ Distributed Antenna Systems (DAS) enables guests to enjoy robust cell service no matter where they are in the hotel, but particularly in the upper floors</li> <li>➤ GWCCA initiated process during hotel construction phase, but the third-party we were working with was unsuccessful in securing carrier participation</li> <li>➤ GWCCA to issue another RFP and contribute to the project</li> </ul>
<b>TOTAL</b>	<b>\$1,378,091</b>	

# Financial Update

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- **Remaining Balance in Development Account: \$1,972,980.35**
- **Interest Earned on Construction Account through 8/31/24: \$10,189,247.64**
- **Total Balance of Available Funds: \$12,162,227.99**
- **\$12,162,227.99 - \$1,378,091.00 (value of cost exposure) = \$10,784,136.99**



# Reserve Account Balance and Letters of Credit

## Bond Reserve Fund Tracking (Cash)

Reserve Fund	Target	Actual	Actual	Thru 8/31	Forecast
		Q1	Q2	Q3	Q4
First Tier Debt Service	26,083,200	58%	59%	59%	95%
Second Tier Debt Service	15,541,769	0%	0%	0%	0%
Senior Supplemental	17,388,800	100%	100%	100%	100%
Subordinate Supplemental	15,541,769	17%	21%	24%	47%

# Executive Session

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Sign  
by H

# Questions?



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# 15-Minute Break



# Campus Development: Master Plan

**Ken Stockdell**

**Director, Program and Project Management**

**Sheba Ross**

**Global Practice Director**

**Cities & Communities, HKS**



# Questions?



# Campus Development: Entertainment Project

**Kevin Duval**  
Chief Executive Officer

**Pargen Robertson**  
Chief Legal Officer





# Questions?