



Durham Convention Center Authority Board Meeting

Thursday February 27, 2025

On site meeting at Durham Convention Center 11:30-1:00

DCC Authority Members Present: *Pashara Black, Ari Medoff, Nicole Thompson, Matthew Clobridge, Susan Amey, ~~Laronte Bryant~~, and Joye Speight*

Spectra Venue Management (SVM) Present: *Rebecca Bolton by Teams, ~~My Tran~~, Nick Hancock and Nick Reid*

City and County Representatives Present: *David Ades, Trish Creta, Tim Flora, April French, Jina Propst, ~~Al Walker, Karmisha Wallace, Shaunecie Wardick, Reggie McBurrows, Maurice Jones~~ and Darlene Dollar*

I. MEETING CALLED TO ORDER AND APPROVAL OF MINUTES

Joye called the meeting to order at 12:00pm. The meeting minutes from January 2025 were voted on with Nicole making a motion to accept and Susan made a second motion to accept. All the Board Members voted to accept the January 2025 meeting minutes.

II. Owners Administrative Report

The Fund Balance is very healthy. The Convention Center is looking at a \$429,000 loss, managing the bottom line. The Fall season is down, scrambling with small events and deferred maintenance issues. The Air Lease is good and healthy. Capital Expenditures mid-year at \$212,000. *Security phase 1 & 2* is underway and soon to be completed which will clear up confusion on the rules of the property. Phase 1, the loading dock area will be completed by 3/12/25. Phase 2, card swipe access for exterior doors and some interior doors by the end of year. The DCC *restroom updates* have been cut back with the remodel to be done next year. The DCC *walk-in-cooler* needs to be rebuilt, and *3 kitchen ovens* are out of commission looking at replacing them. The *Marriott and Shaner* (along with DCC putting money towards the effort) are set to have the facade cleaned which will take about 10 weeks will include the stone will receive a deep clean

and a water sealant added, as well as replacing the joint compound caulking to a dark smokey gray color, also the Marriott Tower windows will be replaced, and the hotel restrooms will be updated. The money that DCC will allocate for these enhancements at the hotel is why some items for the DCC will have to be deferred. Ari asked what is the occupancy rate downtown? Per Becky, the hotel will not share that information. Jina added that the % is based on occupancy. Ari mentioned that the Star report was a good resource. Becky said that the Star report numbers are skewed. In 2025 68.5% was the downtown occupancy rate whereas the RTP area was at 65% at \$114.00 average per night. Looking at the manager's report showed January 2025 was \$21,000 behind but noted the DCC was hit with \$16,000 of repair work. One event that ran from the end of December into January shows under January 2025 information. The DCC had several weather events which caused schedules to be deferred, rescheduled or cancelled. The 2 Fall events that the DCC could normally count on will not be back those events were Nursing and Computer Science. *Rolling Forecast:* a shout out to Ari for connecting the NC Brewers Association with DCC. Russ Haddad, with the NC Brewers Association Board of Directors, has decided to have the event in Durham this year which will take the whole building. The Brewers Association will switch from Greensboro to Durham every other year, this is a great opportunity for the DCC. Pashara mentioned that she had been downtown and saw a lot of people in town for the dance competition. Becky said the dance competitions are a great source with 9000 events and 10000 dance moms with all regional competitions happening in Durham. Also, Microsoft will have an event for the first time this fall. *Staff Updates:* a shout out to Nick Reid for all the hard work getting folks on board. A lot of work, especially when the new trend is working gigs unless you can offer full-time. DCC current Open Positions include Director of Operations, Operations Manager, and Director of Food & Beverage. DCC recently filled several positions, Executive Chef is Anthony Copeland, Operations Tech is David Williams, and Events Coordinator is Asjah Belvin. Pashara asked if there is a long-term strategy for hiring full-time and temporary employees? Becky said they thought that the daily pay program would be a good way to entice part-time hires (daily pay is where the person can receive a % of their pay for a small fee) but it does not seem to be helping. Susan added that if vacant positions cannot be filled now how would it be with a new convention center. Ari asked who at Oakview is there to offer you help? Becky said that Oakview has HR, Compensation, and Operators which serve as good resources. The Budget for FY26 is \$3.4 million. The budget for FY25 is \$3.2 million, flat budget, with repairs, maintenance, benefits, insurance all going up. Susan added that where she works, they are expecting a flat budget as well. The FY26 Budget was voted on by the Board with Ari making a motion to accept, Susan seconded the motion, and all Board Members accepted the budget. For FY26 expenditures are HVAC, door repairs, cooling tower repair, meeting room lights. The DCC has \$800k in events confirmed and paid but a total of \$1.6m built out. Joye asked if DPLEX was involved with any of the DCC events. Nick and Becky said they could pull the report showing DPLEX events but noted the 2024 Annual Report showed \$426k DPLEX events. The Public Art has not happened, the artist is local, right now looking at mediation.

III. Financial Performance Review

10 events were hosted in January, grossing \$175,190. This resulted in an overall net loss of (\$68,079), a \$21,634 negative variance to budget.

Notable events included:

StarQuest Int'l - Staff Training	\$	77,806
Techo-Bloc Corp: Hardscaper Showcase	\$	31,881
Unplugged Gaming	\$	31,343
Endless Talent: Dance Competition	\$	23,609
Willie Jennings - Joanne's Birthday Celebration	\$	12,416
Duke School of Nursing: Education Supervisor Onboard	\$	12,192

YTD net loss stands at (\$252,438), a \$31,003 positive variance to budget.

With gross revenue running at 100% of budget YTD, indirect expenses have been managed to only 95% of budget, allowing for the positive year to date variance.

The rolling forecast projects ending the year with a net loss of (\$429,690), a \$4,977 positive variance to budget.



CITY OF DURHAM
GENERAL SERVICES DEPARTMENT
2011 Fay Street
Durham, North Carolina 27704
Phone: (919) 560-4197
Fax: (919) 560-4970

DURHAM CONVENTION CENTER FUND For the Month Ended January 31, 2025

	FY 2025 Budget	Year to Date Actual	FY 2025 Projected
Fund Balance - Beginning	\$ 1,888,869	\$ 1,888,869	\$ 1,888,869
Net Income/(Loss) from Oak View Group Operations:	\$ (434,667)	\$ (252,438)	\$ (429,690)
Other Revenue:			
Interest Income	\$ 89,047	\$ 39,859	\$ 89,047
Air Lease	325,000	257,070	460,000
Owner Contribution-Durham County	458,000	-	250,000
Owner Contribution-City of Durham	458,000	-	250,000
Total Other Revenue:	\$ 1,330,047	\$ 296,929	\$ 1,049,047
Other Expense:			
Staff Salary & Benefits	\$ 46,360	\$ 26,111	\$ 46,360
Buildings	566,298	-	566,298
Performance Incentive	234,120	-	234,120
Other	25,000	15,750	15,750
Total Other Expense:	\$ 871,778	\$ 41,861	\$ 862,528
Net Income/(Loss):	\$ 23,602	\$ 2,630	\$ (243,171)
Fund Balance - Ending	\$ 1,912,471	\$ 1,891,499	\$ 1,645,698
Capital Budget FY25 - Buildings:			
Bathroom Design and Renovation (carryover from FY24)	\$ 100,000	\$ -	\$ 100,000
Kitchen-Phase 3 (carryover from FY24)	40,000	-	40,000
Leftover from FY24 for environment services contract	210	-	210
Exterior signage	141,088	-	141,088
Entrance doors	120,000	-	120,000
Scissor lift-JLG 19' (will look for used)	15,000	-	15,000
Flooring upgrades-offices \$10sf X 2000 sf	20,000	-	20,000
Office reconfiguration and furniture	30,000	-	30,000
Meeting room doors- replace with wood (6)	50,000	-	50,000
Wallcovering upgrades (MR & JR BR Paint)	40,000	-	40,000
Wall Sconces	10,000	-	10,000
Total	\$ 566,298	\$ -	\$ 566,298

IV. Convention Center Updates

The next step would be to hire a consultant to prepare the RFP would cost \$200k. Joye said she watched the Durham County presentation which was very good with a lot of good questions. Is there a clearing house for the questions on the RFQ? Jina said yes. Becky mentioned that Mike Lee (with Durham County) mentioned he attended an event in Raleigh due to the size of the convention but noted the group was out of Durham.

V. Wrap Up and Adjourn

At 12:59pm a motion was made by Joye to adjourn the meeting. Nicole made a motion to adjourn. Ari seconded the motion. All members voted to adjourn the meeting.