

Agenda

Board of Directors

Friday, October 4, 2024

**** 8:30 a.m. ****

**Kent County Administration Building
300 Monroe, NW • Grand Rapids, MI 49503**

- | | | |
|----|---|--------------|
| 1. | Call to Order | Richard Winn |
| 2. | Minutes of August 23, 2024 | Action |
| 3. | Committee Reports | |
| | A. Finance Committee | |
| | i. Resolution Approving Agreement with the City Related to Parking Structure Project Bonds | Action |
| | ii. Resolution Approving Budget Amendments as Presented | Action |
| | iii. Resolution Approving Stadium Financials and Recommending Amendment to Operating Agreement to Include Stadium | Action |
| | iv. Consolidated Financial Statements for Period Ending August 31, 2024 | Action |
| | v. ASM Financial Statements for Period Ending August 31, 2024 | Information |
| 4. | Public Comment | |
| 5. | Board Member Comments | |
| 6. | Adjournment | |

****Please note that the start time is approximate. The CAA Operations Committee meeting started at 8:00AM, followed by the CAA Board meeting. Timing for the CAA Board meeting varies based on how long the Committee meeting takes.****

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS
300 MONROE AVENUE, NW | GRAND RAPIDS, MI
FRIDAY, August 23, 2024**

Attendance:

Members Present: Richard Winn, Chairperson
Rosalynn Bliss
Lew Chamberlin
Krista Flynn
Birgit Klohs
Stanley Stek

Members Absent: Michael Verhulst

Staff/Others:	Chris Anderson	ASM Global
	Kate Berens	City of Grand Rapids
	Kate Carlson	<i>Crain's Grand Rapids Business</i>
	Scott Gorsline	DP Fox
	Tim Gortsema	Grand Rapids Griffins
	Jen Henkel	ASM Global
	Mark Hodges	Grand Rapids Comic Con
	Jennifer Kasper	City of Grand Rapids
	Chris Machuta	ASM Global
	Rich MacKeigan	ASM Global
	Cheri McConomy	McConomy Properties, LLC
	Jackie Morse	ASM Global
	Torrance Richardson	Gerald R. Ford International Airport
	Brad Thomas	Progressive Companies
	John Van Houten	Progressive Companies
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	Brittany DeVos	CAA
	Tim Wondergem	Integrated Issues Advisors
	Jessica Wood	Dickinson Wright
	Mary Manier	Experience Grand Rapids
	Dawn Baker	ShowSpan
	Eddie Tadlock	ASM Global
	Steve Jbara	Grand Rapids Gold
	Connor Woodruff	ASM Global
	Dave Broekstra	ASM Global
	Josh Spencer	Kent County

1. Call to Order

The Chairperson, Richard Winn, called the meeting to order at 8:35 a.m. Staff recorded the meeting minutes.

2. Minutes of June 7, 2024

Motion by Ms. Klohs, supported by Mr. Chamberlin, to approve the June 7, 2024, Board Minutes. Motion carried.

3. Committee Reports

A. Operations Committee

i. Experience Grand Rapids Report

Mary Manier provided an overview of the CVB’s sales activities and marketing efforts for July and August 2024. In July, the annual state summer celebration was held in Lansing. 65 planners were in attendance, plus partners. Staff traveled to DC in July and August to meet with clients to discuss RFP potential. The Experience GR Taphouse was successful and brought back 4 RFP’s. In July and August, staff hosted 14 groups for site visits, as well as 3 groups for future conventions. New opportunities for the convention center include: 3 new opportunities for 2025, 7 for 2026, 5 for 2027, 1 for 2028, and 1 for 2029. Two large new future bookings include The National Association of Free Will Baptist that will hold its annual convention in July of 2027, including over 5,000 people, and over 3,800 guest rooms. Also, The National Indian Education Association will hold its annual convention and trade show in Oct. of 2027 including over 2,000 people and 3,000 room nights.

B. Finance Committee

i. Consolidated Financial Statements for Period Ending June 30, 2024

Motion by Mr. Chamberlin, supported by Mr. Stek, to accept the consolidated financial statement for the period ending June 30, 2024. Motion carried.

4. Renewal of Directors’ and Officers’ Insurance

Motion by Ms. Klohs, supported by Mr. Chamberlin, to approve the renewal of Directors’ and Officers’ insurance. Motion carried.

5. Resolution Approving Memorandum of Understanding Between the City of Grand Rapids, the Grand Rapids – Kent County Convention/Arena Authority, City of Grand Rapids Downtown Development Authority

Ms. Bliss, supported by Mr. Chamberlin, moved the adoption of the following resolution:

WHEREAS, the City of Grand Rapids (the “City”) is a Michigan Municipal Corporation and Home Rule City, created and operating pursuant to the Home Rule City Act, Act 279 of 1909, as amended; and

WHEREAS, the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) is an authority created by the City and Kent County, Michigan (the “County”) pursuant to Act 203 of the Public Acts of Michigan of 1998, as amended (“Act 203”), for the purpose of acquiring land and the development of certain facilities including entertainment and sports facilities; and

WHEREAS, the City of Grand Rapids Downtown Development Authority (the “DDA”) is an authority created by the City pursuant to Act 197 of the Public Acts of Michigan of 1975, as recodified in Part 2 of Act 57 of 2018, as amended, for the purposes of halting property value deterioration, increasing property tax valuation and promoting economic growth within the City; and

WHEREAS, the CAA, together with the support of the City, the County, Grand Action 2.0, and other public and private partners, has determined to cause the construction of, own, and operate an approximately 12,000 person capacity amphitheater facility located at or in the vicinity of 201 Market Avenue, S.W. within the City (the “Acrisure Amphitheater”); and

WHEREAS, pursuant to Section 517 of Act 34, Public Acts of Michigan, 2001 as amended, the City issued its \$72,770,000 Limited Tax General Obligation Bonds, Series 2024 (the “Bond”), dated June 11, 2024, of which, Twenty Million Five Hundred Thousand Dollars (\$20,500,000) is intended for the Project, as defined below, the debt service to be paid for with DDA revenues (the “DDA Portion of Bonds”); and

WHEREAS, the parties agree to enter into a Memorandum of Understanding (“MOU”) for the purpose of outlining their respective roles relating to the development, financing, construction, ownership, and operation of the Acrisure Amphitheater in downtown Grand Rapids (the “Project”).

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the MOU, in substantially the form attached, which the CAA has caused to be prepared, with such modifications not materially adverse to the CAA approved as to form by CAA Legal Counsel and as to substance by the CAA Board Chair, is hereby approved.
2. That the Chairperson of the Board of Directors of the CAA is authorized and directed to execute the approved MOU for and on behalf of the CAA.
3. That the CAA Board Chair, Executive Director, and Contracted Finance Officer are authorized and directed to work with Grand Action 2.0, the DDA, and the City to determine and ensure the lawful use of the DDA Portion of Bonds.
4. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded.

Resolution Declared Adopted

6. Public Comments

None

7. Board Member Comments

Mayor Bliss described how mussels will be removed from the Grand River in the downtown area, and will be relocated both up and down river. This needs to happen before we are given permission to remove the 4 lower dams.

Ms. Klohs revealed that the airport convention will be held at the DeVos Place Convention Center this year.

8. Adjournment

The meeting was adjourned at 8:47 a.m.

Brittany DeVos, Recording Secretary

**GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY**

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF AGREEMENT
BETWEEN THE CITY OF GRAND RAPIDS -KENT COUNTY
CONVENTION ARENA AUTHORITY AND THE CITY OF GRAND RAPIDS
RELATED TO PARKING STRUCTURE PROJECT BONDS**

WHEREAS, in 2000 Kent County (the “County”) and the City of Grand Rapids (the “City”) established the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) and entered into a Grand Rapids-Kent County Convention/Arena Authority Operating Agreement dated as of March 29, 2000; and

WHEREAS, the CAA is proposing to construct, own, and operate a parking structure to provide capacity for visitors to the Acrisure Amphitheater and the surrounding area (the “Project”); and

WHEREAS, the City has indicated its willingness to issue limited tax, general obligation capital improvement bonds in order to finance the Project (the “Parking Structure Project Bonds”); and

WHEREAS, the CAA shall be responsible to pay the debt service on the Parking Structure Project Bonds and to fund a debt reserve account equal to 150% of the annual debt service payments on the Parking Structure Project Bonds, as required; and

WHEREAS, under the CAA’s Articles of Incorporation, both the City and the County are required to approve agreements, obligations, or commitments by the CAA that are longer than five years in duration; and

WHEREAS, the CAA now wishes to enter into an agreement with the City relating to its obligations in conjunction with the Parking Structure Project Bonds, contingent upon necessary City and County approvals.

RESOLVED:

1. That the Agreement Between the City of Grand Rapids-Kent County Convention Arena Authority and the City of Grand Rapids Related to Parking Structure Project Bonds (the “Parking Structure Project Bonds Agreement”) between the CAA and the City, in substantially the form presented at this meeting, (Attachment A), is approved, and the Chairperson is authorized and directed, contingent upon approvals by the City and County, to execute the Parking Structure Project Bonds Agreement, for and on behalf of the CAA.

2. That all prior resolutions or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby rescinded.

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: October 4, 2024

Administrative Manager/Recording Secretary

CERTIFICATION

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on October 4, 2024, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: October 4, 2024

Administrative Manager/Recording Secretary

ATTACHMENT A

**AGREEMENT BETWEEN THE CITY OF GRAND RAPIDS -KENT COUNTY
CONVENTION ARENA AUTHORITY AND THE CITY OF GRAND RAPIDS
RELATED TO PARKING STRUCTURE PROJECT BONDS**

AGREEMENT BETWEEN THE CITY OF GRAND RAPIDS -KENT COUNTY
CONVENTION ARENA AUTHORITY AND THE CITY OF GRAND RAPIDS RELATED
TO PARKING STRUCTURE PROJECT BONDS

THIS AGREEMENT (“Agreement”), made and entered into as of _____2024, by and between the City of Grand Rapids, a Michigan municipal corporation, the principal business address of which is 300 Monroe Avenue NW, Grand Rapids, Michigan 49503 (the “City”), and the City of Grand Rapids-Kent County Convention Arena Authority (the “CAA”), an authority organized and existing pursuant to Act 203, Public Acts of Michigan, 1999, as amended (the “Act”), the principal business address of which is 303 Monroe Avenue NW, Grand Rapids, Michigan 49503 (the “CAA”).

RECITALS

A. The Act authorizes the CAA to, among other things, develop, acquire, market, promote, construct, improve, enlarge, renew, renovate, replace, lease, equip, furnish and operate convention facilities and related facilities, including sports and entertainment facilities, markets, meeting rooms, exhibition areas, and related adjacent public areas, including parking lots or structures, necessary and convenient for use in connection with such facilities.

B. The CAA together with the support of the City, Kent County, Grand Action 2.0, and other public and private partners, has determined to cause the construction of, own, and operate an approximately 12,000 person capacity amphitheater facility, located at or in the vicinity of 201 Market Avenue, S.W. within the City (the “Acrisure Amphitheater Project”).

C. The City and Kent County, under that separate Grand Rapids-Kent County Convention/Arena Authority Operating Agreement dated March 29, 2000, as has been subsequently amended, and as may be hereafter further amended or restated, allows for the CAA to operate the Acrisure Amphitheater Project, together with other facilities (the “Operating Agreement”).

D. One necessary aspect of the Acrisure Amphitheater Project is the construction of a public parking structure, which will serve the needs of the Amphitheater and various CAA venues (the “Parking Structure Project”). The Parking Structure Project is a part of the Acrisure Amphitheater Project.

E. The City intends to issue limited tax, general obligation capital improvement bonds in an amount not-to-exceed \$24,300,000, to finance the design, purchase, acquisition, construction, and installation of certain capital improvements consisting of the acquisition and construction of a multi-story precast concrete parking deck, greening, and top floor and street level activation and concessions infrastructure, for the Acrisure Amphitheater located at or in the vicinity of 201 Market Avenue, S.W. within the City as well all other work, furnishings, fixtures and equipment, and site improvements necessary and incidental thereto for the benefit of the City (the “Parking Structure Project Bonds”). The term “Parking Structure Project Bonds” as used herein shall also refer to any subsequent bonds, or portions of bonds, issued to refund the Parking Structure Project Bonds, specifically.

F. The City published a Notice of Intent in connection with the Parking Structure Project Bonds on July 16, 2024, and anticipates that its City Commission will consider a Bond Authorizing Resolution authorizing the issuance of the Parking Structure Project Bonds under Act 34 of 2001, as amended, on or about October 8, 2024.

G. The City and the CAA execute this Agreement in order to delineate the structure and process outlining how the proceeds of the Parking Structure Project Bonds will be used to fund the construction of the Parking Structure Project, and how the CAA will periodically pay to the City from its available revenues such amounts as necessary to pay the debt service on the issuance and any costs associated therewith when due, and agree to execute any further agreements setting forth all terms and conditions necessary to effectuate this Agreement.

AGREEMENT

The City and the CAA agree as follows:

1. The CAA approves the financing of the Parking Structure by the issuance of the Parking Structure Project Bonds in an amount not-to-exceed \$24,300,000, or an amount as determined by the City Commission within the scope of the authorized Notice of Intent.
2. The City agrees that if the Parking Structure Project Bonds are issued, it will use or cause others to use, the bond proceeds to fund statutorily-eligible improvements and costs as authorized within the Parking Structure Project Bond Resolution and related bond indenture.

3. The CAA hereby pledges and agrees to pay the City each year, on a date mutually agreed to by the parties in writing, from any legally available CAA revenues from any and all of the facilities operated by the CAA under the Operating Agreement (collectively the “CAA Revenues”), the amount necessary to pay debt service on the Parking Structure Project Bonds.

4. The CAA shall fully fund an account, held by the City, in an amount equal to one hundred fifty percent (150%) of the average annual debt service due on the Parking Structure Project Bonds, as of the date directed by the City’s Chief Financial Officer to support the issuance of the Parking Structure Project Bonds. This account shall be known as the Debt Reserve Account.

(a) The City will hold the Debt Reserve Account funds until they are either used to pay the Parking Structure Project Bonds or returned to the CAA as set forth in this Agreement.

(b) Interest or investment income earned on the Debt Reserve Account shall be paid on an annual basis to the CAA by the City.

(c) In the event that CAA Revenues in any given year are insufficient to pay the amounts required to be paid by this Agreement, the City shall first draw upon the Debt Reserve Account to pay the debt service. Use of the Debt Reserve Account is authorized without additional CAA approval or consent as further described in this Agreement. If the balance within the Debt Reserve Account falls below the required levels at any time during the period of this Agreement, the CAA shall be obligated to deposit additional funds, subject to a Debt Reserve Account replenishment plan approved by the City’s Chief Financial Officer, Bond Counsel, and City Attorney, and Kent County Corporation Counsel shall be informed of the Debt Reserve Account replenishment plan.

(d) Any funds remaining in the Debt Reserve Account shall be returned to the CAA upon full repayment of the Parking Structure Project Bonds.

5. The parties acknowledge that a failure by the CAA to replenish the Debt Reserve Account as provided in paragraph 4 of this Agreement constitutes an insufficiency and that such insufficiency shall be subject to the “Operating Deficits” provisions in the Operating Agreement, the terms of which are incorporated herein. In the event that the CAA shall fail to make a

payment to the City required by this Agreement at the time specified in this or a further agreement, the City shall have all rights and remedies provided by law to enforce the obligations of the CAA in addition to any rights or remedies provided for in this or any other agreement.

6. The CAA hereby acknowledges that the City will issue the Parking Structure Project Bonds in reliance upon this Agreement and promise of the CAA to pay to the City from its CAA Revenues the amounts necessary to pay the principal of and interest of the Parking Structure Project Bonds.

7. This Agreement may not be modified except in writing, signed by both parties, or their authorized representatives. The parties agree to execute any further agreements to effectuate the agreements herein, and all such agreements shall be in writing, signed by both parties or their authorized representatives. It shall not be affected by any course of dealing. The captions are for reference only and shall not affect its interpretation.

8. This Agreement is contingent upon the City issuing the Parking Structure Project Bonds and applying, or causing another party to apply, the proceeds to statutorily-eligible improvements and costs only as authorized in the Parking Structure Project Bond Resolution.

9. If in any judicial proceeding, a court shall refuse to enforce any part of this Agreement, the unenforceable portions shall be deemed eliminated from the Agreement to the extent necessary to permit the remaining portions to be enforced.

10. The CAA shall not assign its rights or obligations hereunder without the consent of the City. The provisions of this Agreement shall be in full force and effect and binding upon the successors and assigns of the Parties.

11. Consistent with the City Charter, this Agreement shall be in effect for no longer than forty (40) years from execution or for as long as it takes to pay the entire amount of the Parking Structure Project Bonds, whichever is earlier, and the parties may agree to further extensions, if necessary, subject to appropriate approval authority.

[Signature page follows.]

The parties have executed this Agreement as of the date first written above.

CITY OF GRAND RAPIDS

By:

Rosalynn Bliss
Its: Mayor

And:

Joel H. Hondorp
Its: Clerk

CITY OF GRAND RAPIDS-KENT COUNTY
CONVENTION ARENA AUTHORITY

By:

Richard Winn

4861-1184-8172 v1 [61448-994]

**GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY**

RESOLUTION APPROVING BUDGET AMENDMENTS AS PRESENTED

WHEREAS, in 2000 Kent County (the “County”) and the City of Grand Rapids (the “City”) established the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) and entered into a Grand Rapids-Kent County Convention/Arena Authority Operating Agreement dated as of March 29, 2000; and

WHEREAS, the CAA is proposing to construct, own, and operate an amphitheater (the “Acrisure Amphitheater”) and a related parking structure, to provide capacity for visitors to the Acrisure Amphitheater and the surrounding area (the “Projects”); and

WHEREAS, in order to properly budget for its commitments related to the Projects, and for other ongoing operations and maintenance activities, it is necessary to amend the budget.

RESOLVED:

1. That the budget amendments as presented and discussed at this meeting and as reflected on Attachment A are hereby approved.
2. That all prior resolutions or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby rescinded.

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: October 4, 2024 _____

Administrative Manager/Recording Secretary

CERTIFICATION

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on October 4, 2024, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: October 4, 2024

Administrative Manager/Recording Secretary

ATTACHMENT A

MEMORANDUM RELATING TO REQUESTED BUDGET AMENDMENTS

Memorandum

To: CAA Board Members

From: Richard MacKeigan, Executive Director

Date: October 4, 2024

Re: FY25 Capital Budget Amendment Request

This Capital Budget Amendment Request includes a number of items designed to support the long-term success of the facilities.

Right-size FY24 carryover and FY25 new projects

A net total of \$115,984 is necessary for FY24 carryover and FY25 new projects originally approved with the FY25 budget:

	Original Budget	Revised Budget
Van Andel Arena®		
Elevator/Escalator Modernization	\$ 550,000	\$ 500,000
Ice Deck Covering	160,000	115,400
DeVos Place®		
Chiller Tie-in	750,000	890,000
Flooring/Carpeting	1,060,000	1,000,000
Carryover Projects		
Both Surveillance	145,000	278,276
Both Radio Upgrades	-	197,529
VAA Volleyball Court, Equipment & Install	36,525	-
VAA Fencing	215,000	85,200
VAA Zamboni	<u>125,000</u>	<u>91,104</u>
Total	<u>\$3,041,525</u>	<u>\$3,157,509</u>

These changes primarily a result of previous year projects that could not be completed for supply issues before the fiscal year end.

Emergency Repairs/Replacements

The DeVos Place HVAC system includes a number of chillers that service only certain areas of the facility. The FY25 chiller tie-in project is addressing this issue, however, it was determined that a \$120,000 compressor motor for chiller 2 requires replacement for this project to work as intended.

In a routine pre-season test of the Arena ice system, the ice plant compressor failed and required immediate replacement for \$100,000. With the Griffins season home-opener scheduled for October 11, this project has already begun – requesting approval to move from an operating expense to capital.

Convention Center elevator V3 emergency repair for \$32,000. During annual maintenance agreement review it was determined that the pump motor required repair and the elevator taken out of service. This project has also begun in order to minimize disruption to operations with request to add to the approved capital list.

Amphitheater Parking Ramp Debt Service Reserve Funding

A key resource for the successful operation of the coming Amphitheater is a parking structure that is accessible for events and visitors. Conditioned upon the approval of this budget amendment request, the City of Grand Rapids (the City) is prepared to issue LTGO (Limited Tax General Obligation) bonds backed by their full faith and credit and taxing power to finance this construction provided the CAA commits to the repayment of the bonds via available revenues of the CAA, including, but not limited to, net revenues of this facility. Included on the agenda is a resolution to approve this agreement with the City including a requirement to establish a reserve equaling 1.5 times the annual debt service (currently calculated at \$2,013,037 assuming a bond interest rate of 3.7 percent). This reserve will be held by the City and any interest earned thereon transferred back to the CAA to offset the opportunity cost of the reserve.

Soccer Stadium Commitment

It is anticipated that the CAA financially contribute to the Soccer Stadium's capital stack as we did for the Amphitheater. This is anticipated to be \$5 million; when it is payable is still to be determined, but staff feel having it included for planning purposes is the best course of action. Reserves for the soccer stadium are included in the capital stack currently and like the Amphitheater, exceed the \$5 million participation by the CAA making this investment cash positive to the CAA once the stadium is complete.

With these changes, we are requesting an amendment to the FY25 capital budget totaling \$7,381,021.

**GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY**

RESOLUTION REGARDING SOCCER STADIUM FINANCIALS AND PROJECTIONS

WHEREAS, in 2000 Kent County (the “County”) and the City of Grand Rapids (the “City”) established the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) and entered into a Grand Rapids-Kent County Convention/Arena Authority Operating Agreement (the “Operating Agreement”) dated as of March 29, 2000; and

WHEREAS, the CAA is an authority created by the City and the County pursuant to Act 203 of the Public Acts of Michigan of 1999, as amended (“Act 203”), for the purpose, in part, of the development and operation of certain facilities as permitted by Act 203; and

WHEREAS, the CAA has been working together with the City, County, and others, toward the development, funding, and construction of a public soccer stadium (the “Stadium”); and

WHEREAS, the City and the County have expressed their support of the efforts by the CAA to develop, fund, and construct the Stadium and are willing to consider amending the Operating Agreement to authorize the development, funding, and construction of the Stadium if certain contingencies are met, including an acceptable plan of financing; and

WHEREAS, the CAA has reviewed the financials related to the proposed Stadium and find them to be a reasonable estimation of capital costs and construction, and a reasonable projection of operations.

RESOLVED:

1. That the CAA has reviewed the financials related to the proposed Stadium and finds them to be a reasonable estimation of capital costs and construction, and a reasonable projection of operations, and recommends and requests that the City and County take action to

amend the Operating Agreement to include the Stadium as a permitted facility within the scope of CAA authority.

2. That all prior resolutions or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby rescinded.

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: October 4, 2024 _____

Administrative Manager/Recording Secretary

CERTIFICATION

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on October 4, 2024, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: October 4, 2024 _____

Administrative Manager/Recording Secretary

Stadium Working Budget Overview

Expenses

Land acquisition	\$16.1 million
Design, construction, contingency & capital reserve	\$158.5 million
Total Stadium Project Costs	\$174.6 million

Revenue

Public funds in process	\$115 million
Private donations in process	\$60 million
Total	\$175 million

Proforma – Revenue Estimates

Direct Event Income

Rent	Tenant & Non-Tenant	
	Total	\$503,000
Ancillaries – Concessions & Catering		
	Total	\$1,064,500
Other Revenue – Facility Fees/Event Sponsorship		
	Total	\$480,250
Premium Seating Revenue – Non-Event		
	Total	\$212,500
Sponsorship Revenue		
	Total	\$500,000
Total Revenue:		\$2,760,250

Expenses Overhead

Operations Wages Administration	\$2,175,000
Utilities Insurance Contingency	\$580,480
Total	\$2,755,480
Net Operating Profit	\$4,770



Consolidated Financial Report
31-Aug-24

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MEDC Amphitheater Grant	7



GRAND RAPIDS-KENT COUNTY

CONVENTION / ARENA AUTHORITY

Financial Dashboard
Year-To-Date (2 Months)
August 31, 2024

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	8	6	7	7	6	6
Attendance	64,866	45,000	62,273	63,867	45,000	50,818
Event Income	\$ 1,604,659	\$ 1,225,179	\$ 1,617,644	\$ 1,165,656	\$ 793,235	\$ 1,007,362
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	73	41	41	37	28	19
Attendance	55,367	54,300	50,184	11,630	29,800	17,700
Event Income	\$ 1,204,876	\$ 752,774	\$ 813,093	\$ 546,974	\$ 488,026	\$ 432,713
				Prior Year	Budget	Actual
Operating Income (Loss)				\$ 777,931	\$ (189,305)	\$ 425,322
Capital/Repair/Replacement				(479,147)	(901,877)	(901,877)
Net - To/(From) on Fund Balance				\$ 298,784	\$ (1,091,182)	\$ (476,554)

***NOTES:**

(1) Unrestricted Fund Balance - 6/30/24 \$ 28,509,851
(unaudited)

Grand Rapids-Kent County Convention/Arena Authority

Summary by Facility/Other

Fiscal Year Ending June 30, 2025

FY 2025

	<u>7/1 - 8/31/24</u>			
	<u>Year-to-Date</u>	<u>Roll</u>	<u>Estimate⁽¹⁾</u>	<u>Budget</u>
Van Andel Arena				
Operating - Revenues	\$ 1,617,644	\$ 7,582,014	\$ 9,199,658	\$ 9,199,658
- Expenses - Facilities	(881,667)	(4,834,034)	(5,715,701)	(5,715,701)
- Base Management Fees	(33,829)	(169,144)	(202,973)	(202,973)
- Incentive Fee	-	(210,477)	(210,477)	(210,477)
Net Operating Income (Loss)	702,148	2,368,359	3,070,507	3,070,507
Parking	71,270	343,030	414,300	414,300
Pedestrian Safety	(8,761)	(123,970)	(132,732)	(132,732)
Net Proceeds (Cost) of VAA	764,657	2,587,419	3,352,075	3,352,075
DeVos Place Convention Center				
Operating - Revenues	813,093	7,433,498	8,246,591	8,246,591
- Expenses - Facilities	(1,398,311)	(7,327,953)	(8,726,264)	(8,726,264)
- Base Management Fees	(32,843)	(170,129)	(202,972)	(202,972)
- Incentive Fee	-	(195,468)	(195,468)	(195,468)
Net Operating Income (Loss)	(618,061)	(260,052)	(878,113)	(878,113)
Parking	284,191	1,746,609	2,030,800	2,030,800
Pedestrian Safety	-	-	-	-
Net Proceeds (Cost) of DVP	(333,870)	1,486,557	1,152,687	1,152,687
Other				
Revenues	168,368	1,099,632	1,268,000	1,268,000
Expenses	(173,832)	(1,292,799)	(1,466,631)	(1,466,631)
Net Other	(5,465)	(193,166)	(198,631)	(198,631)
Total Net Proceeds/Operating	425,322	3,880,809	4,306,132	4,306,132
Capital/Repair Expenditures	(901,877)	(12,922,434)	(13,824,311)	(13,824,311) ⁽²⁾
Results Net of Capital/Repair Expenditures	\$ (476,554)	\$ (9,041,625)	\$ (9,518,179)⁽³⁾	\$ (9,518,179)

Notes:

(1) Estimates compiled quarterly through third quarter (March 31) and monthly thereafter.

(2) See detailed Capital Replacement/Improvement Budget schedule on following page (tab)

(3) At fiscal year end, estimated Unrestricted Fund Balance will total approximately \$ 23,991,671

**Grand Rapids-Kent County Convention/Arena Authority
Administrative - Operating / Capital Replacement Budget
FY 2025 Budget**

FY 2025 Eligible Projects:	Budget	Actual 7/1-8/31/24	Roll	Appropriation Lapse	Requested Carryover
Van Andel Arena®					
Heating Loop Glycol Change	\$ 40,000				
Crowd Control Equipment	45,000				
Scoreboard Replacement/Scoreboard Hoist	650,000				
Forklift & Motor Vehicles	190,000	\$ 33,874			
Elevator/Escalator Modernization	500,000 (1)				
Ice Deck Covering	115,400 (1)	115,400			
Ice Plant Compressor Replacement	100,000 (2)				
Concrete	30,000				
Kitchen/Concession/Coolers/Restaurant furniture	402,000	\$ 8,475			
Total VAA	2,072,400	157,750	-	-	-
DeVos Place®					
Wifi Access Points	50,000				
Performance Hall Ambient Lights/Vantage Controls/Panels& Switchboards/UPS	335,000	59,852			
Chiller Tie-in	890,000 (1)				
Chiller Motor Replacement	120,000 (2)				
Retro Commissioning/Sequencing	200,000				
Advertising/Signage/Wayfinding	200,000	13,425			
Flooring/Carpeting	1,000,000 (1)				
Small Motor Equipment	300,000				
Surveillance	500,000				
Fire Protection	110,000				
Trash Compactor/Receptacles/Gondolas	60,000				
Seating/Risers	250,000				
Coat Racks	60,000				
Concrete	30,000	16,445			
Elevator Emergency Repair	32,000 (2)				
SICO ADA Lift & Ramp	95,000				
Total DVP	4,232,000	89,722	-	-	-
Carryover Projects					
Both Surveillance	278,276 (1)				
Both Radio Upgrades	197,529 (1)	118,517			
DVP Michigan Street Dock Doors	100,000				
DVP Performance Hall Sound Board	250,000				
DVP Projection Theater Upgrades	250,000	57,441			
VAA Floor Seating Replacement	30,000				
VAA Volleyball Court, Equipment & Install	- (1)				
VAA Video/Scoreboard	642,326				
VAA Fencing	85,200 (1)				
VAA Zamboni	91,104 (1)				
VAA Suite Refresher	595,476	478,447			
Total Carryover	2,519,911	654,405	-	-	-
Total Van Andel Arena® & DeVos Place®	8,824,311	901,877	-	-	-
New Capital Projects					
Soccer Stadium Commitment	5,000,000 (3)				
Amphitheater Parking Ramp Debt Reserve	2,013,037 (3)				
Total FY 2023 Capital Budget	\$ 13,824,311	\$ 901,877	\$ -	\$ -	\$ -

Note: The FY2025 budget, as adopted, included \$8,456,327 for capital repair/replacement projects

(1) Request to appropriate a total of \$115,984 for right-sizing FY24 carryover and FY25 new projects presented at October 4th BOD meeting

(2) The August monthly financial report includes a request to add three additional (emergency) projects totaling \$252,000 - see memo dated 10/4/24 for budget amendment request

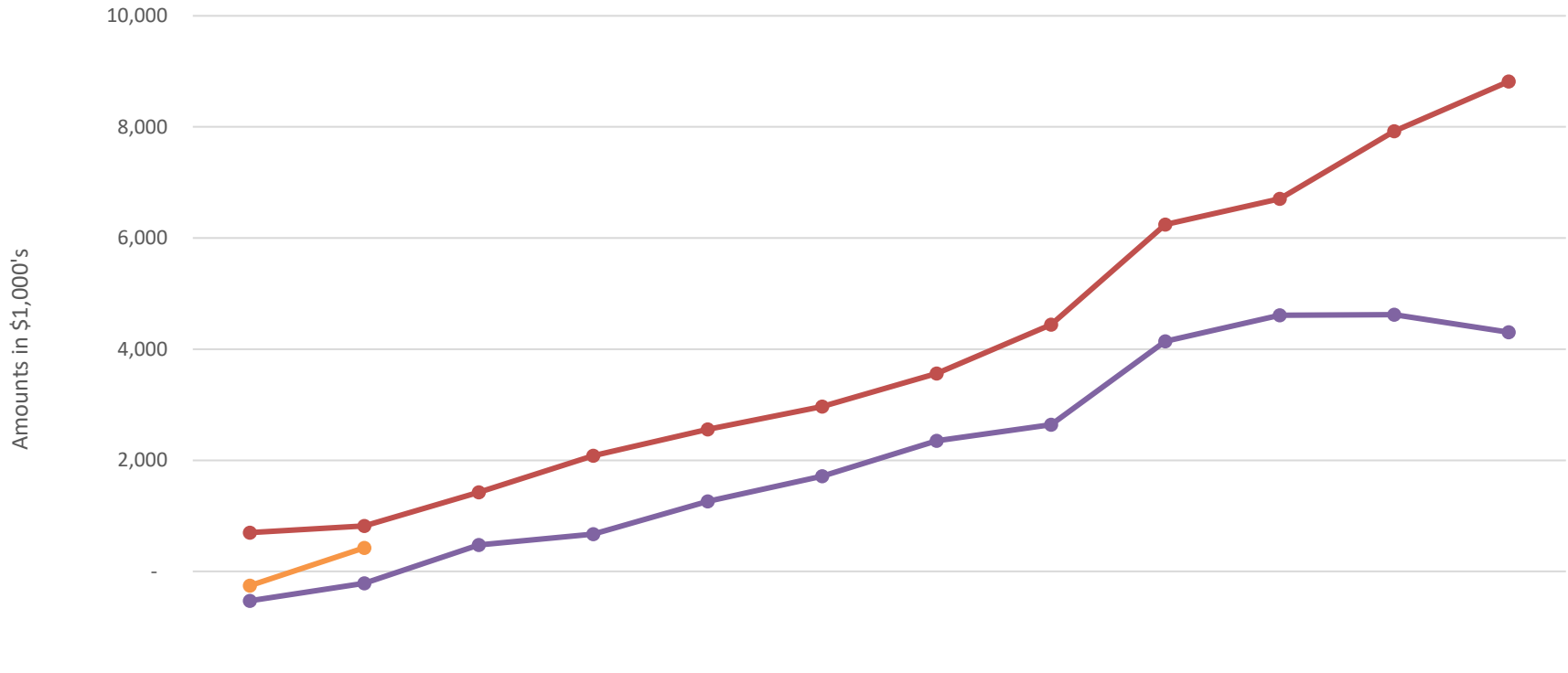
(3) The August monthly financial report also includes a request to fund the Amphitheater Parking Ramp Debt Reserve and commit to a \$5M contribution to the Soccer Stadium project - see memo dated 10/4/24 for budget amendment request

Grand Rapids-Kent County Convention/Arena Authority
Budget Summary by Facility/Other
Financial Trends for Year Ending June 30, 2025

	Annual			Year-To-Date		
	FY 2024 Unaudited	FY 2025 Budget	Change Positive (Negative)	FY 2024 7/1/23-8/31/23	FY 2025 7/1/24-8/31/24	Change Positive (Negative)
Van Andel Arena						
Operating - Revenues	\$ 11,292,425	\$ 9,199,658	-18.5%	\$ 1,604,659	\$ 1,617,644	0.8%
- Expenses - Facilities	(5,508,875)	(5,715,701)	-3.8%	(936,235)	(881,667)	-5.8%
- Base Management Fees	(197,061)	(202,973)	-3.0%	(32,844)	(33,829)	3.0%
- Incentive Fee	-	(210,477)	-	-	-	-
Net Operating Income (Loss)	5,586,489	3,070,507	45.0%	635,580	702,148	10.5%
Parking	418,442	414,300	-1.0%	73,165	71,270	-2.6%
Pedestrian Safety	(134,399)	(132,732)	-100.0%	-	(8,761)	0.0%
Net Proceeds (Cost) of VAA	5,870,532	3,352,075	-75.1%	708,745	764,657	7.9%
DeVos Place Convention Center						
Operating - Revenues	10,021,296	8,246,591	-17.7%	1,204,876	813,093	-32.5%
- Expenses - Facilities	(8,986,714)	(8,726,264)	2.9%	(1,218,868)	(1,398,311)	-216.1%
- Base Management Fees	(197,061)	(202,972)	-3.0%	(32,843)	(32,843)	0.0%
- Incentive Fee	-	(195,468)	-	-	-	0.0%
Net Operating Income (Loss)	837,521	(878,113)	204.8%	(46,835)	(618,061)	-1219.7%
Parking	1,843,892	2,030,800	10.1%	197,412	284,191	44.0%
Pedestrian Safety	-	-	0.0%	-	-	0.0%
Net Proceeds (Cost) of DVP	2,681,413	1,152,687	-132.6%	150,577	(333,870)	321.7%
Other						
Revenues	1,422,068	1,268,000	-10.8%	110,745	168,368	52.0%
Expenses	(1,155,950)	(1,466,631)	-26.9%	(192,135)	(173,832)	-9.5%
Net Other	266,118	(198,631)	-81.0%	(81,390)	(5,465)	-93.3%
Total Net Proceeds/Operating	8,818,063	4,306,132	78.0%	777,931	425,322	-45.3%
Capital/Repair Expenditures	(6,476,298)	(13,824,311)	52.0%	(479,147)	(901,877)	-88.2%
Results Net of Capital Expenditures	\$ 2,341,765	\$ (9,518,179)	71.0%	\$ 298,784	\$ (476,554)	-259.5%

NOTES: Combined net operating income of VAA & DVP is just over \$500k less than the same point in prior fiscal year.

CAA Trends Monthly Net Operating Proceeds through August 2024



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
● FY24 Actual	698	818	1,425	2,080	2,558	2,965	3,560	4,440	6,245	6,707	7,922	8,818
● FY25 Budget	(529)	(215)	478	671	1,263	1,713	2,353	2,641	4,143	4,608	4,621	4,306
● FY25 Actual	(256)	425										

Accumulative Net Proceeds by Month

Grand Rapids-Kent County Convention/Arena Authority
Administrative Accounts
Net Other Detail
August 31, 2024

	Annual			Actual		
	FY 2024 Unaudited	FY 2025 Budget	Change Positive (Negative)	FY 2024 7/1/23-8/31/23	FY 2025 7/1/23-8/31/24	Change Positive (Negative)
Other						
Revenues						
Interest/Capital Contr.	\$ 1,380,418 ⁽²⁾	\$ 1,200,000	-13.1%	\$ 110,745	\$ 168,368	52.0%
Miscellaneous	41,651	68,000	63.3%	-	-	0.0%
	1,422,068	1,268,000	-10.8%	110,745	168,368	52.0%
Expenses						
Recognition/New Venue Awareness	132,624	200,000	50.8%	892	90,556	-22312.2%
Artprize and Procurement of Art Marketing (CVB/Sports)	170,422	180,000	5.6%	150,000	-	
Diversity Initiative	200,000	200,000	0.0%	-	-	0.0%
Wages/Benefits	80,224	200,000	149.3%	5,543	10,842	0.0%
Professional Services	112,112	172,471	53.8%	9,919	14,813	-1638.8%
DID Assessment	134,169	142,356	6.1%	11,819	25,718	-1104.4%
Food & Beverage Repairs	70,169	72,902	3.9%	-	-	0.0%
Consulting Services	41,048	47,250	15.1%	-	-	0.0%
Landscaping	118,651	172,978 ⁽¹⁾	45.8%	3,000	9,240	0.0%
Insurance	40,255	43,131	7.1%	4,917	1,620	0.0%
Supplies/Other	26,208	25,542	-2.5%	5,745	16,293	-183.6%
	30,069	10,000	-66.7%	300	4,749	-1484.5%
	1,155,950	1,466,631	-26.9%	192,135	173,832	9.5%
Net Proceeds - Operating	\$ 266,118	\$ (198,631)	174.6%	\$ (81,390)	\$ (5,465)	93.3%

Notes:

⁽¹⁾ SMG-\$86,978; Potomac Strategic Development-\$36,000; Progressive AE \$50,000

⁽²⁾ Excludes \$15M and \$5M first installments received from MEDC and Kent County respectively, for Amphitheater project

Grand Rapids-Kent County Convention/Arena Authority
Special Accounts
Downtown Amphitheater Project
Grant Period: 10/1/22 to 12/31/26
Revenues/Expenses
August 31, 2024

Michigan Economic Development Corporation Grant and Contribution from Kent County

	Budget	Receipts / Expenditures
Revenues:		
State Grant	\$ 30,000,000	\$ 15,000,000
Contribution from Kent County	15,000,000	5,000,000
Expenses:		
Architecture and Construction costs	(30,000,000)	
Paid in FY 2023		(1,397,848)
Paid in FY 2024		(7,106,859)
Paid in July, 2024		(4,260,047)
Paid in August, 2024		(4,510,356)
Deferred Revenue Balance @ 8/31/24	\$ 15,000,000	\$ 2,724,890

NOTES:

- Grant Agreement Signed February 9, 2023
- First installment of \$15M received from MEDC and deposited @ LMCU 3/7/23 (deferred - revenue recognized as costs incurred)
- \$13M of grant proceeds transferred to County Investment Pool 5/5/23
- CAA Board - Memorandum of Understanding with Grand Action Foundation 2.0 (GA2.0) for reimbursement of Amphitheater architecture and construction costs approved
- Agreement regarding payment terms and closing date for Amphitheater site executed in July 2023.
- \$5M Advance Closing Payment placed in Escrow account July 31, 2023 - see 10/3/23 Capital Budget Amendment Request Memo
- First installment of \$5M billed 2/7/24, received from Kent County and deposited @ LMCU 3/1/24 (deferred - revenue recognized as costs incurred)
- Timing Limitation - All Grant Funds Must Be Spent on or Before 12/31/2026

DEVOS PLACE

DE VOS PLACE

FINANCIAL STATEMENT FOR THE MONTH ENDED AUGUST 31, 2024

Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Cheri McConomy
Tony Cima
Jeffrey Wong
David Schmid
Richard MacKeigan
Chris Machuta




DE VOS PLACE
 ROLLING FORECAST
 FISCAL YEAR ENDING JUNE 30, 2025

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	41	413	454	454	-
ATTENDANCE	50,184	556,830	607,014	607,014	-
DIRECT EVENT INCOME	337,304	3,263,379	3,600,683	3,600,683	-
ANCILLARY INCOME	348,277	3,009,477	3,357,754	3,357,754	-
OTHER EVENT INCOME	84,783	989,371	1,074,154	1,074,154	-
TOTAL EVENT REVENUE	770,364	7,262,227	8,032,591	8,032,591	-
TOTAL OTHER REVENUE	42,729	171,271	214,000	214,000	-
TOTAL OPERATING REVENUE	813,093	7,433,498	8,246,591	8,246,591	-
INDIRECT EXPENSES					
EXECUTIVE	51,169	253,254	304,423	304,423	-
FINANCE	57,842	322,200	380,042	380,042	-
MARKETING	34,773	377,266	412,038	412,038	-
OPERATIONS	256,617	2,063,515	2,320,132	2,320,132	-
EVENT SERVICES	427,537	1,472,670	1,900,207	1,900,207	-
BOX OFFICE	51,024	250,320	301,344	301,344	-
SALES	92,310	525,684	617,994	617,994	-
OVERHEAD	459,883	2,233,173	2,693,056	2,693,056	-
TOTAL OPERATING EXP.	1,431,154	7,498,082	8,929,236	8,929,236	-
NET REVENUE ABOVE EXPENSES	(618,061)	(64,584)	(682,645)	(682,645)	-
INCENTIVE FEE		195,468	195,468	195,468	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(618,061)	(260,052)	(878,113)	(878,113)	-

Comments:

August was a slower month for DeVos Place overall, however, revenues exceeded budget and year to date continues to trend a little ahead of budget through 2 months of activity.

Signed by:

 7ECB840AF99F405...

General Manager

DocuSigned by:

 10BEFDD852E245A...

Assistant General Manager

**DE VOS PLACE
FINANCIAL STATEMENT HIGHLIGHTS
FISCAL YEAR ENDING JUNE 30, 2025**

The following schedule summarizes operating results for both the current month and Year to Date as compared to budget and prior year:

MONTH	August Actual	August Budget	August FY 2024
Number of Events	14	14	38
Attendance	18,853	25,050	16,270
Direct Event Income	\$91,209	\$106,613	\$208,054
Ancillary Income	126,435	153,345	259,322
Other Event Income	25,573	15,000	44,405
Other Operating Income	22,592	17,833	6,650
Indirect Expenses	(716,648)	(744,103)	(578,818)
Net Income	(\$450,839)	(\$451,312)	(\$60,387)

YTD	YTD 2025 Actual	YTD 2025 Budget	YTD 2024 Prior Year
Number of Events	41	41	73
Attendance	50,184	54,300	55,367
Direct Event Income	\$337,304	\$311,111	\$481,996
Ancillary Income	348,277	334,996	471,434
Other Event Income	84,783	71,000	237,745
Other Operating Income	42,729	35,667	13,701
Indirect Expenses	(1,431,154)	(1,488,206)	(578,818)
Net Income	(\$618,061)	(\$735,432)	\$626,058

EVENT INCOME

Direct event income fell budget below budget for the month.

ANCILLARY INCOME

Ancillary income came in better than budget as spending in most areas exceeded expectations.

INDIRECT EXPENSES

Indirect expenses came in consistent with expectations for the month.

DeVos Place
Income Statement
For the Two Months Ended August 31, 2024

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$135,326	\$160,764	\$ (25,438)	\$320,674	\$417,427	\$420,879	\$ (3,452)	\$559,643
Service Revenue	67,713	87,324	(19,611)	182,637	396,310	365,871	30,439	738,485
Service Expenses	(111,830)	(141,475)	29,645	(295,257)	(476,433)	(475,639)	(794)	(816,132)
Total Direct Event Income	91,209	106,613	(15,404)	208,054	337,304	311,111	26,193	481,996
Ancillary Income								
F&B Concession	25,435	34,095	(8,660)	125,003	138,029	131,149	6,880	236,457
Novelty Sales	-	-	-	4,693	3,587	1,000	2,587	4,693
Booth Cleaning	37,699	44,771	(7,072)	38,331	64,343	68,285	(3,942)	61,917
Telephone/Long Distance	-	-	-	0	-	-	-	0
Electrical Services	47,875	55,457	(7,582)	62,487	88,703	91,132	(2,430)	97,052
Audio Visual	4,989	12,042	(7,053)	12,634	25,166	26,085	(919)	34,395
Internet Services	3,037	4,800	4,764	9,589	10,729	10,975	4,764	14,052
Equipment Rental	7,400	2,180	5,220	6,585	17,720	6,370	11,350	22,868
Total Ancillary Income	126,435	153,345	(26,910)	259,322	348,277	334,996	13,281	471,434
Other Event Income								
Ticket Rebates(Per Event)	25,573	15,000	10,573	44,405	84,783	71,000	13,783	237,745
Total Other Event Income	25,573	15,000	10,573	44,405	84,783	71,000	13,783	237,745
Total Event Income	243,217	274,958	(31,741)	511,781	770,364	717,107	53,257	1,191,175
Other Operating Income								
Luxury Box Agreements	825	1,000	(175)	767	1,650	2,000	(350)	1,533
Advertising	0	1,000	(1,000)	0	0	2,000	(2,000)	0
Other Income	21,767	15,833	5,933	5,883	41,079	31,667	9,412	12,168
Total Other Operating Income	22,592	17,833	4,758	6,650	42,729	35,667	7,062	13,701
Adjusted Gross Income	265,809	292,791	(26,983)	518,431	813,093	752,774	60,320	1,204,876
Operating Expenses								
Salaries and Wages	450,098	534,716	(84,618)	401,856	938,287	1,069,432	(131,145)	952,084
Payroll Taxes and Benefits	63,975	130,139	(66,164)	130,417	205,020	260,278	(55,259)	317,070
Labor Allocations to Events	(175,212)	(336,794)	161,582	(230,375)	(518,435)	(673,589)	155,154	(695,169)
Net Salaries and Benefits	338,862	328,061	10,801	301,898	624,872	656,122	(31,250)	573,985
Contracted Services	47,288	38,350	8,938	55,681	111,191	76,700	34,491	104,980
General and Administrative Operations	89,888	60,436	29,451	60,482	132,180	120,873	11,308	89,453
Repair and Maintenance	38,124	30,063	8,062	5,618	47,887	60,125	(12,238)	16,704
Operational Supplies	11,305	50,500	(39,195)	62,257	71,803	101,000	(29,197)	93,181
Insurance	23,879	33,342	(9,463)	22,349	61,963	66,683	(4,720)	33,773
Utilities	33,074	49,754	(16,681)	27,107	75,880	99,508	(23,628)	64,278
SMG Management Fees	117,808	136,683	(18,876)	119,203	272,534	273,367	(833)	242,514
	16,422	16,914	(493)	16,422	32,843	33,829	(985)	32,843
Total Operating Expenses	716,648	744,103	(27,455)	671,017	1,431,154	1,488,206	(57,052)	1,251,711
Net Income(Loss) From Operatic	(450,839)	(451,312)	472	(152,586)	(618,061)	(735,432)	117,372	(46,835)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(450,839)	(451,312)	472	(152,586)	(618,061)	(735,432)	117,372	(46,835)

**SMG DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Year to Date Event Summary Report
For the Two Months Ended August 31, 2024**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	19	28	17,700	29,800	432,713	488,026
Consumer/Gated Shows	2	2	8,000	7,500	49,468	50,955
DeVos Performance Hall	10	9	19,924	15,500	229,741	150,625
Banquets	-	2	-	1,500	-	27,500
Meetings	4	-	850	-	29,711	-
Other	6	-	3,710	-	28,731	-
GRAND TOTALS	41	41	50,184	54,300	770,364	717,107

As Percentage of Overall

Convention/Trade Shows	46.34%	68.29%	35.27%	54.88%	56.17%	68.05%
Consumer/Gated Shows	4.88%	4.88%	15.94%	13.81%	6.42%	7.11%
Devos Performance Hall	24.39%	21.95%	39.70%	28.55%	29.82%	21.00%
Ballroom Exclusive	0.00%	4.88%	0.00%	2.76%	0.00%	3.83%
Meetings	9.76%	0.00%	1.69%	0.00%	3.86%	0.00%
Other	14.63%	0.00%	7.39%	0.00%	3.73%	0.00%

**DeVos Place
Balance Sheet
As of August 31, 2024**

ASSETS

Current Assets

Cash	6,111,691	
Account Receivable	2,050,467	
Prepaid Expenses	137,372	

Total Current Assets		\$8,299,530
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Total Assets		\$8,299,530
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LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	306,426	
Accrued Expenses	475,727	
Deferred Income	380,040	
Advanced Ticket Sales & Deposits	2,898,968	

Total Current Liabilities		\$4,061,161
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Other Liabilities

Equity

Funds Remitted to CAA		
Funds Received by CAA	(16,000)	
Expenses Paid Direct by CAA	282,886	
Beginning Balance Equity	4,589,544	
Current Year Equity	(618,061)	

Total Equity		\$4,238,369
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Total Liabilities and Equity		\$8,299,530
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SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of August 31, 2024

Current - Under 30 Days	
Food & Beverage	25,435
Ticketing	-
Merchandise	-
Decorating	37,699
Audio/Visual	4,989
Van Andel Arena	789,929
Operating	717,176
Over 30 Days	305,879
Over 60 Days	169,360
Over 90 Days	
Total Accounts Receivable	2,050,467

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2025**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2024 Unaudited
Net Revenue above Expenses	3,280,984	(682,645)	2,598,339	6,424,011
Benchmark++			1,050,000	1,050,000
Excess	3,280,984	(682,645)	1,548,339	5,374,011

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Unaudited
Base Fee	202,973	202,973	405,946	382,642
Incentive Fee				
Revenue	9,199,658	8,246,591	17,446,249	21,313,721
Benchmark Revenue	6,572,223	5,806,528	12,378,751	12,018,205
Revenue Excess	2,627,435	2,440,063	5,067,498	9,295,516
Incentive Fee **	210,478	195,468	405,946	382,642
Total SMG Management Fee	413,451	398,441	811,892	765,284

** Incentive fee is 25% of the first \$500,000 in excess, 30% of remaining capped at base fee amount.

++ SMG will be eligible for an Incentive fee if Net Revenues exceed Expenses by the following amounts:
 Equal to \$850,000 and less than \$950,000 shall be paid at 50% of calculated fee.
 Equal to \$950,000 and less than \$1,050,000 shall be paid at 75% of calculated fee.
 Equal to \$1,050,000 and above shall be paid at 100% of calculated fee.



VAN ANDEL ARENA

FINANCIAL STATEMENT FOR THE MONTH ENDED AUGUST 31, 2024



Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Cheri McConomy
Tony Cima
Jeffrey Wong
David Schmid
Richard MacKeigan
Chris Machuta



**VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2025**

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	7	121	128	128	-
ATTENDANCE	62,273	622,727	685,000	685,000	-
DIRECT EVENT INCOME	248,462	2,146,288	2,394,750	2,394,750	-
ANCILLARY INCOME	499,968	2,502,290	3,002,258	3,002,258	-
OTHER EVENT INCOME	353,358	1,091,742	1,445,100	1,445,100	-
TOTAL EVENT INCOME	1,101,788	5,740,320	6,842,108	6,842,108	-
TOTAL OTHER INCOME	515,856	1,841,694	2,357,550	2,357,550	-
TOTAL INCOME	1,617,644	7,582,014	9,199,658	9,199,658	-
INDIRECT EXPENSES					
EXECUTIVE	37,169	319,229	356,398	356,398	-
FINANCE	50,911	256,475	307,386	307,386	-
MARKETING	58,451	412,148	470,599	470,599	-
OPERATIONS	431,251	2,186,863	2,618,114	2,618,114	-
BOX OFFICE	43,903	311,917	355,820	355,820	-
SKYWALK ADMIN	2,598	25,502	28,100	28,100	-
OVERHEAD	291,214	1,491,043	1,782,257	1,782,257	-
TOTAL INDIRECT EXP.	915,496	5,003,178	5,918,674	5,918,674	-
NET REVENUE ABOVE EXPENSES	702,147	2,578,836	3,280,984	3,280,984	-
LESS INCENTIVE FEE		210,478	210,478	210,478	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	702,147	2,368,358	3,070,506	3,070,506	-

Comments:

August was a nice bounce back month for the Arena as 5 concerts were hosted for a total of 6 performances highlighted by 2 mostly sold out Phish concerts and Alan Jackson, one of only 10 engagements planned for this tour.

Signed by:



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General Manager

DocuSigned by:



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Assistant General Manager

**VAN ANDEL ARENA
FINANCIAL STATEMENT HIGHLIGHTS
FOR FISCAL YEAR ENDING JUNE 30, 2025**

The following schedule summarizes operating results for both the current month and Year to Date as compared to budget and prior year:

MONTH	August Actual	August Budget	August FY 2024
Number of Events	6	6	3
Attendance	50,818	45,000	25,795
Direct Event Income	\$203,096	\$313,750	\$25,204
Ancillary Income	452,409	283,985	262,037
Other Event Income	351,857	195,500	120,986
Other Operating Income	299,840	231,972	209,091
Indirect Expenses	(429,535)	(493,227)	(498,730)
Net Income	\$877,668	\$531,980	\$118,588

YTD	YTD 2025 Actual	YTD 2025 Budget	YTD 2024 Prior Year
Number of Events	7	6	8
Attendance	62,273	45,000	64,866
Direct Event Income	\$248,462	\$313,750	\$342,722
Ancillary Income	499,968	283,985	521,524
Other Event Income	353,358	195,500	327,918
Other Operating Income	515,856	431,944	412,495
Indirect Expenses	(915,496)	(986,454)	(969,079)
Net Income	\$702,148	\$238,725	\$635,580

EVENT INCOME

Event income came in a little lower than budget due to higher than anticipated changeover costs on a couple shows.

ANCILLARY INCOME

Ancillary income came in well head of budget as per cap spending exceeded expectations.

INDIRECT EXPENSES

Indirect expenses came in fairly consistent with budget and continues to run favorably to budget year to date.

**Van Andel Arena
Income Statement
For the Two Months Ended August 31, 2024**

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$ 276,183	\$ 343,750	\$ (67,567)	\$ 133,358	\$ 351,183	\$ 343,750	\$ 7,433	\$ 513,399
Service Revenue	536,407	300,000	236,407	285,650	630,482	300,000	330,482	664,724
Service Expenses	(609,494)	(330,000)	(279,494)	(393,804)	(733,202)	(330,000)	(403,202)	(835,401)
Total Direct Event Income	203,096	313,750	(110,654)	25,204	248,462	313,750	(65,288)	342,722
Ancillary Income								
F&B Concession	401,084	249,935	151,149	231,866	448,643	249,935	198,708	460,612
Novelty Sales	51,325	34,050	17,275	28,644	51,325	34,050	17,275	58,874
Booth Cleaning	-	-	-	-	-	-	-	-
Audio Visual	-	-	-	1,527	-	-	-	2,038
Other Ancillary	-	-	-	-	-	-	-	-
Total Ancillary Income	452,409	283,985	168,424	262,037	499,968	283,985	215,983	521,524
Other Event Income								
Ticket Rebates(Per Event)	351,857	195,500	156,357	120,986	353,358	195,500	157,858	327,918
Total Other Event Income	351,857	195,500	156,357	120,986	353,358	195,500	157,858	327,918
Total Event Income	1,007,362	793,235	214,127	408,227	1,101,788	793,235	308,553	1,192,164
Other Operating Income								
Luxury Box Agreements	191,473	173,888	17,585	160,042	295,774	315,776	(20,002)	313,370
Advertising	64,653	52,084	12,569	48,000	129,305	104,168	25,137	96,000
Other Income	43,715	6,000	37,715	1,049	90,777	12,000	78,777	3,125
Total Other Operating Income	299,840	231,972	67,868	209,091	515,856	431,944	83,912	412,495
Adjusted Gross Income	1,307,203	1,025,207	281,996	617,318	1,617,644	1,225,179	392,465	1,604,659
Operating Expenses								
Salaries and Wages	256,563	279,341	(22,778)	251,110	495,105	558,682	(63,577)	516,873
Payroll Taxes and Benefits	109,531	80,591	28,940	81,193	194,631	161,182	33,449	169,304
Labor Allocations to Events	(175,738)	(161,230)	(14,508)	(126,659)	(219,587)	(322,460)	102,873	(260,440)
Net Salaries and Benefits	190,357	198,702	(8,345)	205,644	470,148	397,404	72,744	425,737
Contracted Services	27,277	35,684	(8,407)	40,224	58,785	71,368	(12,583)	72,975
General and Administrative	43,758	55,890	(12,132)	43,542	68,938	111,780	(42,842)	67,132
Operations	15,783	11,500	4,283	5,402	38,834	23,000	15,834	10,735
Repair and Maintenance	1,096	34,375	(33,279)	55,565	4,695	68,750	(64,055)	109,481
Operational Supplies	18,300	28,517	(10,217)	47,745	39,741	57,034	(17,293)	62,753
Insurance	48,209	35,510	12,699	20,063	65,716	71,020	(5,304)	47,030
Utilities	67,349	76,134	(8,785)	64,123	134,812	152,268	(17,456)	140,392
SMG Management Fees	17,407	16,915	492	16,422	33,829	33,830	(1)	32,844
Total Operating Expenses	429,535	493,227	(63,692)	498,730	915,496	986,454	(70,958)	969,079
Net Income(Loss) From Operations	877,668	531,980	345,688	118,588	702,148	238,725	463,423	635,580
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	877,668	531,980	345,688	118,588	702,148	238,725	463,423	635,580

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
For the Two Months Ended August 31, 2024

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	-	-	-	-	-	-
Sporting Event	-	-	-	-	-	-
Concert	6	6	50,818	45,000	1,007,362	793,235
Team Home Games	-	-	-	-	-	-
Other	1	-	11,455	-	94,426	-
GRAND TOTALS	7	6	62,273	45,000	1,101,788	793,235
As Percentage of Overall						
Family Show	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Sporting Event	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Concert	85.71%	100.00%	81.61%	100.00%	91.43%	100.00%
Team Home Games	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	14.29%	0.00%	18.39%	0.00%	8.57%	0.00%

**Van Andel Arena
Balance Sheet
As of August 31, 2024**

ASSETS

Current Assets

Cash	14,295,895	
Account Receivable	4,426,607	
Prepaid Expenses	189,746	

Total Current Assets		\$18,912,249
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Total Assets		\$18,912,249
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LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	2,918,287	
Accrued Expenses	806,231	
Deferred Income	3,372,891	
Advanced Ticket Sales & Deposits	10,989,750	

Total Current Liabilities		\$18,087,160
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Other Liabilities

Equity

Funds Remitted to CAA		
Funds Received by CAA	-	
Expenses Paid Direct by CAA	134,811	
Beginning Balance Equity	(11,867)	
Current Year Equity	702,148	

Total Equity		\$825,089
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Total Liabilities and Equity		\$18,912,249
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SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of August 31, 2024

Current - Under 30 Days	
Food & Beverage	622,604
Ticketing	122,965
Merchandise	-
Permanent Advertising	32,000
DeVos Place	(789,289)
Operating	3,950,090
Over 30 Days	263,691
Over 60 Days	224,546
Over 90 Days	
Total Accounts Receivable	4,426,607

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2025**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2024 Unaudited
Net Revenue above Expenses	3,280,984	(682,645)	2,598,339	6,424,011
Benchmark++			1,050,000	1,050,000
Excess	3,280,984	(682,645)	1,548,339	5,374,011

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Unaudited
Base Fee	202,973	202,973	405,946	382,642
Incentive Fee				
Revenue	9,199,658	8,246,591	17,446,249	21,313,721
Benchmark Revenue	6,572,223	5,806,528	12,378,751	12,018,205
Revenue Excess	2,627,435	2,440,063	5,067,498	9,295,516
Incentive Fee **	210,478	195,468	405,946	382,642
Total SMG Management Fee	413,451	398,441	811,892	765,284

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