

## Agenda

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### Board of Directors

**Friday, October 6, 2023**

**\*\* 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 25, 2023   | Action       |
| 3. | Committee Reports  |              |
|    | A. Finance Committee   |              |
|    | i. Consolidated Financial Statements for Period Ending August 31, 2023   | Action       |
|    | ii. ASM Global Financial Statements for Period Ending August 31, 2023 – DeVos Place® and Van Andel Arena®  | Information  |
|    | iii. FY 24 Capital Budget Amendment Request  | Action       |
| 4. | Resolution Approving & Authorizing Execution of Donor Recognition Policy   | Action       |
| 5. | Resolution Authorizing a Third Memorandum of Understanding Between the Grand Rapids-Kent County Convention/Arena Authority and the Grand Action Foundation 2.0 | Action       |
| 6. | Resolution Authorizing Written Consent of a Memorandum of Understanding Between the City of Grand Rapids and the Grand Action Foundation 2.0                   | Action       |
| 7. | Public Comment   |              |
| 8. | Adjournment  |              |

**\*\*Please note that the start time is approximate. The CAA Operations Committee meeting starts 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 25, 2023**

**Attendance:**

Members Present:	Richard Winn, Chairperson Rosalynn Bliss M. Scott Bowen Lew Chamberlin Birgit Klohs	
Members Absent:	Mandy Bolter Mike Verhulst	
Staff/Others:	Andrea Anderson Kathy Bart Jen Henkel Mark Hodges Deandre Jones Kyle Kwaske Chris Machuta Rich MacKeigan Mary Manier Cheri McConomy Brian McVicar Jackie Morse Eddie Tadlock Brad Thomas Al Vanderberg Susan Waddell Mark Washington John Weiss Robert White Mike Wilbraham Jessica Wood	City of Grand Rapids ASM Global ASM Global Grand Rapids Comic Con Jump Ahead L3C Grand Rapids Gold ASM Global ASM Global Experience Grand Rapids McConomy Properties, LLC <i>The Grand Rapids Press/MLive</i> ASM Global ASM Global Progressive AE Kent County CAA City of Grand Rapids Dickinson Wright Interested Citizen ShowSpan Dickinson Wright

**1. Call to Order**

The Chairperson, Richard Winn, called the meeting to order at 8:45 a.m. Staff recorded the meeting minutes.

**2. Minutes of June 2, 2023, Meeting**

*Motion by Ms. Klohs, supported by Ms. Bliss, to approve the June 2, 2023, Board Minutes. Motion carried.*

### 3. Committee Reports

#### A. Operations Committee – Experience Grand Rapids Report

Mary Manier provided an overview of the CVB’s sales activities and marketing efforts for June and July 2023. The sales team was on the road attending out-of-state sales missions, meetings, and client events. Staff hosted nine site visits this summer and sent out 20 leads for future meetings. DeVos Place® hosted two national conferences this summer, the National Chess Association and American Fisheries, both of which expressed interest in returning.

#### B. Finance Committee

##### i. Consolidated Financial Statements for Periods Ending June 30 and July 31, 2023

*Motion by Ms. Bliss, supported by Mr. Chamberlin, to accept the consolidated financial statement for the periods ending June 30, 2023, and July 31, 2023, and to reappropriate \$481,635 for capital repair/replacement projects that were not completed in FY 2023. Motion carried.*

##### ii. ASM Global Financial Statements for Periods Ending June 30 and July 31, 2023 – DeVos Place® and Van Andel Arena®

The financial statements were included as information items.

### 4. Director & Officer Insurance Renewal

The renewal premium for the period of August 23, 2023-August 23, 2024, is \$18,256, a 1% increase from last year.

*Motion by Ms. Klohs, supported by Ms. Bliss, to approve the renewal premium in the amount of \$18,256. Motion Carried.*

### 5. Resolution Approving and Authorizing Execution of Addendum IV to Amendment to Grand Rapids Civic Auditorium and Conventional Entertainment Center Lease Agreement with Amway Hotel Corporation

*Boardmember Bliss, supported by Boardmember Chamberlin, moved the adoption of the following resolution:*

**WHEREAS**, the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) and the Amway Hotel Corporation (“AHC”) entered into an Amendment to Grand Rapids Civic Auditorium and Convention Entertainment Center Lease Agreement (the “Amendment”) dated December 11, 2003; and

**WHEREAS**, the term of the Lease Agreement was amended by the Amendment to extend its term to April 15, 2020, and subsequently the CAA and AHC extended the Lease Agreement through June 30, 2021, and again through June 30, 2023, as the parties engaged in Lease negotiations; and

**WHEREAS**, the CAA and the AHC have agreed to extend the term of the Lease Agreement, during which time it is the intention of the CAA and AHC to successfully negotiate the terms of a new Agreement.

***NOW, THEREFORE, BE IT RESOLVED:***

1. *That Addendum IV to Amendment to Grand Rapids Civic Auditorium and Convention Entertainment Center Lease Agreement (“Addendum IV”) between the CAA and AHC extending the term of the Lease Agreement to and including June 30, 2024, in the form presented at this meeting is approved and the Board Vice Chairperson is authorized and directed to execute Addendum IV for and on behalf of the CAA.*

2. *That all resolutions or parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are rescinded.*

***ABSTAIN: Boardmember Winn. RESOLUTION DECLARED ADOPTED.***

**6. Appointment of Development Committee**

Chairperson Winn recommended the appointment of a Development Committee to bring forward the Convention/Arena Authority as a prominent and proactive entity in the amphitheater and soccer field. Besides himself, members of the Development Committee would be Birgit Klohs and Rosalynn Bliss.

*Motion by Mr. Chamberlin, supported by Mr. Bowen, to create a Development Committee and appoint Richard Winn, Birgit Klohs, and Rosalynn Bliss as members. Motion carried.*

**12. Public Comment**

Deandre Jones, Jump Ahead L3C, stated he is aware that colleges across the country offer esports scholarships to attract and retain students. Mr. Jones is working with GRPS and the Kent District Library to create opportunities for youth in utilizing gaming to solve real-world problems.

Mark Hodges, Grand Rapids Comic Con, stated that he negotiated a longer-term lease for DeVos Place® and he would like to give a presentation at the October CAA meeting.

**13. Adjournment**

The meeting was adjourned at 8:57 a.m.

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Susan M. Waddell, Recording Secretary



**Consolidated Financial Report**  
**August 31, 2023**

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# GRAND RAPIDS-KENT COUNTY

CONVENTION / ARENA AUTHORITY

Financial Dashboard  
Year-To-Date (2 Months)  
August 31, 2023

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	7	7	8	4	6	7
Attendance	52,424	53,000	64,866	36,769	48,000	63,867
Event Income	\$ 1,181,672	\$ 1,022,541	\$ 1,604,659	\$ 564,840	\$ 609,960	\$ 1,165,656
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	52	69	73	30	44	37
Attendance	49,660	96,410	55,367	35,580	54,710	11,630
Event Income	\$ 881,442	\$ 1,259,746	\$ 1,204,876	\$ 502,029	\$ 894,708	\$ 546,974
				Prior Year	Budget	Actual
Operating Income (Loss)				\$ 336,508	\$ 226,316	\$ 817,759
Capital/Repair/Replacement				(15,274)	(704,118)	(704,118)
Net - To/(From) on Fund Balance				\$ 321,234	\$ (477,802)	\$ 113,640 <sup>(1)</sup>

**\*NOTES:**

(1) Unrestricted Fund Balance - 6/30/23 \$27,812,515  
Estimated

**Grand Rapids-Kent County Convention/Arena Authority**

**Summary by Facility/Other**

**Fiscal Year Ending June 30, 2024**

**FY 2024**

	<b>7/1 - 8/31/23</b>			
	<b>Year-to-Date</b>	<b>Roll</b>	<b>Estimate<sup>(1)</sup></b>	<b>Budget</b>
<b>Van Andel Arena</b>				
Operating - Revenues	\$ 1,604,659	\$ 5,501,516	\$ 7,106,175	\$ 7,106,175
- Expenses - Facilities	(936,236)	(4,221,646)	(5,157,882)	(5,157,882)
- Base Management Fees	(32,844)	(164,217)	(197,061)	(197,061)
- Incentive Fee	-	(93,069)	(93,069)	(93,069)
Net Operating Income (Loss)	635,579	1,022,584	1,658,163	1,658,163
Parking	73,165	311,335	384,500	384,500
Pedestrian Safety	(27,715)	(42,285)	(70,000)	(70,000)
<b>Net Proceeds (Cost) of VAA</b>	<b>681,029</b>	<b>1,291,634</b>	<b>1,972,663</b>	<b>1,972,663</b>
<b>DeVos Place Convention Center</b>				
Operating - Revenues	1,204,876	6,778,861	7,983,737	7,983,737
- Expenses - Facilities	(1,218,867)	(6,574,329)	(7,793,196)	(7,793,196)
- Base Management Fees	(32,843)	(164,218)	(197,061)	(197,061)
- Incentive Fee	-	(301,053)	(301,053)	(301,053)
Net Operating Income (Loss)	(46,834)	(260,739)	(307,573)	(307,573)
Parking	213,235	1,475,786	1,689,020	1,689,020
Pedestrian Safety	-	-	-	-
<b>Net Proceeds (Cost) of DVP</b>	<b>166,401</b>	<b>1,215,047</b>	<b>1,381,447</b>	<b>1,381,447</b>
<b>Other</b>				
Revenues	196,826	440,924	637,750	637,750
Expenses	(226,496)	(1,053,187)	(1,279,683)	(1,279,683)
Net Other	(29,670)	(612,263)	(641,933)	(641,933)
<b>Total Net Proceeds/Operating</b>	<b>817,759</b>	<b>1,894,418</b>	<b>2,712,177</b>	<b>2,712,177</b>
Capital/Repair Expenditures	(704,118)	(7,806,554)	(8,510,672)	(8,510,672) <sup>(2)</sup>
<b>Results Net of Capital/Repair Expenditures</b>	<b>\$ 113,640</b>	<b>\$ (5,912,135)</b>	<b>\$ (5,798,495) <sup>(3)</sup></b>	<b>\$ (5,798,495)</b>

Notes:

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

(2) Includes requested budget amendment to provide for three capital project balances (\$481,635) carried over from FY23

(3) At fiscal year end, estimated Unrestricted Fund Balance will total approximately \$22,014,020

**Grand Rapids-Kent County Convention/Arena Authority**  
**Administrative - Operating / Capital Replacement Budget**  
**FY 2024 Budget**

FY 2023 Eligible Projects:		Budget	Actual 7/1-8/31/23	Roll	Appropriation Lapse	Requested Carryover
<b>Van Andel Arena®</b>						
	Emergency Exit Door Replacement	95,000				
	Ice Plant Compressor Change	190,000	\$ 173,291			
	Video/Scoreboard	1,200,000				
	Fencing	150,000				
	Zamboni	150,000	25,000			
	Floor Seating Replacement	290,000				
	New Storage Room (Sports Tenants)	400,000				
	Air Handler Motor Refurbishment	50,000				
	<b>Total VAA</b>	<b>2,525,000</b>	<b>198,291</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DeVos Place®</b>						
	Parking Control Equipment & Software	254,000				
	Grand Gallery Beam Detector	50,000				
	Chiller Rebuild	300,000				
	Michigan Street Dock Doors	100,000				
	Fiber/Switch Upgrades & Replacement	160,000				
	Performance Hall Sound Board	250,000				
	Skywalk Carpeting	150,000				
	Convention Center Public Space Furniture	95,000				
	Ballroom Lighting & Controls	2,100,000	132,766			
	Performance Hall Seating/Box Seating					
	Additional Needs	30,000				
	<b>Total DVP</b>	<b>3,489,000</b>	<b>132,766</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Both Venues</b>						
	Concrete	100,000				
	Surveillance	500,000				
	<b>Total Both Venues</b>	<b>600,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Carryover Projects</b>						
Both	Radio System Upgrade	100,000 (1)				
Both	Small Motor Equipment	19,338 (1)	10,765			
DVP	Ballroom Lighting & Controls	362,297 (1)	362,297			
DVP	Projection Theater Upgrades	250,000				
DVP	Performance Hall LED	50,000				
DVP	Performance Hall Seating	347,450				
DVP	Performance Hall Box Seating	47,475				
VAA	Suite Refresher	720,112				
	<b>Total Carryover</b>	<b>1,896,672</b>	<b>373,062</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total FY 2023 Capital Budget</b>		<b>\$ 8,510,672</b>	<b>\$ 704,118</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Note: The FY2024 budget, as adopted, included \$8,029,037 for capital repair/replacement projects

(1) Request to re-appropriate a total of \$481,635 for previous year projects that could not be completed for supply issues approved at August 25th BOD meeting



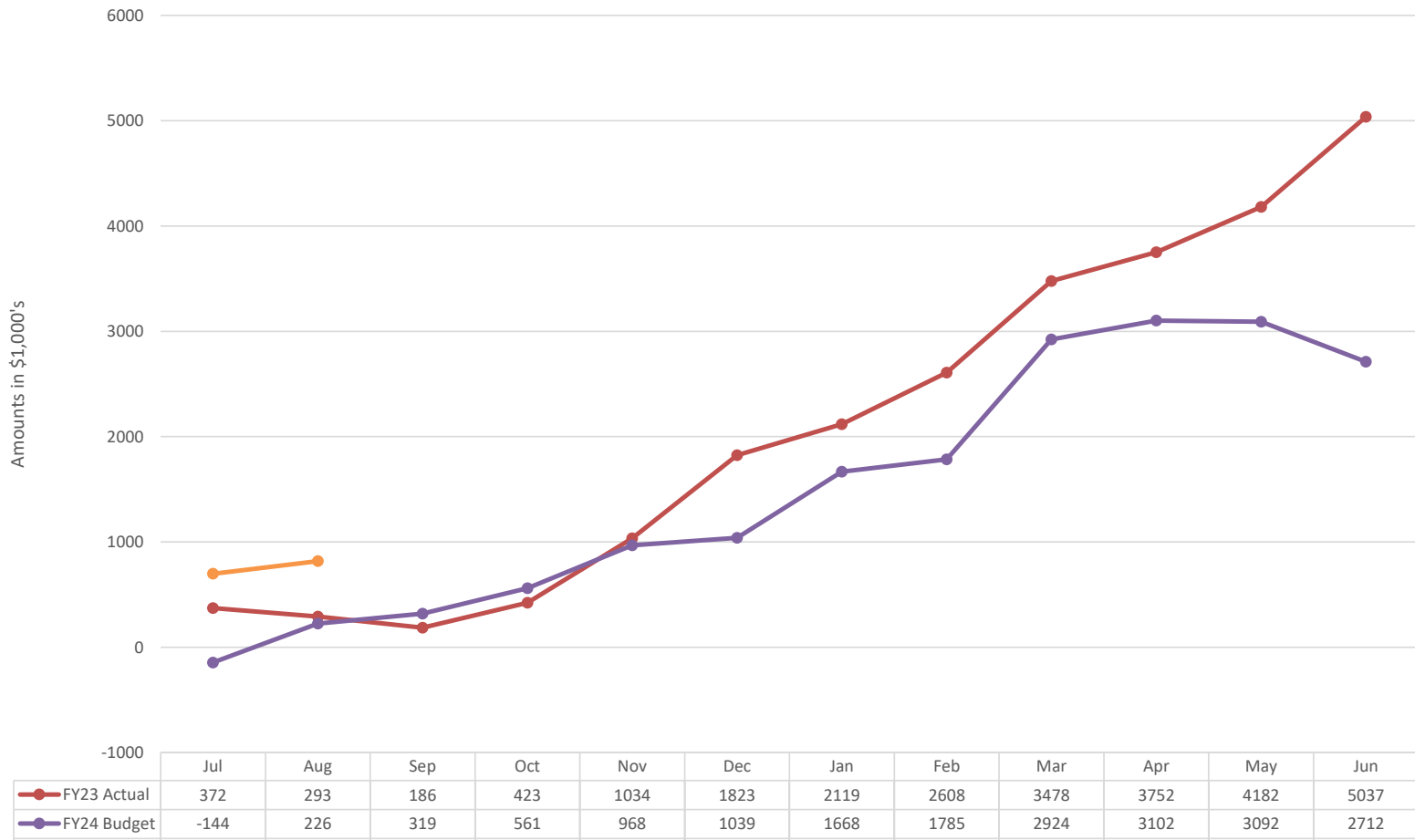
**Grand Rapids-Kent County Convention/Arena Authority**  
**Budget Summary by Facility/Other**  
**Financial Trends for Year Ending June 30, 2024**

	Annual			Year-To-Date		
	FY 2023 Unaudited	FY 2024 Budget	Change Positive (Negative)	FY 2023 7/1-8/31/22	FY 2024 7/1-8/31/23	Change Positive (Negative)
<b>Van Andel Arena</b>						
Operating - Revenues	\$ 9,249,244	\$ 7,106,175	-23.2%	\$ 1,181,672	\$ 1,604,659	35.8%
- Expenses - Facilities	(5,391,190)	(5,157,882)	4.3%	(731,365)	(936,236)	28.0%
- Base Management Fees	(188,576)	(197,061)	-4.5%	(30,057)	(32,844)	9.3%
- Incentive Fee	-	(93,069)	-	-	-	-
Net Operating Income (Loss)	3,669,478	1,658,163	54.8%	420,250	635,579	51.2%
Parking	383,002	384,500	0.4%	64,638	73,165	13.2%
Pedestrian Safety	(67,452)	(70,000)	-100.0%	-	(27,715)	0.0%
<b>Net Proceeds (Cost) of VAA</b>	<b>3,985,028</b>	<b>1,972,663</b>	<b>-102.0%</b>	<b>484,888</b>	<b>681,029</b>	<b>40.5%</b>
<b>DeVos Place Convention Center</b>						
Operating - Revenues	8,096,546	7,983,737	-1.4%	881,442	1,204,876	36.7%
- Expenses - Facilities	(7,911,327)	(7,793,196)	1.5%	(1,036,353)	(1,218,867)	17.6%
- Base Management Fees	(191,267)	(197,061)	-3.0%	(30,958)	(32,843)	6.1%
- Incentive Fee	-	(301,053)	-	-	-	0.0%
Net Operating Income (Loss)	(6,048)	(307,573)	-4985.5%	(185,869)	(46,834)	74.8%
Parking	1,427,969	1,689,020	18.3%	173,319	213,235	23.0%
Pedestrian Safety	-	-	0.0%	-	-	0.0%
<b>Net Proceeds (Cost) of DVP</b>	<b>1,421,921</b>	<b>1,381,447</b>	<b>-2.9%</b>	<b>(12,550)</b>	<b>166,401</b>	<b>1425.9%</b>
<b>Other</b>						
Revenues	559,771	637,750	13.9%	23,120	196,826	751.3%
Expenses	(929,456)	(1,279,683)	-37.7%	(158,950)	(226,496)	42.5%
<b>Net Other</b>	<b>(369,685)</b>	<b>(641,933)</b>	<b>-81.0%</b>	<b>(135,831)</b>	<b>(29,670)</b>	<b>-78.2%</b>
<b>Total Net Proceeds/Operating</b>	<b>5,037,264</b>	<b>2,712,177</b>	<b>78.0%</b>	<b>336,508</b>	<b>817,759</b>	<b>143.0%</b>
Capital/Repair Expenditures	(4,101,429)	(8,510,672)	52.0%	(15,274)	(704,118)	-4510.1%
<b>Results Net of Capital Expenditures</b>	<b>\$ 935,835</b>	<b>\$ (5,798,495)</b>	<b>71.0%</b>	<b>\$ 321,234</b>	<b>\$ 113,640</b>	<b>-64.6%</b>

NOTES: Combined net operating income of VAA & DVP is just under \$355k improvement over same point prior fiscal year.

# CAA Trends

## Monthly Net Operating Proceeds through August 31, 2023



**Grand Rapids-Kent County Convention/Arena Authority**  
**Administrative Accounts**  
**Net Other Detail**  
**August 31, 2023**

	<b>Annual</b>			<b>Actual</b>		
	<b>FY 2023</b>	<b>FY 2024</b>	<b>Change</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>Change</b>
	<b>Unaudited</b>	<b>Budget</b>	<b>Positive</b>	<b>7/1-8/31/22</b>	<b>7/1-8/31/23</b>	<b>Positive</b>
			<b>(Negative)</b>			<b>(Negative)</b>
Other						
Revenues						
Interest/Capital Contr.	\$ 533,495	\$ 569,750	6.8%	\$ 21,320 <sup>(2)</sup>	\$ 196,826	823.2%
Miscellaneous	26,276	68,000	158.8%	1,800	-	-100.0%
	<u>559,771</u>	<u>637,750</u>	<u>13.9%</u>	<u>23,120</u>	<u>196,826</u>	<u>751.3%</u>
Expenses						
Recognition/New Venue						
Awareness	42,412	200,000 <sup>(3)</sup>	-100.0%	1,885	156,766	0.0%
Marketing (CVB/Sports)	200,000	200,000	0.0%	66,667	-	100.0%
Diversity Initiative	96,190	200,000	-107.9%	42,761	9,702	77.3%
Wages/Benefits	90,841	113,982	-25.5%	14,169	18,586	-31.2%
Professional Services	145,776	139,852	4.1%	3,542	30,944	-773.6%
DID Assessment	66,646	67,692	-1.6%	-	-	0%
Food & Beverage Repairs	46,042	45,000	-100.0%	-	-	0%
Consulting Services	135,857	200,000 <sup>(1)</sup>	-47.2%	6,000	3,000	50.0%
Landscaping	36,130	47,615	-31.8%	-	7,199	0%
Procurement of Art	25,283	30,000	-100.0%	-	-	0.0%
Insurance	25,542	25,542	0.0%	23,756	-	100.0%
Supplies/Other	18,736	10,000	46.6%	170	300	-76.3%
	<u>929,456</u>	<u>1,279,683</u>	<u>-37.7%</u>	<u>158,950</u>	<u>226,496</u>	<u>-42.5%</u>
Net Proceeds - Operating	<u>\$ (369,685)</u>	<u>\$ (641,933)</u>	<u>-73.6%</u>	<u>\$ (135,831)</u>	<u>\$ (29,670)</u>	<u>-78.2%</u>

Notes:

<sup>(1)</sup> SMG - \$58,880; Potomac Strategic Development - \$36,000; Progressive AE - \$50,000; \$55,120 Hotel Study

<sup>(2)</sup> Excludes \$15M first installment received from MEDC 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, 2023**

**Michigan Economic Development Corporation Grant**

	<u><b>Budget</b></u>	<u><b>Receipts / Expenditures</b></u>
Revenues:		
State Grant	\$ 30,000,000	\$ 15,000,000
Expenses:		
Architecture and Construction costs	(30,000,000)	
Paid in May, 2023		(775,899)
Paid in June, 2023		(621,949)
Deferred Revenue Balance @ 8/31/23	<u><u>\$ -</u></u>	<u><u>\$ 13,602,152</u></u>

**NOTES:**

- Grant Agreement Signed February 9, 2023
- First installment of \$15M received 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
- GA2.0 invoice for architecture and construction costs incurred 10/1/22 - 3/31/23 paid 5/31/23
- GA2.0 invoice for architecture and construction costs incurred 4/1/23 - 5/31/23 received 6/15/23
- Timing Limitation - All Grant Funds Must Be Spent on or Before 12/31/2026

# DEVOS PLACE

## DE VOS PLACE

### FINANCIAL STATEMENT FOR THE FISCAL YEAR ENDED AUGUST 31, 2023

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, 2024

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	73	356	429	429	-
ATTENDANCE	55,367	602,153	657,520	657,520	-
DIRECT EVENT INCOME	481,996	3,668,649	4,150,645	4,150,645	-
ANCILLARY INCOME	471,434	2,077,858	2,549,292	2,549,292	-
OTHER EVENT INCOME	237,745	930,055	1,167,800	1,167,800	-
TOTAL EVENT REVENUE	1,191,175	6,676,562	7,867,737	7,867,737	-
TOTAL OTHER REVENUE	13,701	102,299	116,000	116,000	-
TOTAL OPERATING REVENUE	1,204,876	6,778,861	7,983,737	7,983,737	-
INDIRECT EXPENSES					
EXECUTIVE	27,009	257,387	284,396	284,396	-
FINANCE	53,518	288,859	342,377	342,377	-
MARKETING	20,954	309,925	330,879	330,879	-
OPERATIONS	227,430	1,635,721	1,863,151	1,863,151	-
EVENT SERVICES	405,722	1,320,068	1,725,790	1,725,790	-
BOX OFFICE	39,790	257,626	297,416	297,416	-
SALES	79,097	500,660	579,757	579,757	-
OVERHEAD	398,192	2,168,299	2,566,491	2,566,491	-
TOTAL OPERATING EXP.	1,251,710	6,738,545	7,990,257	7,990,257	-
NET REVENUE ABOVE EXPENSES	(46,834)	40,316	(6,520)	(6,520)	-
INCENTIVE FEE		301,053	301,053	301,053	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(46,834)	(260,737)	(307,573)	(307,573)	-

Comments:

DeVos Place finished August behind budget overall, however, remains consistent with budget overall year to date. Calendar looks strong for the first 2 quarters of the fiscal year.

General Manager

Assistant General Manager

**DE VOS PLACE**  
**FINANCIAL STATEMENT HIGHLIGHTS**  
**FISCAL YEAR ENDING JUNE 30, 2024**

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

<b>MONTH</b>	August Actual	August Budget	August FY 2023
Number of Events	38	30	24
Attendance	16,270	60,360	22,225
Direct Event Income	\$208,054	\$376,819	\$223,545
Ancillary Income	259,322	340,442	228,786
Other Event Income	44,405	57,600	23,087
Other Operating Income	6,650	9,666	6,548
Indirect Expenses	(671,017)	(665,856)	(653,878)
Net Income	(\$152,586)	\$118,671	(\$171,912)

<b>YTD</b>	YTD 2024 Actual	YTD 2024 Budget	YTD 2023 Prior Year
Number of Events	73	69	52
Attendance	55,367	96,410	49,660
Direct Event Income	\$481,996	\$615,807	\$386,313
Ancillary Income	471,434	497,007	409,564
Other Event Income	237,745	127,600	72,425
Other Operating Income	13,701	19,332	13,140
Indirect Expenses	(1,251,710)	(1,331,712)	(1,067,311)
Net Income	(\$46,834)	(\$71,966)	(\$185,869)

**EVENT INCOME**

Direct event income fell short of budget as labor related to a couple of hosted events ended up higher than anticipated.

**ANCILLARY INCOME**

Ancillary income fell short of budget as spending on catering and AV were below expectations.

**INDIRECT EXPENSES**

Indirect expenses came in under budget for the month overall.

**DeVos Place**  
**Income Statement**  
**For the Two Months Ended August 31, 2023**

	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
<b>Event Income</b>								
<b>Direct Event Income</b>								
Rental Income	\$320,674	\$380,419	\$ (59,745)	\$265,008	\$559,643	\$613,507	\$ (53,864)	\$494,859
Service Revenue	182,637	168,325	14,312	238,189	738,485	\$415,923	322,562	375,524
Service Expenses	(295,257)	(171,925)	(123,332)	(279,652)	(816,132)	(\$413,623)	(402,509)	(484,070)
<b>Total Direct Event Income</b>	<b>208,054</b>	<b>376,819</b>	<b>(168,765)</b>	<b>223,545</b>	<b>481,996</b>	<b>615,807</b>	<b>(133,811)</b>	<b>386,313</b>
<b>Ancillary Income</b>								
F&B Concession	18,451	14,585	3,866	7,884	49,836	\$26,634	23,202	24,571
F&B Catering	106,552	136,518	(29,966)	101,091	186,621	\$193,988	(7,367)	176,645
Novelty Sales	4,693	700	3,993	1,226	4,693	\$2,380	2,313	1,226
Booth Cleaning	38,331	44,550	(6,219)	39,062	61,917	\$60,755	1,162	67,605
Telephone/Long Distance	0	-	-	0	0	\$0	-	0
Electrical Services	62,487	59,501	2,986	39,077	97,052	\$81,245	15,807	75,948
Audio Visual	12,634	53,514	(40,880)	15,626	34,395	\$80,730	(46,335)	23,118
Internet Services	9,589	13,621	4,764	12,142	14,052	\$21,883	4,764	18,677
Equipment Rental	6,585	17,453	(10,868)	12,678	22,868	\$29,392	(6,524)	21,774
<b>Total Ancillary Income</b>	<b>259,322</b>	<b>340,442</b>	<b>(81,120)</b>	<b>228,786</b>	<b>471,434</b>	<b>497,007</b>	<b>(25,573)</b>	<b>409,564</b>
<b>Other Event Income</b>								
Ticket Rebates(Per Event)	44,405	57,600	(13,195)	23,087	237,745	\$127,600	110,145	72,425
<b>Total Other Event Income</b>	<b>44,405</b>	<b>57,600</b>	<b>(13,195)</b>	<b>23,087</b>	<b>237,745</b>	<b>127,600</b>	<b>110,145</b>	<b>72,425</b>
<b>Total Event Income</b>	<b>511,781</b>	<b>774,861</b>	<b>(263,080)</b>	<b>475,418</b>	<b>1,191,175</b>	<b>1,240,414</b>	<b>(49,239)</b>	<b>868,302</b>
<b>Other Operating Income</b>								
Luxury Box Agreements	767	1,333	(566)	804	1,533	2,666	(1,133)	1,608
Advertising	0	1,000	(1,000)	0	0	2,000	(2,000)	0
Other Income	5,883	7,333	(1,450)	5,744	12,168	14,666	(2,498)	11,532
<b>Total Other Operating Income</b>	<b>6,650</b>	<b>9,666</b>	<b>(3,016)</b>	<b>6,548</b>	<b>13,701</b>	<b>19,332</b>	<b>(5,631)</b>	<b>13,140</b>
<b>Adjusted Gross Income</b>	<b>518,431</b>	<b>784,527</b>	<b>(266,096)</b>	<b>481,966</b>	<b>1,204,876</b>	<b>1,259,746</b>	<b>(54,870)</b>	<b>881,442</b>
<b>Operating Expenses</b>								
Salaries and Wages	401,856	481,421	(79,565)	388,466	952,084	962,842	(10,758)	601,174
Payroll Taxes and Benefits	130,417	121,790	8,627	122,287	317,070	243,580	73,490	187,801
Labor Allocations to Events	(230,375)	(307,794)	77,419	(255,866)	(695,169)	(615,588)	(79,581)	(435,420)
<b>Net Salaries and Benefits</b>	<b>301,898</b>	<b>295,417</b>	<b>6,481</b>	<b>254,887</b>	<b>573,985</b>	<b>590,834</b>	<b>(16,849)</b>	<b>353,555</b>
Contracted Services	55,681	38,350	17,331	50,200	104,980	76,700	28,280	104,659
General and Administrative	60,482	44,815	15,667	61,033	89,453	89,630	(177)	95,784
Operations	5,618	18,852	(13,234)	72,946	16,704	37,704	(21,000)	76,020
Repair and Maintenance	62,257	42,000	20,257	30,596	93,181	84,000	9,181	70,262
Operational Supplies	22,349	26,675	(4,326)	22,465	33,773	53,350	(19,577)	37,652
Insurance	27,107	46,725	(19,618)	27,941	64,278	93,450	(29,172)	53,739
Utilities	119,203	136,600	(17,397)	118,331	242,514	273,200	(30,686)	244,682
SMG Management Fees	16,422	16,422	-	15,479	32,843	32,844	(1)	30,958
<b>Total Operating Expenses</b>	<b>671,017</b>	<b>665,856</b>	<b>5,161</b>	<b>653,878</b>	<b>1,251,710</b>	<b>1,331,712</b>	<b>(80,002)</b>	<b>1,067,311</b>
<b>Net Income(Loss) From Operatic</b>	<b>(152,586)</b>	<b>118,671</b>	<b>(271,257)</b>	<b>(171,912)</b>	<b>(46,834)</b>	<b>(71,966)</b>	<b>25,132</b>	<b>(185,869)</b>
<b>Other Non-Operating Expenses</b>								
<b>Adjusted Net Income(Loss)</b>	<b>(152,586)</b>	<b>118,671</b>	<b>(271,257)</b>	<b>(171,912)</b>	<b>(46,834)</b>	<b>(71,966)</b>	<b>25,132</b>	<b>(185,869)</b>



**SMG DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Year to Date Event Summary Report**  
**For the Two Months Ended August 31, 2023**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	37	44	11,630	54,710	546,974	894,708
Consumer/Gated Shows	-	2	-	3,000	-	10,680
DeVos Performance Hall	22	21	39,352	35,700	546,150	274,900
Banquets	5	2	1,640	3,000	17,021	60,126
Meetings	8	-	1,695	-	74,513	-
Other	1	-	1,050	-	6,517	-
GRAND TOTALS	73	69	55,367	96,410	1,191,175	1,240,414

As Percentage of Overall

Convention/Trade Shows	50.68%	63.77%	21.01%	56.75%	45.92%	72.13%
Consumer/Gated Shows	0.00%	2.90%	0.00%	3.11%	0.00%	0.86%
Devos Performance Hall	30.14%	30.43%	71.07%	37.03%	45.85%	22.16%
Ballroom Exclusive	6.85%	2.90%	2.96%	3.11%	1.43%	4.85%
Meetings	10.96%	0.00%	3.06%	0.00%	6.26%	0.00%
Other	1.37%	0.00%	1.90%	0.00%	0.55%	0.00%

**DeVos Place  
Balance Sheet  
As of August 31, 2023**

**ASSETS**

**Current Assets**

Cash	6,226,453
Account Receivable	1,619,827
Prepaid Expenses	(155,729)

<b>Total Current Assets</b>		<b>\$7,690,551</b>
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<b>Total Assets</b>		<b>\$7,690,551</b>
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**LIABILITIES AND EQUITY**

**Current Liabilities**

Accounts Payable	913,675
Accrued Expenses	167,264
Deferred Income	500,977
Advanced Ticket Sales & Deposits	3,925,388

Total Current Liabilities		\$5,507,304
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**Other Liabilities**

**Equity**

Funds Remitted to CAA	
Funds Received by CAA	(11,000)
Expenses Paid Direct by CAA	236,000
Beginning Balance Equity	2,005,081
Current Year Equity	(46,834)

Total Equity		\$2,183,247
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<b>Total Liabilities and Equity</b>		<b>\$7,690,551</b>
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**SMG - DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**As of August 31, 2023**

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Current - Under 30 Days	
Food & Beverage	125,002
Ticketing	50,275
Merchandise	3,430
Decorating	38,330
Audio/Visual	14,161
Van Andel Arena	637,459
Operating	580,025
 Over 30 Days	 122,487
 Over 60 Days	 48,658
 Over 90 Days	
 Total Accounts Receivable	 1,619,827

**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2024**

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2023 Actual
Net Revenue above Expenses	1,751,232	(6,520)	1,744,712	3,663,430
Benchmark++			1,050,000	1,050,000
Excess	1,751,232	(6,520)	694,712	2,613,430

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Unaudited
Base Fee	197,061	197,061	394,122	382,642
Incentive Fee				
Revenue	7,106,175	7,983,787	15,089,962	17,345,790
Benchmark Revenue	6,380,799	5,637,406	12,018,205	11,337,930
Revenue Excess	725,376	2,346,381	3,071,757	6,007,860
Incentive Fee **	93,069	301,053	394,122	382,642
Total SMG Management Fee	290,130	498,114	788,244	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 FISCAL YEAR ENDED AUGUST 31, 2023**

PROUD HOME OF THE GRAND RAPIDS GRIFFINS AND GRAND RAPIDS GOLD

### 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, 2024

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	8	104	112	112	-
ATTENDANCE	64,866	562,634	627,500	627,500	-
DIRECT EVENT INCOME	342,722	1,232,078	1,574,800	1,574,800	-
ANCILLARY INCOME	521,524	1,330,151	1,851,675	1,851,675	-
OTHER EVENT INCOME	327,918	1,054,182	1,382,100	1,382,100	-
TOTAL EVENT INCOME	1,192,164	3,616,411	4,808,575	4,808,575	-
TOTAL OTHER INCOME	412,495	1,885,105	2,297,600	2,297,600	-
TOTAL INCOME	1,604,659	5,501,516	7,106,175	7,106,175	-
INDIRECT EXPENSES					
EXECUTIVE	35,025	278,472	313,497	313,497	-
FINANCE	44,879	255,109	299,988	299,988	-
MARKETING	43,853	262,598	306,451	306,451	-
OPERATIONS	555,177	1,919,036	2,474,213	2,474,213	-
BOX OFFICE	36,908	259,305	296,213	296,213	-
SKYWALK ADMIN	4,598	49,502	54,100	54,100	-
OVERHEAD	248,640	1,361,841	1,610,481	1,610,481	-
TOTAL INDIRECT EXP.	969,080	4,385,863	5,354,943	5,354,943	-
NET REVENUE ABOVE EXPENSES	635,579	1,115,653	1,751,232	1,751,232	-
LESS INCENTIVE FEE		93,069	93,069	93,069	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	635,579	1,022,584	1,658,163	1,658,163	-

Comments:

Arena had a nice start to the fiscal year with one more concert hosted than budgeted and 2 shows selling much better than what was originally expected.

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General Manager

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Assistant General Manager

**VAN ANDEL ARENA  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR FISCAL YEAR ENDING JUNE 30, 2024**

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

<b>MONTH</b>	August Actual	August Budget	August FY 2023
Number of Events	3	3	2
Attendance	25,795	24,000	15,145
Direct Event Income	\$25,204	\$125,000	\$89,642
Ancillary Income	262,037	84,617	82,682
Other Event Income	120,986	108,000	86,442
Other Operating Income	209,091	199,972	159,158
Indirect Expenses	(498,730)	(446,249)	(385,995)
Net Income	\$118,588	\$71,340	\$31,929

<b>YTD</b>	YTD 2024 Actual	YTD 2024 Budget	YTD 2023 Prior Year
Number of Events	8	7	7
Attendance	64,866	53,000	52,424
Direct Event Income	\$342,722	\$242,000	\$297,511
Ancillary Income	521,524	164,597	248,462
Other Event Income	327,918	216,000	265,319
Other Operating Income	412,495	399,944	370,380
Indirect Expenses	(969,080)	(892,498)	(761,422)
Net Income	\$635,579	\$130,043	\$420,250

**EVENT INCOME**

Event income came in below budget as the Incubus concert fell below sales expectations.

**ANCILLARY INCOME**

Ancillary income came in very strong on continued per cap spending on Concessions and Merchandise that helped offset the lower than expected direct event income.

**INDIRECT EXPENSES**

Indirect expenses came in at expected levels for the month.

**Van Andel Arena**  
**Income Statement**  
**For the Two Months Ended August 31, 2023**

	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
<b>Event Income</b>								
<b>Direct Event Income</b>								
Rental Income	\$ 133,358	\$ 160,000	\$ (26,642)	\$ 112,495	\$ 513,399	\$ 295,000	\$ 218,399	\$ 361,085
Service Revenue	285,650	182,000	103,650	195,213	664,724	362,000	302,724	592,478
Service Expenses	(393,804)	(217,000)	(176,804)	(218,066)	(835,401)	(415,000)	(420,401)	(656,052)
<b>Total Direct Event Income</b>	<b>25,204</b>	<b>125,000</b>	<b>(99,796)</b>	<b>89,642</b>	<b>342,722</b>	<b>242,000</b>	<b>100,722</b>	<b>297,511</b>
<b>Ancillary Income</b>								
F&B Concession	219,623	68,237	151,386	68,866	432,513	131,837	300,676	196,934
F&B Catering	12,243	7,020	5,223	5,732	28,099	14,040	14,059	19,945
Novelty Sales	28,644	9,360	19,284	8,084	58,874	18,720	40,154	31,583
Booth Cleaning	-	-	-	-	-	-	-	-
Audio Visual	1,527	-	1,527	-	2,038	-	2,038	-
Other Ancillary	-	-	-	-	-	-	-	-
<b>Total Ancillary Income</b>	<b>262,037</b>	<b>84,617</b>	<b>177,420</b>	<b>82,682</b>	<b>521,524</b>	<b>164,597</b>	<b>356,927</b>	<b>248,462</b>
<b>Other Event Income</b>								
Ticket Rebates(Per Event)	120,986	108,000	12,986	86,442	327,918	216,000	111,918	265,319
<b>Total Other Event Income</b>	<b>120,986</b>	<b>108,000</b>	<b>12,986</b>	<b>86,442</b>	<b>327,918</b>	<b>216,000</b>	<b>111,918</b>	<b>265,319</b>
<b>Total Event Income</b>	<b>408,227</b>	<b>317,617</b>	<b>90,610</b>	<b>258,766</b>	<b>1,192,164</b>	<b>622,597</b>	<b>569,567</b>	<b>811,292</b>
<b>Other Operating Income</b>								
Luxury Box Agreements	160,042	141,888	18,154	103,475	313,370	283,776	29,594	258,703
Advertising	48,000	52,084	(4,084)	54,548	96,000	104,168	(8,168)	109,721
Other Income	1,049	6,000	(4,951)	1,135	3,125	12,000	(8,875)	1,956
<b>Total Other Operating Income</b>	<b>209,091</b>	<b>199,972</b>	<b>9,119</b>	<b>159,158</b>	<b>412,495</b>	<b>399,944</b>	<b>12,551</b>	<b>370,380</b>
<b>Adjusted Gross Income</b>	<b>617,318</b>	<b>517,589</b>	<b>99,729</b>	<b>417,924</b>	<b>1,604,659</b>	<b>1,022,541</b>	<b>582,118</b>	<b>1,181,672</b>
<b>Operating Expenses</b>								
Salaries and Wages	251,110	207,291	43,819	197,661	516,873	414,582	102,291	414,844
Payroll Taxes and Benefits	81,193	60,851	20,342	43,771	169,304	121,702	47,602	120,118
Labor Allocations to Events	(126,659)	(82,886)	(43,773)	(87,122)	(260,440)	(165,772)	(94,668)	(246,985)
<b>Net Salaries and Benefits</b>	<b>205,644</b>	<b>185,256</b>	<b>20,388</b>	<b>154,310</b>	<b>425,737</b>	<b>370,512</b>	<b>55,225</b>	<b>287,977</b>
Contracted Services	40,224	35,534	4,690	39,968	72,975	71,068	1,907	72,377
General and Administrative	43,542	34,969	8,573	48,102	67,132	69,938	(2,806)	79,858
Operations	5,402	10,084	(4,682)	1,963	10,735	20,168	(9,433)	11,312
Repair and Maintenance	55,565	32,542	23,023	37,431	109,481	65,084	44,397	82,041
Operational Supplies	47,745	25,017	22,728	19,236	62,753	50,034	12,719	36,123
Insurance	20,063	27,250	(7,187)	13,594	47,030	54,500	(7,470)	37,803
Utilities	64,123	79,175	(15,052)	56,362	140,392	158,350	(17,958)	123,874
SMG Management Fees	16,422	16,422	-	15,029	32,844	32,844	-	30,057
<b>Total Operating Expenses</b>	<b>498,730</b>	<b>446,249</b>	<b>52,481</b>	<b>385,995</b>	<b>969,080</b>	<b>892,498</b>	<b>76,582</b>	<b>761,422</b>
<b>Net Income(Loss) From Operations</b>	<b>118,588</b>	<b>71,340</b>	<b>47,248</b>	<b>31,929</b>	<b>635,579</b>	<b>130,043</b>	<b>505,536</b>	<b>420,250</b>
<b>Other Non-Operating Expenses</b>								
<b>Adjusted Net Income(Loss)</b>	<b>118,588</b>	<b>71,340</b>	<b>47,248</b>	<b>31,929</b>	<b>635,579</b>	<b>130,043</b>	<b>505,536</b>	<b>420,250</b>



**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Event Summary**  
**For the Two Months Ended August 31, 2023**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	-	-	-	-	-	-
Sporting Event	1	1	999	5,000	26,506	12,637
Concert	7	6	63,867	48,000	1,165,656	609,960
Team Home Games	-	-	-	-	-	-
Other	-	-	-	-	-	-
GRAND TOTALS	8	7	64,866	53,000	1,192,164	622,597
As Percentage of Overall						
Family Show	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Sporting Event	12.50%	14.29%	1.54%	9.43%	2.22%	2.03%
Concert	87.50%	85.71%	98.46%	90.57%	97.78%	97.97%
Team Home Games	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Van Andel Arena**  
**Balance Sheet**  
**As of August 31, 2023**

**ASSETS**

**Current Assets**

Cash	14,330,615
Account Receivable	1,540,776
Prepaid Expenses	190,061

**Total Current Assets**

\$16,061,452

**Total Assets**

\$16,061,452

**LIABILITIES AND EQUITY**

**Current Liabilities**

Accounts Payable	2,225,096
Accrued Expenses	513,796
Deferred Income	2,131,312
Advanced Ticket Sales & Deposits	6,532,290

**Total Current Liabilities**

\$11,402,495

**Other Liabilities**

**Equity**

Funds Remitted to CAA	(1,000,000)
Funds Received by CAA	-
Expenses Paid Direct by CAA	134,539
Beginning Balance Equity	4,888,842
Current Year Equity	635,579

**Total Equity**

\$4,658,957

**Total Liabilities and Equity**

\$16,061,452

**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**As of August 31, 2023**

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Current - Under 30 Days	
Food & Beverage	307,796
Ticketing	480,956
Merchandise	1,172
Permanent Advertising	32,000
DeVos Place	(609,657)
Operating	1,147,561
 Over 30 Days	 54,012
 Over 60 Days	 126,936
 Over 90 Days	
 Total Accounts Receivable	 1,540,776

**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2024**

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2023 Actual
Net Revenue above Expenses	1,751,232	(6,520)	1,744,712	3,663,430
Benchmark++			1,050,000	1,050,000
Excess	1,751,232	(6,520)	694,712	2,613,430

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Unaudited
Base Fee	197,061	197,061	394,122	382,642
Incentive Fee				
Revenue	7,106,175	7,983,787	15,089,962	17,345,790
Benchmark Revenue	6,380,799	5,637,406	12,018,205	11,337,930
Revenue Excess	725,376	2,346,381	3,071,757	6,007,860
Incentive Fee **	93,069	301,053	394,122	382,642
Total SMG Management Fee	290,130	498,114	788,244	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.

RICHARD A. WINN  
CHAIRMAN

HON. ROSALYNN BLISS

MANDY BOLTER

M. SCOTT BOWEN

LEW CHAMBERLIN

BIRGIT M. KLOHS

MICHAEL B. VERHULST

## Memorandum

To: CAA Board Members

From: Richard MacKeigan, Executive Director

Date: October 3, 2023

Re: FY24 Capital Budget Amendment Request

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

### **Ballroom Lighting and Controls**

Originally approved capital request included a DeVos Place project to replace the ballroom lighting and controls. Due to anticipated event and vendor scheduling issues, this project was initially thought to take place over 3 years, broken down as \$2.1M for each of FY 23 and FY 24 and \$1.3M for FY25 for a total project cost of \$5.5M. Staff have asserted that acceleration of the project combined with guaranteed product rebates could provide for project completion for a total cost of \$5.2M by pulling the work and budget forward. Overall, this will result in a savings to the CAA of at least \$300k from the originally anticipated cost of the project. Additionally, while calculations have yet to be performed, staff is confident that a positive financial impact will result from the event revenue side for increased scheduling ability for the ballroom facility.

### **Food and Beverage Point of Sale (POS) System**

It was recently discovered that the Arena food and beverage POS system can no longer be supported by the hardware and software vendors. To avoid long lines at VAA it is recommended that a new system be purchased for approximately \$410k. Long term impact is expected to decrease average transaction time and increase food and beverage revenues.

### **Volleyball Court, Equipment and Installation**

As part of recent negotiations with the Grand Rapids Rise, a total investment of \$150k is required to prepare for the first season of professional volleyball at the Arena. Terms of the agreement include reimbursement to the facility for any



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unamortized costs related to the court, equipment and installation on a pro-rata basis over of the life of the agreement.

### **Westside Ballroom HVAC Emergency Repair**

This is to replace a bad actuator that services the perimeter of the Secchia Lobby. The equipment is located in a spot that will require the removal of panels. This request is for \$120K due to the labor necessary to remove/reinstall the panels.

### **Amphitheater Advance Closing Payment**

Pursuant to the Option Agreement to Purchase Real Estate from the City of Grand Rapids (the City) for the Amphitheater construction site, an Agreement Regarding Payment Terms and Closing Date was recently executed stipulating a \$5M Advance Closing Payment to be placed in an Escrow Account held by the CAA and dedicated to this purpose.

With all of these changes, we are requesting an amendment to the FY24 capital request totaling \$6,680,000.



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

**RESOLUTION AUTHORIZING AMPHITHEATER DONOR  
RECOGNITION POLICY**

Boardmember \_\_\_\_\_, supported by Boardmember \_\_\_\_\_, moved the adoption of the following resolution:

**WHEREAS**, the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) and the Grand Action Foundation 2.0 (“GA2.0”) entered into a Memorandum of Understanding dated August 5, 2022, pursuant to which the CAA and GA2.0 have worked together with the City and others toward the development, funding and construction of a public outdoor amphitheater to be located at, or in the vicinity of, 201 Market Avenue in the City (the “MOU”), and

**WHEREAS**, the MOU provides in pertinent part that GA2.0 shall establish or cause to be established a Donor Recognition Policy relating to the amphitheater (the “Policy”) which shall be mutually agreed to by the CAA and GA2.0; and

**WHEREAS**, together, authorized representatives of the CAA and GA2.0 have worked and continue to work together to develop a Donor Recognition Policy for use as fundraising efforts continue.

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Executive Director of the CAA is hereby authorized to finalize and agree to a Donor Recognition Policy, as anticipated in the MOU, in coordination with GA2.0, in a form approved as to substance by the Board Chair, and as to form by CAA legal counsel.

2. That all resolutions or parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are rescinded.

YEAS: Boardmembers \_\_\_\_\_

\_\_\_\_\_

NAYS: Boardmembers \_\_\_\_\_

ABSTAIN: Boardmembers \_\_\_\_\_

ABSENT: Boardmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: October 6, 2023

\_\_\_\_\_  
Susan M. Waddell  
Administrative Manager/Recording Secretary

**CERTIFICATION**

I, the undersigned duly qualified and acting Administrative Manager 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 Board of Directors of the CAA at a meeting held on October 6, 2023, and that public notice of said meeting was given pursuant to Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: October 6, 2023

\_\_\_\_\_  
Susan M. Waddell  
Administrative Manager/Recording Secretary



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

**RESOLUTION AUTHORIZING A THIRD MEMORANDUM OF  
UNDERSTANDING BETWEEN THE GRAND RAPIDS-KENT COUNTY  
CONVENTION/ARENA AUTHORITY AND THE GRAND ACTION  
FOUNDATION 2.0**

Boardmember \_\_\_\_\_, supported by Boardmember \_\_\_\_\_, moved  
the adoption of the following resolution:

**WHEREAS**, the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) is an authority created by the City of Grand Rapids (the “City”) and the County of Kent (the “County”) pursuant to Act 203 of the Public Acts of Michigan of 1999, as amended, for the purpose, in part, of the development and operation of certain facilities including sports facilities including a public outdoor stadium for soccer and other uses as permitted by Act 203; and

**WHEREAS**, GA2.0 is a 501c(3) organization and a Michigan nonprofit corporation formed for civic purposes including gaining private and public support for public facilities including a public outdoor amphitheater and soccer stadium; and

**WHEREAS**, the CAA and GA2.0 have been working together with the City, County and others toward the development, funding and construction of a public outdoor stadium (the “Stadium”); and

**WHEREAS**, the CAA and GA2.0 intend to enter into an MOU for the purpose of reaching agreements regarding the development, funding, construction, ownership and operation of the Stadium, contingent upon the CAA’s authority as set forth in the CAA’s Articles of Organization and Operating Agreement, as amended, and as may be amended; and

**WHEREAS**, the CAA and GA2.0 previously entered into an MOU for the purpose of reaching agreements regarding the development, funding, construction, ownership and operation of the Amphitheater (the “MOU”), and also previously entered an MOU for the purpose of reaching an agreement regarding the development of the parcels surrounding, and related to, the Amphitheater (the “Second MOU”); and

**WHEREAS**, the CAA and GA2.0 now intend to enter into a third MOU (the “Third MOU”) for the purpose of reaching an agreement regarding the development, funding, construction, ownership, and operation of the Soccer Stadium.

**RESOLVED:**

1. That the CAA determines to enter a Third Memorandum of Understanding with GA2.0 for the purpose of reaching an agreement regarding the development, funding, construction, ownership, and operation of the Soccer Stadium, and the Chairperson of the Board is authorized and directed to execute said agreement, in a form approved as to substance by the Board Chair, and as to form by CAA legal counsel, contingent upon the CAA’s authority as set forth in the CAA’s Articles of Organization and Operating Agreement, as amended, and as may be amended.

2. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded.

YEAS: Boardmembers \_\_\_\_\_

\_\_\_\_\_

NAYS: Boardmembers \_\_\_\_\_

ABSTAIN: Boardmembers \_\_\_\_\_

ABSENT: Boardmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: October 6, 2023

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Susan M. Waddell  
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 6, 2023, 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 6, 2023

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Susan M. Waddell  
Administrative Manager/Recording Secretary

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

**RESOLUTION AUTHORIZING WRITTEN CONSENT OF A  
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF  
GRAND RAPIDS AND THE GRAND ACTION FOUNDATION 2.0**

Boardmember \_\_\_\_\_, supported by Boardmember \_\_\_\_\_, moved  
the adoption of the following resolution:

**WHEREAS**, the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) is an authority created by the City of Grand Rapids (the “City”) and the County of Kent (the “County”) pursuant to Act 203 of the Public Acts of Michigan of 1999, as amended, for the purpose, in part, of the development and operation of certain facilities including entertainment facilities including a public outdoor amphitheater and other uses as permitted by Act 203; and

**WHEREAS**, GA2.0 is a 501c(3) organization and a Michigan nonprofit corporation formed for charitable and civic purposes including gaining private and public support for public facilities; and

**WHEREAS**, in connection therewith, GA 2.0 has been working with public and private interests toward the development, funding, and construction of an outdoor amphitheater to be located at 201 Market Avenue (the “Amphitheater”), which property currently houses certain City facilities and activities; and

**WHEREAS**, the City has been planning to transition its use of such property to other facilities and supports the use of 201 Market for the Amphitheater, and a portion of the activities currently conducted at 201 Market will be transitioned to temporary facilities at 201 Market as well as the City’s Wastewater Treatment Plant property located at 1300 Market; and

**WHEREAS**, the City and GA2.0 intend to enter into an MOU for the purpose of reaching agreement regarding the scope, schedule and budget associated with the construction and use of temporary facilities at 201 Market and 1300 Market while the City transitions and relocates its operations (the “Relocation MOU”); and

**WHEREAS**, the CAA and the City are parties to an Option Agreement to Purchase Real Estate involving the sale of 201 Market, which requires CAA, consent prior to the City entering into any agreement, lease, use, occupancy arrangement, easement or other agreement with respect to all or any portion of the property.

**RESOLVED:**

1. That the CAA authorizes its Board Chair to provide written consent to a Relocation MOU between the City and GA2.0, in a form approved as to substance by the Board Chair, and as to form by CAA legal counsel.

2. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded.

YEAS: Boardmembers \_\_\_\_\_  
\_\_\_\_\_

NAYS: Boardmembers \_\_\_\_\_

ABSTAIN: Boardmembers \_\_\_\_\_

ABSENT: Boardmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: October 6, 2023

\_\_\_\_\_  
Susan M. Waddell  
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 6, 2023, 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 6, 2023

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Susan M. Waddell  
Administrative Manager/Recording Secretary