

Washington Convention and Sports Authority

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Table ES0-1

Description	FY 2019 Actual	FY 2020 Actual	FY 2021 Approved	FY 2022 Approved	% Change from FY 2021
OPERATING BUDGET	\$0	\$0	\$164,270,817	\$227,770,305	38.7
FTEs	0.0	0.0	0.0	0.0	N/A
CAPITAL BUDGET	\$0	\$0	\$0	\$0	N/A
FTEs	0.0	0.0	0.0	0.0	N/A

Note: Prior year actuals are not reported for the Washington Convention and Sports Authority because the agency does not use the District's financial system for its actual transactions.

The mission of Events DC is to generate economic and community benefits for the residents and businesses of the District of Columbia by creating the premier event experience in the nation's capital, and through the promotion of Washington, DC, as a world-class tourist destination.

Summary of Services

In 1994, the Washington Convention Center Authority (WCCA) was created as a corporate body and an independent authority of the District of Columbia government responsible for managing and operating the District's Convention Center and for bringing national and international conventions, trade shows, and meetings to the District of Columbia. ["Washington Convention Center Authority Act of 1994," D.C. Law 10-188, effective September 28, 1994]. Pursuant to the Fiscal Year 2010 Budget Support Second Emergency Act of 2009 and the Fiscal Year 2010 Budget Support Act, the District of Columbia Sports and Entertainment Commission was merged into WCCA to form a new organization known as the Washington Convention and Sports Authority (WCSA). The merger created one umbrella organization with a broadened charter to also promote the District as a key sports, entertainment, and special events destination. Also, as part of the merger, WCSA gained control over the Nationals Park, the Robert F. Kennedy Memorial Stadium (RFK), and the non-military portions of the DC Armory. Facility maintenance for RFK and the Armory, previously performed by the D.C. Sports and Entertainment Commission, was assumed by the Department of Real Estate Services, now the Department of General Services.

In June 2011, the Washington Convention and Sports Authority launched a new brand name, "Events DC." The new brand entity fully encompasses the event experience in the city, elevates the organization's core assets and portfolio, and perhaps most importantly, aligns with the existing brands for Washington DC and the city's promotional arm, Destination DC.

Events DC is governed by a 12-member Board of Directors. Three members, including the Chief Financial Officer of the District, the chief executive of the Hotel Association of Washington DC, and the third person designated by the Mayor, serve as voting ex-officio members. The remaining nine public members are appointed by the Mayor with the advice and consent of the Council of the District of Columbia and represent certain sectors of the community. The Mayor designates one public member as chairperson with the advice and consent of the Council.

The agency's FY 2022 approved budget is presented in the following tables:

FY 2022 Approved Gross Funds Operating Budget and FTEs, by Revenue Type

Table ES0-2 contains the approved FY 2022 budget by revenue type compared to the FY 2021 approved budget. It also provides FY 2019 and FY 2020 actual data.

Table ES0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2019	Actual FY 2020	Approved FY 2021	Approved FY 2022	Change from FY 2021	% Change*	Actual FY 2019	Actual FY 2020	Approved FY 2021	Approved FY 2022	Change from FY 2021	% Change
ENTERPRISE AND OTHER												
Enterprise and Other Funds	0	0	164,271	227,770	63,499	38.7	0.0	0.0	0.0	0.0	0.0	N/A
TOTAL FOR ENTERPRISE AND OTHER	0	0	164,271	227,770	63,499	38.7	0.0	0.0	0.0	0.0	0.0	N/A
GROSS FUNDS	0	0	164,271	227,770	63,499	38.7	0.0	0.0	0.0	0.0	0.0	N/A

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2022 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2022 Approved Operating Budget, by Comptroller Source Group

Table ES0-3 contains the approved FY 2022 budget at the Comptroller Source Group (object class) level compared to the FY 2021 approved budget. It also provides FY 2019 and FY 2020 actual expenditures.

Table ES0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2019	Actual FY 2020	Approved FY 2021	Approved FY 2022	Change from FY 2021	Percentage Change*
11 - Regular Pay - Continuing Full Time	0	0	23,224	25,013	1,790	7.7
12 - Regular Pay - Other	0	0	1,819	1,835	16	0.9
14 - Fringe Benefits - Current Personnel	0	0	7,199	8,343	1,144	15.9
15 - Overtime Pay	0	0	710	710	0	0.0
SUBTOTAL PERSONAL SERVICES (PS)	0	0	32,952	35,901	2,949	8.9

Table ES0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2019	Actual FY 2020	Approved FY 2021	Approved FY 2022	Change from FY 2021	Percentage Change*
20 - Supplies and Materials	0	0	945	809	-136	-14.4
30 - Energy, Communication and Building Rentals	0	0	7,042	5,867	-1,175	-16.7
31 - Telecommunications	0	0	216	216	0	0.0
41 - Contractual Services - Other	0	0	27,781	27,832	52	0.2
50 - Subsidies and Transfers	0	0	18,087	90,477	72,389	400.2
60 - Land and Buildings	0	0	27,000	28,820	1,820	6.7
70 - Equipment and Equipment Rental	0	0	450	422	-27	-6.1
80 - Debt Service	0	0	49,799	37,426	-12,373	-24.8
SUBTOTAL NONPERSONAL SERVICES (NPS)	0	0	131,319	191,870	60,551	46.1
GROSS FUNDS	0	0	164,271	227,770	63,499	38.7

*Percent change is based on whole dollars.

FY 2022 Approved Operating Budget and FTEs, by Division/Program and Activity

Table ES0-4 contains the approved FY 2022 budget by division/program and activity compared to the FY 2021 approved budget. It also provides FY 2019 and FY 2020 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table ES0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalent				
	Actual FY 2019	Actual FY 2020	Approved FY 2021	Approved FY 2022	Change from FY 2021	Actual FY 2019	Actual FY 2020	Approved FY 2021	Approved FY 2022	Change from FY 2021
(1000) WASHINGTON CONVENTION CENTER										
(1100) Washington Convention Center	0	0	164,271	227,770	63,499	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (1000) WASHINGTON CONVENTION CENTER	0	0	164,271	227,770	63,499	0.0	0.0	0.0	0.0	0.0
TOTAL APPROVED OPERATING BUDGET	0	0	164,271	227,770	63,499	0.0	0.0	0.0	0.0	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the approved funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2022 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

Program Description

Although it appears as a single program in the District's financial system, the Washington Convention and Sports Authority operates through the following 3 divisions:

Conventions & Meetings Division – operates the Walter E. Washington Convention Center and the historic Carnegie Library at Mount Vernon Square. The Convention Center is a venue for large conventions, trade shows, and mid-sized to small meetings. Recognized as one of the most-energy efficient buildings of its size,

the Convention Center has won awards both for inspiring design and as a major contributor toward urban renewal in downtown DC. Events DC generates economic activity at the Center that brings millions of visitors to a revitalized downtown and the historic Shaw neighborhood. To further leverage the power of large-scale meetings and conventions, Events DC made a significant investment in the Washington Marriott Marquis hotel and continues to create economic benefits for the District. Carnegie Library generates rental income after the opening of the Apple global flagship retail store in the first quarter of FY 2019.

The convention center opened in April 2003 and was later named in honor of the first Mayor of the District under the present Home Rule Charter. Since opening, it has hosted the following number of events per fiscal year:

<u>Fiscal Year</u>	<u>Convention Center Events</u>
2007	150
2008	185
2009	204
2010	214
2011	231
2012	201
2013	209
2014	204
2015	233
2016	217
2017	184
2018	167
2019	151
2020	57

A total of 19.2 million people attended events at the Convention Center during the period of FY 2004 through FY 2020. Currently, the Convention Center has booked or tentatively booked approximately 101 events from FY 2021-2023. These events are projected to attract 1 million attendees every year. The projection for events and potential attendance will be revised based on the impact of Coronavirus. The impact is being reviewed and monitored by the Authority's management. The Center has a total of 2.3 million square feet of space, including 703,000 square feet of exhibit space; 118,670 square feet of meeting space (which is divisible into 77 meeting rooms); 44,000 square feet of retail space and street-level restaurants; and a 52,000 square-foot ballroom, which is one of the largest on the East Coast.

Sports and Entertainment Division – brings world-class sports, entertainment, cultural and hospitality events to the District while promoting the metropolitan region as a premier destination. It manages and programs the Robert F. Kennedy Memorial Stadium (“RFK Stadium”), the non-military functions of DC Armory, the RFK Festival Grounds, the Skate Park at RFK Stadium, the Fields at RFK, Gateway DC Pavilion, the R.I.S.E. Demonstration Center, and the Entertainment and Sports Arena on the St. Elizabeths East Campus. The Department of General Services (DGS) maintains the Stadium and the Armory on the basis of the MOU signed with Events DC. The Deputy Mayor for Planning and Economic Development (DMPED) provides the funding for the operation of the Gateway DC and the R.I.S.E. Demonstration Center, based on the MOU with Events DC.

Creative Services Division – is responsible for creating new events and programming, both as “live” and “digital” content. During the last 12 months, the Creative Services Division formally launched GATHER by Events DC, a virtual platform featuring a high-end production studio, a "virtual" venue, and an on-demand repository for highlighting and showcasing content related to food, sports, music, entertainment and culture, and community. The Division is actively involved in the planning and support of some of the city’s most anticipated events, attracting thousands of attendees to locations around the city. Events DC makes strategic investments in various city-wide sports, entertainment and cultural events including the internationally

renowned National Cherry Blossom Festival, an annual four-week long festival that features art, theater, and live performances throughout the city each spring; the annual DC Jazz festival, which showcases nearly 80 live performances in clubs, restaurants, hotels and galleries throughout the District; Events DC Embassy Chef Challenge Presented By TCMA, a month long celebration of DC's diplomatic community through the culinary arts; and the Washington International Horse Show, which is held annually at the Capital One Arena. Additionally, Events DC makes an appearance at the SXSW Conference and Festivals in Austin, Texas as well as supporting the Washington Kastles, DC's multiple champion World Team Tennis squad.

Program Structure Change

The Washington Convention and Sports Authority has no program structure changes in the FY 2022 approved budget.

FY 2021 Approved Budget to FY 2022 Approved Budget, by Revenue Type

Table ES0-5 itemizes the changes by revenue type between the FY 2021 approved budget and the FY 2022 approved budget. For a more comprehensive explanation of changes, please see the FY 2022 Approved Budget Changes section, which follows the table.

Table ES0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUNDS: FY 2021 Approved Budget and FTE		164,271	0.0
Increase: To support nonpersonal service costs	Washington Convention Center	3,141	0.0
Increase: To align personal services and Fringe Benefits with projected costs	Washington Convention Center	2,949	0.0
Increase: To adjust the Contractual Services budget	Washington Convention Center	52	0.0
Decrease: To realize programmatic cost savings in nonpersonal services	Washington Convention Center	-1,338	0.0
Decrease: To support Debt Service payments due in FY 2022	Washington Convention Center	-12,373	0.0
ENTERPRISE AND OTHER FUNDS: FY 2022 Mayor's Proposed Budget		156,701	0.0
Enhance: ARPA - Federal Funds for Local Revenue Replacement to support business relief for District Hotels (\$40m); to support the Excluded Worker Payment Amendment Act of 2021 (\$26m); and to support marketing campaigns with Destination DC and Events DC (\$5.1m)	Washington Convention Center	71,069	0.0
ENTERPRISE AND OTHER FUNDS: FY 2022 District's Approved Budget		227,770	0.0
GROSS FOR ES0 - WASHINGTON CONVENTION AND SPORTS AUTHORITY		227,770	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

FY 2022 Approved Operating Budget Changes

Table ES0-6 contains the approved FY 2022 budget by fund compared to the FY 2021 approved budget.

Table ES0-6

Appropriated Fund	FY 2021 Approved	FY 2022 Approved	% Change from FY 2021
Enterprise and Other Funds	\$164,270,817	\$227,770,305	38.7
GROSS FUNDS	\$164,270,817	\$227,770,305	38.7

Mayor's Proposed Budget

Increase: The Washington Convention and Sports Authority's (WCSA) FY 2022 budget proposal reflects an increase of \$3,140,571, of which \$1,820,175 supports an increase in capital expenditures as contained in the 5-year financial plan, and \$1,320,396 supports the Destination DC, the Department of General Services for maintenance of RFK Stadium and the non-military portion of the DC Armory Possessory Interest Tax for the Entertainment and Sports Arena. Additionally, the proposed budget includes an increase of \$2,948,987 to align personal services and Fringe Benefits with projected costs, and to support the restoration of 50 percent of positions that were frozen during FY 2021 due to the COVID-19 pandemic. Lastly, contractual services is increased by \$51,542 to support various program initiatives.

Decrease: WCSA's FY 2022 proposed budget includes a decrease of \$1,337,658, which is comprised of \$1,174,833 in Energy to account for savings based on actual usage at RFK Stadium; \$135,575 in Supplies; and \$27,250 in Equipment and Equipment Rentals due to COVID-19. Other reductions include \$12,372,954 in Debt Service to align the budget with the principal and interest due in FY 2022.

District's Approved Budget

Enhance: The Washington Convention and Sports Authority's approved budget reflects an adjustment of \$71,069,000, of which \$40,000,000 will support business relief for District Hotels in accordance to COVID 19 Hotel Recovery Grant Program Act of 2021; \$26,000,000 will support the Excluded Worker Payment Amendment Act of 2021; and \$5,069,000 to support marketing campaigns with Destination DC and Events DC with the aim of attracting leisure and business tourists to the District of Columbia. This increase in spending is supported by Coronavirus Relief funds from the American Rescue Plan Act.