

Community Services Advisory Commission
Special Meeting
Redding Convention Center
700 Auditorium Drive, Redding, CA
September 17, 2009, 4:00 p.m.

Minutes

ATTENDANCE

The meeting opened with the following Commissioners present; Leona McCoach, Adam McElvain, Jason Waybright, and Susan Hinz. Commissioner Judy Salter was away on a planned absence.

Also present were Convention Center Manager Chris Gonzalez, Convention Center Facility Supervisor John Johnson, Support Services Director Gerard Kersten, Management Analyst Michele Davis, and Executive Assistant Erica Thomas.

PUBLIC COMMENT

None

PUBLIC INPUT - FOR PROFIT ORGANIZATIONS

Andrew Coolidge, Coolidge Public Relations, was asked to speak about the Redding Home and Garden Show which he currently brings to the Redding Convention Center two times per year. Mr. Coolidge advised during his Fall show boasted ninety-five exhibitors while his Spring show fared substantially better with one hundred thirty-five exhibitors. For a \$5.00 fee the public is invited to attend which is great for local businesses. During the Spring 2009 show 6,000-7,000 patrons attended the show. Mr. Coolidge does donate a certain number of booths each show for non-profit organizations to come in and advertise. Mr. Coolidge advised he produces five Home and Garden shows per year (1-Chico, 2-Yuba City, 2-Redding) and already he has a 70% renewal rate within the City of Redding for the 2010 Spring show. Mr. Coolidge advised patrons come from out of town, stay in local hotels, shop and eat in Redding which is also good for the City of Redding businesses and economy alike. Andrew stated the current cost of the rental for the Redding Convention Center is not overpriced or underpriced - but fits well into the median he is used to paying at other venues. He advised the staff at the Redding Convention Center is very accommodating and helpful with the entire event, which he is not used to counting on. Mr. Coolidge stated there is no other venue that could handle the capacity of vendors required for the Redding Home and Garden Show, as he only hopes the show will continue to grow and since the Anderson Fairgrounds already hosts a Home Show twice a year that is not an alternative. Mr. Coolidge suggested, since privatization of the Convention Center should not be an option, more rental opportunities (ie: multiple rentals of the facility on the same day) should be taken advantage of. Andrew concluded that the Convention Center is an asset to the City of Redding and should be treated as such.

Steve Roberts, General Manager of Crown Motors, spoke about the Crown Motors Car Sale which is held twice per year at the Redding Convention Center (Memorial Day/Labor Day weekends). Crown Motors moves between 400-850 cars off of their site and onto the Convention Center's grass and parking

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areas. Steve originally began having the car sale when he worked at Lithia of Redding, however when he moved on to become the GM of Crown Motors he decided to continue the bi-annual sale. In total, Mr. Roberts has produced sixteen car sales. He advised the staff at the Redding Convention Center is helpful, courteous, easy to work with and kind. Steve has produced car sales all over the State of California and says the ease of doing an event at the Convention Center is bar none. Mr. Roberts explained each of his car sales are successful and while each car is priced between \$10,000-\$70,000, a large amount of tax dollars are fed back into the community as a result. Mr. Roberts advised that while the Anderson Fairgrounds is slightly less expensive for a rental, it is not worth the “downgrade” in service and area. As a suggestion for closing the gap between revenues and expenses currently plaguing the Redding Convention Center, Mr. Roberts offered more promotion of the facility citing many people are not even aware that the Center can be rented. In addition, he advised perhaps corporate sponsors or sponsors for the parking lot could be looked into in order to curb the expenses passed on to Convention Center lessees.

Deborah Larsen spoke on behalf of Redding Dance Centre. Mrs. Larsen advised she has been doing dance productions in the Redding area for over fifty years and has been producing year end performances at the Redding Convention Center for five years. Deborah advised that currently she is the only dance company North of Sacramento that produces a full length ballet. She explained that during her productions there are up to two hundred fifty children on stage and no other facilities in the area could support that kind of space. The Cascade Theater does not have dressing rooms and the stage is large enough to accommodate her troupe. Mrs. Larsen brings two shows to the Convention Center each June and approximately 1,000 people attend each show.

Support Services Director Kersten read a letter (attached) provided by Michelle Bjelke, Director of Operations, Jam Theatricals of Chicago, Illinois since she was unable to attend the meeting. Jam Theatricals currently brings 5-6 Broadway shows to the Redding Convention Center each year.

Support Services Director Kersten read a letter (attached) provided by Eric Freedman, Talent Buyer, Live Nation Worldwide, Inc. of San Francisco, California since he was unable to attend the meeting. Live Nation currently brings 2-3 concerts/comedy shows to the Redding Convention Center each year.

Angie Gurrola of Mesa Productions spoke about her experience in the concert promoting industry which she currently operates with her husband, Rick Gurrola. Angie advised Mesa Productions has been producing concerts in the area for fifteen years. She stated not all events make money but that Mesa’s goal is to provide a quality show for a reasonable price to the people of Redding. All total there have been twenty seven Mesa events at the Redding Convention Center/Rodeo Grounds, including a Pro-Bullride event in which Convention Center Manager Gonzalez created a seating map and ticketing system to accommodate the needs of the event. Mrs. Gurrola concluded that Mesa Productions is a “mom and pop” company and due to the familiarity they currently have with the Redding Convention Center, if for some reason they were unable to utilize the facility any longer, they would simply quit the business. She suggested gaining national sponsors and/or media to help close the gap between expenses and revenues at the Convention Center.

PUBLIC INPUT - NON PROFIT ORGANIZATIONS

Ginne Mistal spoke on behalf of Soroptimist International of Redding and Big Bike Weekend. Ginne explained that the Soroptimist Mardi Gras and Breast Cancer Awareness Luncheon are two events that have been held at the Redding Convention Center for years and both events feed many thousands of dollars back into the City of Redding. 2009 is the first year the City of Redding has had to pull all

funding from the Big Bike Weekend event and yet the committee is still making the event happen. Ginne advised no other venue in the surrounding area could accommodate any of the events. Mrs. Mistal questioned that if the fee structure at the Redding Convention Center changes and the local non-profit organizations are priced out of the market, what will all of the volunteer efforts be worth? Ginne suggested more marketing strategies and collaboration between local people and businesses to save the community as a whole.

Larry Norman spoke on behalf of Little Country Church which currently hosts 2-3 events per year at the Convention Center. Larry was very complimentary to the staff and explained he was concerned about the relationships in the community being affected by all of the inquiries currently happening. Mr. Norman said that changing the Convention Center fee structure would be detrimental to the Christmas services that are held each year. Christmas Services and concerts that Little Country Church does at the Redding Convention Center are often open to the public and free of charge. Due to the number of attendees at each event, Larry feels like no other facility could accommodate their events.

Bonnie Sharp spoke on behalf of the Redding Republican Women Federated. Mrs. Sharp outlined her history in the Redding community and as a Chamber Board Member for five years. The Republican Women's Tea (annual fund raiser) started in 1982 and currently has between 460-500 guests. The event outgrew a local hotel a number of years ago and has since moved to the Redding Convention Center. The event is the only annual fund raiser for the RRWF and all of the funds raised go back into the community as scholarships for local children. Bonnie suggested exposing the Convention Center to more people or perhaps collaborating with organizations such as Shasta College or other agencies which could offer their students a program in connection with Convention Center operations in order to help the deficit.

Bruce Alexander from the Redding Rodeo Association was unable to attend the meeting, but through a voice mail message advised he would like to retain his right to speak about this issue at the next CSAC Special meeting.

Support Services Director Kersten advised if the organizations present had any additional comments or suggestions, they could pass them on to gkersten@ci.redding.ca.us and he would see to it that the Commissioners received the information.

Commissioners agreed to October 22, 2009, at 4:00 p.m. for the next special meeting at the Redding Convention Center, Room 125. The following will be included on the agenda:

1. Bruce Alexander - Redding Rodeo Association to speak;
2. List of questions for private companies which have converted from public to private or vice versa will be provided.

COMMISSIONER COMMENTS

Chair Hinz advised she had learned a lot during the previous two meetings and a very difficult decision lies ahead for the entire committee.

ADJOURNMENT

There being no further business, at the hour of 5:35pm Chair Hinz declared the meeting adjourned.

Susan Hinz, Chair

CSAC 9/29 – FOR PROFIT REPRESENTATION

Mesa Productions

Redding Home and Garden Show

Crown Motors

Redding Dance Centre

Jam Theatricals (Letter)

Live Nation (Letter)

CSAC 9/29 – NON PROFIT REPRESENTATION

Soroptimist International of Redding

Little Country Church

Big Bike Weekend

Redding Rodeo Association

Redding Republican Women Federated

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September 24, 2009

Chris Gonzalez
Redding Convention Center
General Manager
700 Auditorium Dr.
Redding, CA 96001

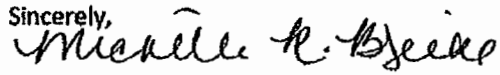
Dear Chris,

I am writing today to address the Redding City Council's investigation into possibly privatizing the Convention Center.

Jam Theatricals has been working with the Redding Convention Center for more than 9 years. We have chosen to be in this market because we feel that we bring a quality product to the people of Redding. This, however, is not without considerable cost to Jam Theatricals. During the 2008-09 season, we lost more than \$35,000. We do not take this loss lightly, but, with the cooperation of the venue, we were able to mitigate that loss, which would have been considerably higher without their help.

We feel that privatizing the management of the Convention Center would cause the rental rates to escalate, as is typically the case in privatization efforts, thereby making a profitable subscription season nearly impossible. If rental rates increase beyond those currently established, Jam Theatricals would have to seriously consider leaving the market altogether.

We have made an investment in the Redding Convention Center and the City of Redding. We urge the City Council to reconsider its bid to privatize the Redding Convention Center. If you would like to speak to this matter further, please do not hesitate to contact me.

Sincerely,

Michelle R. Bjelke
Director of Operations and Ticketing Services
Jam Theatricals
mbjelke@jamtheatricals.com

September 28th, 2009

To Whom It May Concern:

Live Nation (f/k/a Bill Graham Presents) is a current client with over 20 years of history producing concerts at the Redding Convention. We believe the venue is the premier concert hall in town because of its high production values, large capacity, and central location. It has been brought to our attention that the center may become a privately managed facility resulting in higher rental costs for promoters. With regards to producing concerts, an increase to the rent or any of the other fees at the Convention Center will result in one of two outcomes:

- 1) If an artist would like to keep their ticket price equal across markets, the added expense at the venue will be absorbed by shrinking the profit shared by the artist and promoter. In turn there will be less of an incentive for both parties to play the venue.
- 2) If an artist and promoter do not want to reduce their share of profit when playing the venue, the added expenses will be absorbed by the consumer in the form of a higher ticket price. In certain cases the ticket price will need to be set high enough that market demand for the ticket will no longer meet supply. In this situation promoters will forgo the venue, instead choosing a venue where the ticket price can be brought back in line with demand.

Since there is no other comparable venue in the market artists may choose to skip the City of Redding altogether. As a promoter with years of experience producing shows at the Redding Convention Center, it is my professional opinion that an increase of costs at the building would negatively affect the number of concerts the venue contracts with outside promoters.

Sincerely,



Eric Freedman
Talent Buyer / Northern California
Live Nation San Francisco