

ERIE COUNTY CONVENTION CENTER AUTHORITY
MINUTES
Thursday, December 18, 2025

Board Members Present: Dahlkemper (Teams), Deitrick, Glass, Hilbert, Nuber, Richards, Riley, Schmitt (Teams), White & Zaphiris

Board Members Excused: Johnson

Others Present: Gus Pine, Jim Walczak; Solicitor; TJ Hesch, Dave Gerber, Steve Morvay, Lisa DiLuzio, Barry Copple, Ryan Patsy & Neal Wurst

Ms. White called the meeting to order at 3:00 PM.

INTRODUCTION OF GUESTS:

Ms. White said we have a special presentation before we get started with our agenda today. Ms. White said we have Mr. Mike McCormick with us today to present him his special recognition for 25 plus years of service to the Convention Center Authority. Ms. White said his commitment and efforts to the Erie County Convention Center Authority made us as successful as we are today. Ms. White said Mr. McCormick was a part of the Civic Center Board for many years and then transitioned over to the Erie County Convention Center Authority Board. Ms. White said we want to present a special recognition to Mr. McCormick for all he has done, not even just for us, but for this community and for our state. She said his hard work and knowledge has made us world class. Mr. McCormick said it humbles me very much to receive this recognition and I thank you all very much.

Mr. Snyder said I want to welcome Kayla Laskowski. He said she's our new administrative assistant at the convention center. He said she will be replacing Carolyn Phillips who's retiring at the end of the year.

Ms. White said that Carolyn Phillips was our first employee that was hired under our new structure after Kevin Malloy who was our first general manager of the convention center. She said that Ms. Phillips has spent 20 years with the organization and will be here until the end of the year.

MINUTES FROM PREVIOUS MONTH:

Ms. White asked for approval of the November 20, 2025, minutes.

Mr. Deitrick motioned to approve the November 20, 2025, minutes. Mr. Glass seconded the motion. The motion was approved unanimously.

PUBLIC COMMENT:

Mr. Pine said we have a presentation today regarding the Hidden Creek Art Project. He said Ms. Kristen Currier is joining us today with her team. He said Ms. Currier is with the Erie County Conservation District. He said they have been working on a public art project that they are proposing for the City of Erie. Mr. Pine said the mission is to develop a public art project within the City of Erie focused on the path of Mill Creek which runs underneath the city. He said the project includes creating a partnering team of city artists, historians and environmental scientists to represent the story of the Mill Creek flood of 1915.

Ms. Currier said I am the Environmental Educator with the Erie County Conservation District. She said I want to give you a brief overview of the project. She said it is called the Hidden Creeks Project. She said it is a combination of art history and conservation. She said the goal is to bring to the community information about the historic flood, the engineering feat of the creation of the tube following the flood, the conservation of that and how we as a community can impact the health of Mill Creek as it flows under the city. Ms. Currier and her team presented the Hidden Creek Project to the Board.

FINANCIAL REPORT:

Mr. Hesch said as we take a look at the month of November, the authority did underperform versus budgeted expectations for the month and missed bottom line by about \$185,000. He said there are some varying levels of event activity across the different venues, some contributors, some detractors, which we'll talk through shortly here before I dive in. Mr. Hesch said there was one large variance as it relates to our promoter incentive. He said it did have somewhat of an impact across most of the venues. He said essentially over the course of the year as we transitioned into our new ticketing platform there was some confusion with how to record those entries and some entries were recorded improperly. Mr. Hesch said with the help of Mr. Dave Gerber we were able to do a deep dive into that process, find the proper reporting, and fine tune our spreadsheet to make sure that we have an accurate method to account for a promoter incentive. He said we are now playing catch up in November and December to get that caught up and accurately reflected. Mr. Hesch said it is a significant variance. He said I did look back at 2024 just to kind of give you a good comparison. Mr. Hesch said if we look at year to date through November of 2024 compared to year to date through November of 2025, we have \$83,000 less expense in 2025 than 2024. Mr. Hesch said as I projected that expense line through the end of the year will only be about \$18,000 or \$19,000 ahead on the promoter expense line compared to 2024. He said so all things considered, it's comparable. Mr. Hesch said I just wanted to make everybody aware that these are adjustments being made to clean up the books to make sure that we're good by year end.

Mr. Hesch said the arena had a good month in November. He said they had some strong event activity, with some solid attendance at the events that drove their revenues up over budget by about \$142,000. He said they did a really good job of managing their expenses throughout the month. Mr. Hesch said they saw a good flow through, and they exceeded their bottom-line budget by \$106,000.

Mr. Hesch said the Warner missed their bottom line by \$107,000. He said this is largely due to some shifting of events. He said the Broadway show Manheim Steamrollers was initially budgeted to occur in November, that happened in December. He said the Polar Experience; that's a show that has been coming every year for a few years now but did not actualize this year. Mr. Hesch said and then Motown Christmas was supposed to happen in November and has been rescheduled to 2026. Mr. Hesch said with the movement of those events, it really detracted from their performance and drove that negative variance.

Mr. Hesch said the ballpark is now shut down until next season. He said there's no activity happening there. He said you will see a small negative variance of about \$8,800. Mr. Hesch said \$4,700 worth of that is utilities just coming in over budget. He said there's some part time wages to the tune of about \$2,000. He said they had to winterize the field. Mr. Hesch said through some conversations with them, they wait until the first snow and then they put some materials down on the field before they cover it. He said that happened in November, so you see a wage variance there.

Mr. Hesch said the convention center performed quite well. He said they exceeded their revenue budget by about \$43,000. He said they brought in a few extra events over budget which helps drive that positive variance. Mr. Hesch said on the expense side, it looked like they had some additional part-time staffing needs throughout the month. He said their food costs were a little higher than expected so their expenses were over budget by about \$83,000 and they missed bottom line by just under \$40,000

Mr. Hesch said at Liberty Park there was no activity in November. He said there's a negative \$43,000 variance. Mr. Hesch said we are closing out the financials for Liberty Park. He said we have had some discussions with the Port Authority, so we wanted to finalize that. Mr. Hesch said there are some final bills that we paid, as well as some final allocations made to Liberty Park to true up the books for those discussions.

Mr. Hesch said as we look at the authority's venues, year to date, through the end of November, the revenues are up \$203,000 or one 1.7% over budget. He said expenses are also up. Mr. Hesch they are up \$757,000 across the venues. He said as we've discussed that it is driven by items such as our legal and professional fees, repair and maintenance for unexpected things that need repaired and our additional third-party tech support. Mr. Hesch said as we wrap up the year in December, we don't anticipate any large variances or anything at this point. He said as you look at the forecast presented here, that is what we believe to be the best picture of how we're going to finish the year. Mr. Deitrick said the promoter incentive that was something fairly new that was added in there. He said has that been successful to the point where it's brought in more shows. Mr. Pine said quite frankly, we didn't get a lot of the shows without that. He said the industry has shifted away from what's called a straight deal, which is essentially a simple rental of the building. Mr. Pine said there is an expectation especially at arena events that they require participating in the risk. He said essentially what we're sharing with the show is some of our other revenue streams. He said we're taking some of the fees that we charge on the tickets, a portion of food and beverage profit and we're sharing some of that with the promoters. Mr. Pine said that gives them a level of security and confidence that even if the show doesn't sell well that with those additional revenue streams with even lower ticket sales that they'll be able to get out clean. A brief discussion followed.

Mr. Glass motioned to accept the November 30, 2025, Financial Report as presented. Mr. Hilbert seconded the motion. The motion was approved unanimously.

MANAGEMENT REPORT:

Mr. Pine said there was a first reading at city council last night of the Erie Zoo land transfer agreement. He said I am happy to report that that passed first reading 7-0. Mr. Pine said there is a second reading scheduled for next Tuesday, December 23rd. He said that will be the second reading and then will likely go to the new mayoral administration to review. He said there is a piece that still needs to be determined, and that is the conversation that we've had related to the Department of Conservation and Natural Resources (DCNR). He said DCNR provided grant funding to the zoo years back. Mr. Pine said there's some obligations that are related to that. He said we've simply committed in the land transfer agreement that we will abide by those terms. He said essentially it states that we can't sell the property or do anything other than use it for a zoo which we are fine with. Mr. Pine said we have a call with DCNR on Monday, December 22nd to discuss whatever questions they may have. A brief discussion followed.

Mr. Pine said one last note related to the zoo; we are working with the Zoological Society on a management agreement. He said we are very close to having it completed, and I think we've done a good job of continuing with that process, anticipating that this day would come, where that would be the next step. Mr. Pine said we have had several meetings with them. He said there are some things we're going back and forth on but from our standpoint that document is really the most important piece; what is the role of the Zoological Society acting through that management agreement on our behalf.

Mr. Pine said next year is the 250th anniversary of the country. He said Pennsylvania is the only state that will be promoting statewide activities, and so this is likely to get a lot of national attention. He said I am participating on a task force with the incoming mayor and others to coordinate events that will be happening around the city. Mr. Pine said the celebration, as we've discussed at our first task force meeting, will start June 6th, which is when we will have a concert with an artist yet to be named at the Erie Insurance Arena. Mr. Pine said that concert is being funded by the state and sponsorships. He said that celebration will go throughout the summer and then end with Celebrate Erie. Mr. Pine said this task force is gathering all the information related to all the events, trying to make sure that people are working in coordination with each other and not so much planning events at the same time. He said and then that organization will help to market this as well because it'll likely to be a national story to some degree.

Mr. Pine said we hosted our employee holiday party this week. He said we had 540 RSVP's. He said the weather wasn't that great, but we still had 500 or so that attended. Mr. Pine said we had several city and county council members join us along with Mayor Schember. Mr. Pine said we did recognize some board members for their years of service. He said Mr. Richards was recognized for 25 years, which he will hit in 2026 as a member on the authority board. Mr. Pine said Mr. Richards made some very kind comments to staff as well. Mr. Pine said and then of course, Ms. Gwen White also received a 25-year award, but just like Mr. McCormick, has been with our organization longer prior to when we were a county authority. He said and in addition to that, throughout the course of this past year we've been recognizing monthly some of our part time staff. He said there's been one per month for going above and beyond from a customer service standpoint. He said at the holiday event we asked everybody in the room to vote during dinner on the annual winner of the Customer Service Award.

Mr. Pine said I'll be joining the Erie Chamber and Growth Partnership Board in 2026. He said I am also on the Fly Erie Fund Board and I'm happy to announce that, partially because of some of the efforts of the Fly Erie Fund we were able to attract Breeze Airlines to this community, they have announced today that there is now going to be daily flights to Chicago with American Airlines starting in May. A brief discussion followed.

Mr. Snyder said our sales team is going to finish the year at about 103% of their sales goal on revenue. He said we have talked about it all year, but looking like a great wrap up in 2025 and for 2026 we are going to cross into the year about \$3.4 million of definite revenue on the books. Mr. Snyder said we are off to a good start for 2026.

Mr. Snyder said the kitchen renovations are going to start on December 29th. He said we are going to be replacing our dish machine, which is original to the building, and putting a new stone hard flooring system down instead of the tile that's there which is also original to the building. Mr. Snyder said we will have some temporary setups to get us through January. He said most of our January events are consumer shows and sporting events, so that is primarily concessions. Mr. Snyder said we'll be back fully functional in February, when we will have a full kitchen for our other events. Mr. Snyder said the only event that this really affected is Boogie on the Bay, our annual New Year's Eve party which we will not be having this year. He said this event is a self-promoted internal event.

Mr. Snyder said I want to highlight that we're planning the 2026 Erie Events produced events. He said we've had great meetings for the Auto Show, the RV Show, the Boat Show and the Home Show. He said those are all tracking on pace with sales. He said we have three of our 8 Great Tuesday's headliners booked. Mr. Snyder said I also want to congratulate Chad Weseterburg, our Business Development Director, who had a baby this week. He said Mr. Westerburg got PNC Bank on board and they will be the title sponsor of 8 Great Tuesdays in 2026.

Mr. Snyder said just to highlight Carolyn Phillips, our second hire here at the convention center and she is the glue that keeps everybody together upstairs. He said very proud of her and what she's done here and wish her the best of luck in retirement.

Mr. Richards said what is the status of the Bayfront project. Mr. Snyder said last time I talked to Justin Baker, he said they're on pace and had nothing new to report.

Mr. Glass motioned to accept the Management Reports as presented. Mr. Nuber seconded the motion. The motion was approved unanimously.

OLD BUSINESS:

Mr. Glass, Construction Committee Chairperson, said the Courtyard Renovation Project is moving along. He said they are on the second floor, the west side and the north end. He said once they finish that, they will drop down to the first floor and do the public spaces. Mr. Glass said they meet every two weeks with the Construction Committee. He said the next meeting is on December 22nd. He said that the project is moving along well.

Mr. Glass said for the Parking Ramp Project, the main contractor with this is concrete structure, he's doing his engineering design. He said we probably won't see that back until mid-January. Mr. Glass said the project should start moving forward once the weather breaks.

Mr. Glass said the Bayfront Market House Project is going through its approval process. He said our architects gave a presentation to the Zoning and Planning Commission yesterday. He said we had a meeting with zoning and engineering on storm water management yesterday. Mr. Glass said the permitting process is going to take a while. He said one caveat they talked about is that right now there is one lot which will need to go through a subdivision process. He said when they dedicate West Front Street, they're going to create two lots. Mr. Pine said it is technically on our property, so they have got to take that over so they can manage the road maintenance. A brief discussion followed.

Mr. Pine said the Sheraton Window Replacement Project is complete.

Mr. Pine said he would provide the hotels 2026 budget review update on behalf of the Strategic Planning Committee. He said we did meet at the Sheraton this week to review the budgets for 2026 for the hotels. Mr. Pine said they presented forecasting from a global standpoint. He said that guidance shows that growth looks to be muted within the hotel industry for next year. He said from a local standpoint some things they're taking into consideration, the parking project, that's going to obviously put some pressure on the hotels. He said the main pressure likely isn't going to come from hotel occupancy, it is going to come from local food and beverage and local meetings as well. Mr. Pine said your small Erie Insurance events, those sorts of things are going to be very difficult for the hotels to win. Mr. Pine said and then additionally the Courtyard renovations that's softening some expectations at least through May for that particular property. Mr. Pine said from a budgeting standpoint they are showing share growth within their market competitor set. He said the Sheraton is looking at 5% overall revenue growth with a 3% bottom line growth. He said the reason why they're flowing through at less than the 5% is they had some significant staffing issues last year, a lot of turnover, which they were able to get through. He said when you have staffing issues, in terms of when you have open positions, it helps you on your bottom line. He said they don't anticipate to flow through that entire 5% of revenue growth as they expect to have those positions filled throughout the year.

Mr. Pine said from the Courtyard standpoint they're anticipating flat revenues for the year which we think is great considering they'll have some level of construction going on inside the hotel up until May. Mr. Pine said they were technically projecting an increase in revenues but when taking that renovation into account they brought them to flat. He said we had a little bit of conversation about the renovation project, and an update on the current construction, I believe we are currently anticipating the renovation to go through May. He said if we're able to complete the project by the first of May, we're likely able to save about 630 hotel rooms, based on their analysis of displacement. Mr. Pine said I have committed to HVS and White Lodging that I'll do my best to work with Mr. Steve Morvay to get this thing running quickly. Mr. Pine said I think some signs that we're getting right out of the gate are good. He said the vinyl is coming off the walls without issue, which means there's a lot less that needs to be done from a repair standpoint, before putting new vinyl up. He said we are not seeing any significant water damage or anything of that nature. He said things are moving well, to this point, we're only on the first floor, but that is a good sign. Mr. Pine said additionally, we've spent a little extra

money to make sure that we have our new furnishings here and ready to go by January 23rd. He said it was originally going to be the second week of February before the case goods arrived, but we paid a little extra from a shipping standpoint, to make sure that they get here, so that when they are ready to finish these rooms, they can get them turned around and get back to the next floor. Mr. Pine said, but overall, for the Courtyard Hotel, their bottom line is looking to be 4% down, and that's mainly due to renovation costs. He said even if we improve on the schedule, they still do have some additional costs. Mr. Pine said that hotel team is going to be putting those rooms back together, and that takes additional labor. He said that's the main reason why they'll be down 4%.

Mr. Pine said overall, if you take the two hotels together, their total revenue looks to be up for 2026 by 3% and they're looking to be flat from a profit standpoint. Mr. Pine said all things considered, the parkway project, the global expectation of the industry, the renovation, I think flat is probably a good place to be for 2026. Mr. Richards said when you started, you said 5% increase over the previous year, and I assume that meant just the Sheraton. He said when you finish, you said that combined, the hotels are 3.3%. Mr. Richards said is that compared to last year's figures. Mr. Pine said that is correct. Mr. Richards said is it fair to say then that last year's figures were down, and we're still not back to the revenue that we had before the construction began on the Bayfront. He said when you are giving these percentage increases, it's still not matching what our previous revenue was before the construction began, is that correct. Mr. Pine said I don't think so. He said I'm going off memory, and I'll have to go back and look at this, but I believe last year was the highest revenue year when combining the two hotels. A brief discussion followed.

NEW BUSINESS:

Mr. Nuber, Nominating Committee Chairperson, said I reached out to the four officers and Gwendolyn White, Board Chairperson; Tim Riley, Vice Chairperson; Joe Hilbert, Board Secretary and Mike Glass, Board Treasurer. He said they have all agreed to stay in their current positions for 2026.

Ms. White said that slate will be voted on it at our January meeting.

OTHER BUSINESS:

ADJOURNMENT:

Mr. Richards motioned to adjourn. The motion was approved unanimously.

The meeting adjourned at 4:13 PM.