

ERIE COUNTY CONVENTION CENTER AUTHORITY
MINUTES
Thursday, May 15, 2025

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

Board Members Excused:

Others Present: Gus Pine, Ed Snyder, Jim Walczak; Solicitor; Neal Wurst and Steve Morvay

Ms. White called the meeting to order at 3:02 PM.

INTRODUCTION OF GUESTS: None.

MINUTES FROM PREVIOUS MONTH:

Ms. White asked for approval of the April 24, 2025 minutes.

Mr. Glass motioned to approve the April 24, 2025 minutes. Ms. Dahlkemper seconded the motion. The motion was approved unanimously.

PUBLIC COMMENT: None.

FINANCIAL REPORT:

Mr. Pine said performance for April was strong, overall, nearly in line with budget expectations for the first four months of the year. Mr. Pine said Mr. Hesch had mentioned last month that there were some items that were budgeted in March that actualized in April, particularly with the arena. Mr. Pine said, as you can see on the summary of operations, the arena performed approximately \$168,000 ahead of budget. He said it was driven by three things. He said we had the Champion Cheer Competition that performed in excess of expected food and beverage revenues and then there were the two playoff games, which were budgeted in March that actualized in April.

Mr. Pine said related to the Warner, we actualized five of the six budgeted shows, so we were down one show from budget. Mr. Pine said in addition to that, the particular concerts that we had where softer in ticket sales than budgeted. He said that had a slightly negative impact on the Warner. Mr. Pine said because of those items, the Warner missed budget by \$35,000.

Mr. Pine said at the ballpark this is the first P & L that we have seen since the season opened on April 4th. He said there is really not a lot to talk about there. Mr. Pine said most things came in on budget. He said we were \$13,000 over budget. He said a lot of that due to some savings in part-time labor. He said we typically ramp up part-time labor as we get further into the season.

Mr. Pine said the convention center was down \$32,000 for April. He said as I looked at it, we had budgeted the Bids for Kids event and that did not rebook with us for this year. Mr. Pine said that was budgeted at \$40,000. He said we did make some of that up but that is the difference in budget there.

Mr. Pine said at Liberty Park still no revenue activity being shown. He said that will start next month. Mr. Pine said the \$5,000 loss is simply associated with some allocation of some of our full-time staff whose portions of their salaries are being allocated to that venue.

Mr. Pine said, additionally, this information is not on the summary of operations, but just to speak briefly about the hotel tax collection. He said we did enjoy some benefit. He said it has actually been a good first three months. Mr. Pine said we have seen collections for January, February and March, and each month is performing over budget. Mr. Pine said for April, the administrative P&L was up \$90,000. Mr. Pine said more than half of that was due to hotel tax collected in addition to what we had budgeted. He said hotel stays, as a general rule, are trending favorably for the first part of the year.

Mr. Pine said based on where we were at the first three months and the positive performance in April; we are right at about budget for the first four months. He said, I do not think at this time there is any reason to take a look and reforecast. Mr. Pine said I took a quick look at May for all venues and talked to Mr. Snyder earlier today and it sounds like we are going to have a favorable month at the convention center. He said it looks like the Warner and the arena are going to perform well.

Ms. White said, I don't have a question about the performance, but did the Bid for Kids event that didn't actualize, go somewhere else. Mr. Snyder said they went to the Ambassador. Ms. DiLuzio said every year that event gets new leadership who does the planning so they decided to do something new this year. She said the expectation is that they will return to the convention center next year.

Mr. Riley motioned to accept the April 30, 2025 Financial Report as presented. Mr. Nuber seconded the motion. The motion was approved unanimously.

MANAGEMENT REPORT:

Mr. Pine said just to give an update on the CRIZ proposal that we sent in for the Courtyard ramp, I did send an email out earlier in the month identifying that the local CRIZ board has approved our proposal for that project. He said I had a conversation just today with Mr. Brian Polito and Attorney Jim Walczak to talk about next steps. Mr. Pine said the next steps with that project is two-fold. He said we must work with the local CRIZ Board to create the state application. Mr. Pine said so we reviewed some of that today on the call. Mr. Pine said we are likely going to use Four-Score, LLC, which is a consultant that they use to actually manage the calculation of the incremental tax revenue, which it sounds like a very arduous process. Mr. Pine said, as part of our application, we have to try to identify what level of incremental tax this project is going to bring to the community. Mr. Pine said, obviously, it is two additional floors to a parking ramp, so it is not going to have a huge impact from a tax collection standpoint. He said the impact is more going to be about the fact that it is infrastructure that will engender future developments, particularly along the Bayfront and the GAF property. Mr. Pine said then the second step will be, we had some discussions on the call about the bid process, and decided we do not want to delay putting this out for bid. Mr. Pine said we are going to start working on the construction bid documents in anticipation that the state is going to approve this sometime soon, because it is a fairly simple application. Mr. Pine said we anticipate, once we get that back, we will be able to move quickly, be able to identify a winning bidder and identify construction dates. Mr. Glass said is the state's review just a rubber stamp or do they actually have the authority to vote it down. Mr. Pine said yes, they can vote it down because it needs to meet the requirements. Mr. Walczak said it goes to three departments at the state, budget, revenue and ECD, and they have to all three approve it. He said they have complete discretion to say whatever they think is a worthy project or not. Mr. Walczak said there is nothing about this project that is unusual or controversial or anything of that nature so there is no reason to think that it would be problem. A brief discussion followed.

Mr. Pine said I have an update related to the Otters and Sea Wolves. Mr. Pine said at our previous board meeting in March, the board approved taking a look at an amendment to the Sea Wolves contract to renegotiate their ability to sell sponsorships in the Stadium Club. Mr. Pine said that has been completed. He said Mr. Walczak created a document that is a potential amendment that is now sitting with the team. Mr. Pine said they have already got somebody who is interested in the space, but they are looking at our version of the amendment, so I am waiting to hear back from them. Mr. Pine said it has been a positive move forward, because it sounds like we are going to get some financial benefit as part of that sponsorship.

Ms. White said before you move on, any other words about the Otters. Mr. Pine said yes. He said two weeks ago, I went to London to see London play Kitchener. He said particularly, I went there to meet with the owner/representative for the Otters Hockey Club. He said it was right after we had been eliminated by London. Mr. Pine said we went for a couple of reasons. He said number one, just to spend some time together. Mr. Pine said this is Jeremy Wood-Ross who is the son-in-law of Mr. Jim Waters and is taking on the leadership role within the organization for managing the Otters. Mr. Pine said, previously, I have had discussions with him and they were fairly superficial in nature. Mr. Pine said, quite frankly, it was very friendly but I really did not have any indication from him of what their intentions were. Mr. Pine said part of why we were there was to look at the in-game production that was done in London. He said they do a great job with it. Mr. Pine said we were taking notes on some of the things we can do in our venues to create a better fan experience. He said we were looking at sponsorships as well. Mr. Pine said we had conversations about how we could partner together on sponsorship. Mr. Pine said Mr. Wood-Ross comes from merchandising in retail, as a business background, so he has a lot of experience with that. Mr. Pine said so I think he is going to bring a lot of value to the Otters. Mr. Pine said I learned a lot about some things that we can implement in our venue to make it better for our fans, but more importantly, got a good indication that they are in it for the long haul. He said that Jim Waters had a tremendous

passion for hockey and a passion for the Otters. Mr. Pine said I think Mr. Wood-Ross wants to pay homage to that but I think he also has some business savvy. Mr. Pine said he is a young man, but he is a go getter, and I think he is really going to work to help do things like improve ticket sales, improve the in-game experience and improve the level of sponsorships. Mr. Pine said he is talking about national sponsorships versus just local sponsorships.

Mr. Pine said we have had some meetings with our tenants, including Mr. Neal Wurst and Mr. Ray Williams, as well, to talk about expanding space for a weight and fitness room for the Otters and the Sea Wolves. Mr. Pine said we have identified a location and have already received one bid back on the build out. Mr. Pine said our responsibility is essentially going to be building three walls and a door. He said they are paying for all the equipment. Mr. Pine said it takes the space that they currently have, which is about 750 square feet, which both teams share, to about 2,000 square feet. Mr. Pine said it really enhances what they are going to have. He said we talked about this as an added expense under capital. Mr. Pine said it is probably \$40,000 which I think is well worth spending. He said we will then take their old weight room and convert it into a study room or a quiet room, particularly for the Otters, so they will have a nice space away from the locker room. Mr. Pine said the teams are very excited and I think the fact that we are willing to do this goes a long way into creating that interwoven relationship.

Mr. Snyder said I just want to touch on the Rodney Atkins concert we had at Liberty Park on May 7th. He said it was a big undertaking and I want to call attention to the many people from a lot of departments across all of our venues, the arena, theater and convention center, and our brothers and sisters at IATSE 113. He said they all came together and worked hard with great teamwork from across all venues. Mr. Snyder said the concert was successful from the public standpoint, but it was great to see our teams working together across our venues and I am so proud of everybody for that.

Mr. Snyder said I have an update here with the sales team. He said we had a Familiarization Tour that Ms. Lisa DiLuzio and Ms. Amy O'Connell led this week in conjunction with Visit Erie. He said it was about 10 meeting planners from around the state and region and some national folks were there as well. He said they looked at both our hotels and the convention center. Mr. Snyder said they toured the Warner Theater; Rehearsal Hall and the Stadium Club at the ballpark.

Ms. DiLuzio said in my near 37 years in the industry, it was by far one of the best fam tours that we have ever hosted. She said there is a lot of due diligence done prior to the candidates that came in and they were very high-qualified candidates for the future of Bayfront Landing. She said I expect a return on the investment, to say the least, and above and beyond that as well.

Mr. Snyder said in addition, two of our sales associates, Ms. Karen Catalde, from the convention center, and Erica Mohny from White Lodging, will be traveling to Pittsburgh on June 5th. He said they have sales calls set up with Highmark, UPMC and Wabtec and some other of our businesses here in Erie that also have a footprint in Pittsburgh to try to get some business for our campus. Mr. Snyder said we have not done one of those site visits since the pandemic, so I am excited for them to get in some in-person meetings in Pittsburgh.

Mr. Snyder said we are wrapping up our Capital Landscaping Project. He said we are also getting a price to powder coat some of the benches and bollards around the convention center. Mr. Snyder said we have engaged Ashley Porter to look at the sea wall that is damaged south of the front of the convention center. Mr. Snyder said he actually has some divers doing some work for the Port Authority, so while they are on site, later in May early June, they are going to look at the sea wall. Mr. Snyder said he already looked at it from above water, but they want to look at it below as well.

Mr. Snyder said the temporary parking solution that we have discussed, adding gravel south of the Marriott garage, we have received quotes from three contractors. Mr. Snyder said, again, Ashley Porter is working with the city to see if there are any limitations. Mr. Snyder said when we hear back from the city we will move forward with one of those contractors and that will help supplement some parking in the short term and when the parking garage project comes, it will give us a little safety valve as well.

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

OLD BUSINESS:

Mr. Glass, Construction Committee Chairperson, said the Courtyard Property Refresh Project is supposed to kick off the first of November this year. He said that Ms. Shelley Buehler is our liaison between the contractors and the hotel. He said the Sheraton window replacement project is moving along. He said they have 78 windows that have been replaced to date. Mr. Glass said the rooftop unit is up and running and fully functional.

Mr. Glass said for the Market House Project, we are in a process of selecting a construction manager. He said I think the RFP that went out did not mention anything about pre-construction services, but I think we want to include pre-construction services to help coordinate. Mr. Glass said if we have got two projects going on we need to have somebody

on board to orchestrate. Ms. White asked if it can be added to the RFP, or do we have to do another RFP. Mr. Glass said I have not seen the RFP to begin with. Mr. Pine said these are specialty services, so we reached out to specific potential companies, so it is just a phone call. Mr. Pine said we will update that verbally.

Mr. Glass said we are in conversation with the architect on a continuing basis right now, trying to get the drawings completed to the point where we can send them out for bids. Mr. Glass said right now, we have got a meeting set up on the June 17th to discuss the dates that they put out so far. He said they put out an October 6th date that it would go to the city for approval, BIU, and a November 7th date to be complete with construction documents to go out for bidders. He said BIU needs a complete set of documents. Mr. Glass said we have got to sit down with this architect. He said help from a construction manager definitely will move this project along. Mr. Glass said so far, I am not really happy with the way it has been going. Mr. Glass said there is a lot of work to be done on construction and mechanical, electrical, plumbing. He said I have not seen anything on the structure recently.

Mr. Glass said for the parking ramp the architect still has to change over the drawings from precast to post tension.

Mr. Richards asked who the architect is for the Market House Project. Mr. Pine said POH. Mr. Richards said that is the architect we have had from the beginning. Mr. Pine said, yes. Mr. Richards said they were close to completed drawings two years ago, and then we started making changes. Mr. Pine said we have changed who the tenant would be a couple of times and that has been the problem. He said the mechanicals and design of the building when we started, we went far down the road with the potential tenant on the interior build. He said we have now scraped that back and we are now just asking for construction drawings for the shell. Mr. Richards said it sounds like you will not be laying bids until 2026. Mr. Glass said the way it is set up right now, yes. Mr. Richards said so construction would not begin until the spring. Mr. Glass said, yes. Mr. Richards said then we go back to we were going to do bridge loans because of the money coming from the state. He said we have those commitments signed, but we haven't drawn anything down or will we need to draw anything down. Mr. Pine said we have to have a conversation with the architect because we are not sure what is driving this recent delay in drawings. Mr. Pine said if it is mechanicals, as Mr. Glass and I discussed previously, he thinks that they are using a third-party to help them in drawing some of that out. He said if there are delays related to a third-party; they need to go to another third-party to get us back on track with our Fall deadline. Mr. Richards said in our contract with them, do we have any way of incenting them expedite this process. Mr. Richards said this is really a long time. Mr. Pine said a lot of it has been driven by modifications we have been making based on the conversations with the potential tenant. Mr. Richards said at one point we were still going to get a pedestrian bridge that is not going to be connected anymore to the marketplace, but it's going to be the same proximity as I understand. Mr. Pine said, actually, that came up on the call and we have it drawn in on our documents. He said the nice thing is we know from PennDOT exactly where they need that. Mr. Pine said they have identified the best potential from the standpoint of change in elevation and location, east and west. Mr. Richards said regarding the financing we have a match for everything, is that right. Mr. Pine said, yes. Mr. Richards said will we still need to use our bridge financing. Mr. Walczak said, yes. He said these are reimbursement grants and you have to actually spend the money to get reimbursed so we will need financing. A brief discussion followed.

Ms. Dahlkemper said has PennDOT given us any kind of update on what the timeline is for this roundabout. Mr. Pine said the end of September. Mr. Richards said the project is over budget, and if they continue at the rate they're going, it's going to take two more years to complete the project and will cost \$8 million. Mr. Richards said PennDOT came up with the plan that if we agreed to shut down the Bayfront for one full year, then they can finish it on time and they can eliminate the \$8 million overruns, which I thought was a good idea. He said unfortunately, it is going to affect the revenue of everything we have got here. Mr. Richards said but the alternative is we are going to be in construction for two more years. Mr. Richards said I know Erie Insurance has signed off on that, because they are going to have to have their own access from the other side of State Street. He said the only access we are going to have is from the Bayfront west of this building. Mr. Zaphiris said what I am hearing is they are going to open up State Street for tall ships and as soon as tall ships is done the whole thing is going to be shut down until 2027. Mr. Pine said Front Street will be open so we will have an access around. Mr. Walczak said it is going to be the Bayfront Parkway from Sassafra Street to Holland Street that will be shut down. Mr. Pine said last we had the conversation; we were one of the first that PennDOT discussed it with. He said they had to go to all the constituents, Erie Insurance and Scott Enterprises. He said obviously, this greatly impacts them, because you have thru traffic and it is not a great area to have a lot of traffic. Mr. Pine said I haven't had follow up from PennDOT that the constituents have been talked to, and this is a go. He said that they do know that we are supportive and we would rather see this than dragging it out another two years. A brief discussion followed.

NEW BUSINESS: None.

OTHER BUSINESS: None.

EXECUTIVE SESSION:

Mr. Richards motioned for the ECCCA Board to go into Executive Session for a real estate matter. The motion was approved unanimously.

Mr. Glass motioned for the ECCCA Board to go into Public Session. The motion was approved unanimously.

ADJOURNMENT:

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

The meeting adjourned at 4:05 PM.