

ERIE COUNTY CONVENTION CENTER AUTHORITY
MINUTES
Thursday, April 24, 2025

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

Board Members Excused: Hilbert

Others Present: Gus Pine, TJ Hesch (Teams), Ed Snyder, Jim Walczak; Solicitor; Neal Wurst and Steve Morvay

Ms. White called the meeting to order at 3:01 PM.

INTRODUCTION OF GUESTS:

Mr. Tony Ferraro, Director of Security, introduced Mr. Scott Gorrington as Erie Events new full-time Peer Security Supervisor. Mr. Ferraro said Mr. Gorrington is retired from the Erie County Prison where he worked as a correctional officer. He said Mr. Gorrington has been working part-time for Erie Events since 2006 and has now joined us in this new security position.

The Erie Events Board welcomed Mr. Gorrington to the organization.

MINUTES FROM PREVIOUS MONTH:

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

Ms. Dahlkemper motioned to approve the March 20, 2025 minutes. Mr. Zaphiris seconded the motion. The motion was approved unanimously.

PUBLIC COMMENT:

Mr. Kissell said there is a piece of property on top the hill on Front and Sassafras Streets that could be a drop off place for people who will be coming to the Market House. Mr. Kissell said I suggest that you take a look at that piece of property. He said they want \$620,000 but it is negotiable. Mr. Kissell said I feel that that could be an excellent place for drop-offs for either a shuttle bus or Uber for patrons of the Market House or to go the Bayfront.

Mr. DeMarco Dillingham said I recently submitted an application for the Celebrate Erie event. He said before I submitted the application, I reached out to ask specifically about wanting to sell non-alcoholic beverages and no food. He said I asked what category should I apply under. He said I was told that I should apply under a marketplace vendor. He said I received my response and they denied my application. Mr. Dillingham said the reason was I applied under the wrong category. He said I expressed that I applied under the category that was recommended. He said that I understand that Celebrate Erie has extended their application process. He said I would like direction of how to complete his application so I have a fair chance of being accepted. Ms. White said I appreciate what you are sharing. She said Celebrate Erie is managed by the City of Erie and not the Erie County Convention Center Authority. Ms. White said, unfortunately, we cannot provide you any assistance because Celebrate Erie is not our program. Mr. Pine said if you provide your contact information to me, I can try to connect you with the right people because the process can be confusing. He said it sounds like you are doing your due diligence to try to do the right thing and I think that is a great thing.

FINANCIAL REPORT:

Mr. Hesch said as we take a look back at the month of March for the Authority, as facilities, March was a bit of a miss. He said we did miss bottom line budget by about \$222,000 across our facilities. Mr. Hesch said it does appear that a majority of that miss was more related to timing of when the events were budgeted versus when they happened. Mr. Hesch said as we walk through each of the venues, I will touch on some of those events.

Mr. Hesch said as we look at the arena, they did have a sizable miss in March. He said this was largely due to the timing of the playoff games. He said, initially, we had budgeted for two playoff games to occur in the month of March and two playoff games to occur in the month of April. He said what actually happened was there were no playoff games in the month of March and four in the month of April. Mr. Hesch said there was also a concert that we were hopeful to get that did not pan out. He said so the combined timing issue of the two playoff games and the concert did create a budgeted revenue miss of \$242,000. Mr. Hesch said due to the strong attendance at the other hockey games that were held, that short fall was mitigated, and so our revenue miss was only \$161,000. He said all event related expenses were under budget, so all-in expenses, in total, were under budget by \$126,000. Mr. Hesch said so we only missed budget at the arena by \$38,000. He said I do anticipate April being a very strong month at the arena just given that these two playoff games that were budgeted in March happened in April.

Mr. Hesch said the Warner fell short of their budgeted activity in March. He said we budgeted for a total of six events and two of those events did not actualize. He said and then there was another concert that we were looking to seek out, that we did not ultimately get. He said that created a revenue shortfall of \$87,000 and at the bottom line, we missed by \$64,000.

Mr. Hesch said, touching on the ballpark, we are starting to see some increased activity on the income statement. He said there were no games held in the month of March, but the grounds crew was busy preparing the field for the season. He said they typically will stock up on field supplies and that is exactly what they did in March. Mr. Hesch said they did spend, between field supplies and small repair and maintenance items, about \$10,000 over budget. Mr. Hesch said the ballpark did miss by about \$13,500 in March.

Mr. Hesch said at the convention center did have a small revenue miss of about \$49,000. He said, again, this was a timing issue. There were two events that we had budgeted to occur in the month of March, that were going to bring in about \$43,000 in revenue. Mr. Hesch said both events are still occurring; however, one was moved to April and the other was moved to October. Mr. Hesch said as we look at the expenses, we are seeing part time wages a little bit over budget this time. He said there two drivers behind that. He said I believe the kitchen staff is leaning a little bit heavier on their part time staff at this point in the year. He said I guess there is a couple full time positions that are still open, so the part time wages are a little high. He said I think this is the first year that they have broken out a housekeeping budget. He said at this point in March it was \$4000 over budget. Mr. Hesch said but that is, again, its first year and so that is something we will certainly keep an eye on as we progress through the year and adjust accordingly. Mr. Hesch said another expense that was higher than what we had budgeted for is our marketing spend. He said this is related to the Erie Promotion shows that we are putting on. He said, again, this being our first year putting those on, we are walking alongside with Mark Concilla and his team. He said Mr. Concilla is spending about, \$21,000 to \$22,000 per show in marketing, which is higher than we had anticipated. Mr. Hesch said we will have to see how this plays out over the balance of the year and adjust accordingly as we head into the 2026 budget season. Mr. Hesch said at the bottom line, the convention center did miss by about \$95,000

Mr. Hesch said, touching on Liberty Park, there is still nothing notable to discuss there. He said the first show is coming up in May, so we will not see anything significant to discuss until the June meeting. Mr. Hesch said we are certainly anxious to see what that looks like.

Mr. Hesch said as we look at year-over-year, from year-to-date in March 2025 versus year-to-date in March of 2024, we are seeing some strong revenue growth. He said our revenue is up about 6.2% year-over-year. He said expenses are also up at this time of the year. He said the largest of which is personnel services, because we have added a lot of new full-time roles, with the acquisition of Erie Promotions, and some other very necessary roles as well. Mr. Hesch said our insurance costs are also higher year-over-year, as well as some of our legal and professional fees, which are mainly consulting fees. He said we have been doing a lot of feasibility studies as we look ahead at some projects down the road and the viability of those projects. He said so those are driving those costs up. He said I do anticipate April being a very strong month, and because of that, I do not anticipate us needing any sort of forecast adjustments at this time. Mr. Hesch said I do think we will finish on budget as we look ahead now.

Mr. Deitrick motioned to accept the March 31, 2025 Financial Reports as presented. Mr. Riley seconded the motion. The motion was approved unanimously.

MANAGEMENT REPORT:

Mr. Pine said the first item I want to touch on, in addition to my written report, is an update on the Courtyard Ramp CRIZ Proposal. He said at our last board meeting, we discussed and approved sending in a proposal, to the Erie CRIZ Board, related to the expansion of the Courtyard parking ramp. Mr. Pine said I sent the proposal in a couple of weeks ago. He said I had a meeting with Mr. Brian Polito, incoming Executive Director of the CRIZ, as well as Matt Wachter and, essentially, had a great discussion about the project. He said, ultimately, what the CRIZ board would like to do is create a plan for the entire Bayfront, which is an exciting thing. Mr. Pine said they are looking at everything from Liberty Park all the way to the Port Authority's facilities. He said, in the meantime, what we will seek, because we want to get this project started, we have the studies done that say the need is there, the cost estimates and we still have plans to start this year. Mr. Pine said, what I will do is work with our solicitor to create a document to where we can get some

assurances that this, even though this isn't part of the overall ask that will ultimately go to the state from the CRIZ board, we will get some level of assurance that we can bridge finance this project and that we would be reimbursed at the 25/26 grant funding that is that CRIZ is written under. He said I will work with Attorney Walczak on that, and my hope is to keep this moving quickly. Mr. Pine said there was a lot of support for the project and it is obviously a critical piece to the Bayfront expansion. He said we also had some conversations, during that meeting, about our other projects. Mr. Pine said particularly the expansion of the convention center, the building of a new parking ramp and the reimagining of Liberty Park. Mr. Pine said, as part of that, I have a meeting next week with Infinite Erie and the other major owners of properties along the Bayfront. He said we are going to meet to start talking about what that larger plan for the Bayfront looks like, to be able to assist the CRIZ in getting that submitted to the state. Mr. Pine said, ultimately, what they are looking to do is one large bond and then they will be able to fund projects through that bond. He said what that will create is some efficiencies for them because they will not have to continue to send in applications at the state level. Mr. Pine said we can do it all as one proposal. Ms. Dahlkemper said are there any other projects out there that are as shovel ready as we are. Mr. Pine said no, not to my knowledge, and I do not know if they have received other proposals. A brief discussion followed.

Mr. Pine said the hotel quarterly meetings were held last week. He said I was on vacation for those meetings so Mr. Snyder will provide you with an update during his management report and give you a brief update on what was discussed in relation to business activities for the first quarter. Mr. Pine said I will mention that there was a separate meeting which Mr. Neal Wurst had attended related to the refresh renovation of the Courtyard. He said they essentially went through some requirements for Marriott and walked through that process. The objective right now is to start guestroom construction in November of this year, which fits nicely with occupancy levels. Mr. Pine said we will start on the top floor. He said it is going to be about a month per floor. Mr. Pine said the requirement of the winning bidder will be a May 1, 2026 completion date for the guest rooms to be ready for next season's summer business volumes. Mr. Pine said the next steps would be to put a bid package together and put that out for construction bids. He said we are looking at a start date of November.

Mr. Pine said, the only other item I wanted to touch on verbally was to recognize Ms. Gwen White. He said Ms. White has been recognized for two things recently. He said at the last month's board meeting; I mentioned her recognition for the Clifford Awards. Mr. Pine said that event was held last Wednesday at the Stadium Club and Ms. White was recognized during that event, as well as Mr. Tom Tupitza, for her involvement locally with diversity and inclusiveness and community activity. Mr. Pine said Mr. Tom Tupitza serves on our Warner Trust Board. Mr. Pine said I understand that Ms. White was recognized by the State of Pennsylvania as well. He said Ms. White received a Citation that was sponsored by Representatives Merski and Representative Harkins for many, many years of service to our community. Ms. White said the Citation was from the House of Representatives. She said I received a Citation for my retirement recognition as well as my work on the federal, state and local level for community projects, community building and community transformation. She said Representative Robert Merski and Representative Pat Harkins sponsored it, and House Speaker Joanna McClinton signed it. Ms. White said I was presented with the Citation from Representative Merski in his office a week ago. The Erie Events Board congratulated Ms. White on her recognition.

Mr. Snyder said the Bayfront Landing capital landscaping project is now underway. He said Mr. Wurst and his team are leading that. He said I believe the Sunset Terrace of the convention center is already complete. Mr. Snyder said they are heavily working on the Shoreline Grille patio. He said they will do some other work along the east side of convention center.

Mr. Snyder said we announced the 8 Great Tuesday's summer concert lineup a couple weeks ago. He said I think it has been relatively well received. Mr. Snyder said Brigid Doyle is selling the hospitality tents for us. He said she has three nights sold out and about two to three more nights are half sold. Mr. Snyder said if you know anybody that wants a hospitality tent, they are going to have to move faster to secure a tent than in the past. He said we are looking for folks who have food trucks and other vendors to participate in 8 Great Tuesdays as well as our other events. Mr. Snyder said we have the Rodney Atkins concert on May 7th at Liberty Park so we have secured some food trucks for that event. He said, in looking ahead, we want to make sure that we still have that community engagement and those local vendors there as well.

Mr. Snyder said Ms. Amy O'Connell, who is our association and convention sales representative, is in Las Vegas this week at the Connect Conference. He said she has over 30 appointments with various meeting planners from around the country. Mr. Snyder said we also have a Familiarization Tour here in May. He said some of those clients she is meeting with are coming here in May. He said one of the people she met with yesterday was from Marcellous Shale and they are very excited to return to Erie again. Mr. Snyder said very fruitful this travel that she does, it drums up a lot of national business for us, which we have not necessarily had in the past. He said we have approximately 12 people coming on the Familiarization Tour. He said they will tour the convention center and our Bayfront Landing site, as well as some other spots within Erie County. Mr. Snyder said this tour is sponsored by Visit Erie.

Mr. Snyder said he attended the hotel meeting with HVS and White Lodging, last week. He said in the first quarter, both the convention center and the hotel are right on budget, so they are excited about that. Mr. Snyder said business travel is light and a struggle. He said they have some plans to try to be more competitive in the market. He said corporate for both the convention center and the hotels is very difficult this year. Mr. Snyder said they are trying to work with our marketing team to come up with different things to try to book more in-the-year business. Mr. Snyder said they will focus on Q2 and Q3, to book in the year, instead of one year out. He said, also discussed, was the booking window for leisure travel is getting smaller and smaller. He said I do not know if that is a concern with the economy but instead of booking months in advance, people are booking weeks or days in advance. Mr. Snyder said they are trying to re-forecast the budget on leisure travel as well.

Ms. Dahlkemper said I am curious about the May 7th concert. She said did you say it was tied in to something else that is going on because it seems a little early for a concert. Mr. Snyder said Country Fair has their large trade show that week at the convention center. He said as part of their trade show; this concert is happening rather than the dinner and banquet. He said they are taking about 1000 people from the trade show to the new store they just opened downtown and then will come to the amphitheater for the concert. Mr. Snyder said all of the tents that we would normally have for 8 Great Tuesdays are occupied by Country Fair, except for the one for Rebich Investments as part of our Naming Rights Agreement. He said then we will be able to open up the lawn for the public. Mr. Snyder said that is why it is a relatively inexpensive ticket. Mr. Pine said we did not talk about this when we approached the board with the agreement related to Liberty Park, but the weather is always going to be a factor. Mr. Pine said Mr. Snyder and I just signed an agreement today for cancellation insurance for this particular event. He said if there is a reason, whether it is lightning or high winds, there is not going to be any pressure on us to say the show must go on and put people at risk because we have \$50,000 worth of ticket sales. Mr. Pine said we have parameters so we will cancel or delay the event. A brief discussion followed.

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

OLD BUSINESS:

Mr. Glass, Construction Committee Chairperson, said the committee met yesterday. Mr. Glass said for the Sheraton window replacement project, they have 51 rooms where they have changed the windows out so they are halfway done. He said on Tuesday; the rooftop unit has been set. He said right now they are wiring it up and will probably have it started up by the end of next week.

Mr. Glass said regarding the parking ramp, you will have to go back to your architect and have her change the drawings from precast to cast in place to post tension. Mr. Pine said she is working on those changes now.

Mr. Glass said what about the Otters weight room. Mr. Pine said we have been approached by the Otters to look at the weight room. He said the current weight room is extremely small and both teams share it. Mr. Pine said we did a walk through with the General Manager for the SeaWolves and for the Otters. He said we were able to identify a location within the arena, which is storage space for us, for this project. Mr. Pine said we will be hard pressed to move it, but in talking with Ray Williams, it's probably worth it. He said we can increase the size of their weight room to about 2000 square feet if we moved it. Mr. Pine said we figured out that all it is going to involve for us, is putting up walls, making sure that you have got transfer of heat and air into the space, adding electric and the flooring. Mr. Pine said it will be a fairly small project. He said all the equipment is going to be purchased by both the teams. He said they are going to share that cost. Mr. Pine said I think it is a critical piece to be able to show the Otters, particularly who are going through an ownership change, that we are committed to keeping them here. He said now that we have the plans drawn, we are going to get a couple of bids on what that project would cost. Mr. Pine said once we have those costs, we will bring those bids to the board and look to add that as an added capital item for 2025. He said we would like to get this project done before the team returns for the start of the next hockey season.

NEW BUSINESS: None.

OTHER BUSINESS:

Ms. White said congratulation to Mr. Tim Riley and Mr. Roger Richards for their reappointment by Governor Shapiro to our board.

EXECUTIVE SESSION:

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

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

ADJOURNMENT:

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

The meeting adjourned at 4:28 PM.