

**ERIE COUNTY CONVENTION CENTER AUTHORITY**  
**MINUTES**  
**Thursday, February 20, 2025**

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

Board Members Excused:

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

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

**INTRODUCTION OF GUESTS:**

Mr. Pine said Chad Westerburg was recently hired as our first Director of Business Development and Sponsorships. He said Mr. Westerburg comes to us from the Erie Otters where he did sponsorship sales among many other things for the Otters organization. Mr. Pine said he understands our facilities and what we do very well. He said that Mr. Westerburg is going to oversee the sales of our seven trade shows that we acquired from Erie Promotions and, in addition to that, he will handle sponsorship sales for all of our venues. He said that this is something that we have obviously done in the past, but we have never had anybody directly pointed to that as a specific task. Mr. Pine said we see that as a really good revenue and partnership opportunity growth. He said then lastly, he will work to support our Broadway series. Mr. Pine said, historically, we have not had anybody that has sold sponsorships. He said that falls a lot on the promoter of our Broadway series but since we have somebody in a sales position here locally, we are going to provide support in hopes to be able to grow their sponsorship revenues in addition to their foundational ticket sales. He said this is very similar to what the Philharmonic has done which ultimately is going to allow us to grow the potential for five day run Broadway shows which is what we are all looking for at the theatre.

Mr. Snyder said we have Ali DeSanti who is our new Trade Show Coordinator. He said she comes to us from Erie Promotions where she was for 10 years. He said not only is Ms. DeSanti an expert in the field of trade and consumer shows, but an expert to our local shows here in Erie. Mr. Snyder said she will be on our team to help manage logistics and assist Mr. Westerburg with sales of some of the shows and work with our operations team to make sure they flow smoothly.

The Erie Events Board welcomed Mr. Westerburg and Ms. DeSanti to the organization.

**MINUTES FROM PREVIOUS MONTH:**

Ms. White asked for approval of the January 16, 2025 minutes.

Mr. Glass motioned to approve the January 16, 2025 minutes. Mr. Riley seconded the motion. The motion was approved unanimously.

**PUBLIC COMMENT:** None.

**FINANCIAL REPORT:**

Mr. Hesch said as we start 2025 and look back at the month of January, as far as event related activity, everything that we budgeted for did actualize. He said attendance was about what we expected and budgeted for.

Mr. Hesch said as far as operating revenues for the Authority as a whole, we finished ahead of budget by about \$28,000. He said that was largely driven by some food and beverage revenues. He said there were some certain operational expenses, repairs, maintenance supplies and utilities that were higher than what we expected. Mr. Hesch said that did drive our total operating expense up over budget by about \$130,000 which led to an overall unfavorable bottom-line variance of about \$102,000.

Mr. Hesch said at the arena event activity was about what we expected as far as the number of events and the attendance at those events. He said they did have some stronger than expected food and beverage revenues so that helped their operating revenues. Mr. Hesch said they finished ahead by about \$24,000. He said, unfortunately, they did have a large number of chargebacks from the Tran Siberian Orchestra show, which was in November 2024. He said customers have so much time to submit for chargebacks with their banks. Mr. Hesch said we saw about \$18,000 with the chargeback expense in the month of January alone just from that show. Mr. Hesch said we had mentioned this late last year that Mr. Pine and I found a company called Chargeback 911. He said we contracted with them and they went live February 17<sup>th</sup>. He said they will now handle charge back disputes on our behalf. Mr. Hesch said when somebody submits a chargeback they will, on our behalf, dispute that to see if we can prevent that from happening. He said the goal is to significantly reduce the expense that we are currently seeing moving forward. Ms. White said what is their dispute with the charge. Mr. Hesch said, in a lot of cases, we can actually see that they not only bought the tickets, but they attended the show and the ticket was scanned. He said but all the customer has to do is go to their bank and say that their card was stolen and the bank will dispute the charge. Mr. Pine said it is an ever-growing scam. He said every time that we go to a conference this becomes a big topic because the credit card companies just bill us back. Mr. Pine said they do not really have a process where they are asking questions so we found a third-party to handle the disputes. Mr. Pine said with the ticketing companies that we are having discussions with; we are looking at rolling that into being their responsibility. He said because ultimately what has to happen is when somebody disputes a credit card charge it is left up to our box office staff to try and fight it with the credit card company. Mr. Pine said we cannot even get them on the phone to be able to fight our piece of the fight so we end up having to take a hit to our revenue. Ms. Dahlkemper said what kind of fees are there for Chargeback 911. She said is it on a percentage basis of what they can collect. Mr. Hesch said there is a small, flat fee, and then there is a percentage of what they save us. A brief discussion followed.

Mr. Hesch said, also at the arena, they did have some repairs and maintenance items that drove that expense about \$10,000 over budget and then all in at the bottom line, they had an unfavorable variance of about \$57,000 for the month of January.

Mr. Hesch said the Warner also did well as it relates to their event activity and the attendance. He said their operating revenues almost were exactly what we budgeted as were some of their show related expenses. He said they did have some supplies, mainly in the area of food and liquor purchases, that exceeded budget by about \$4,000. Mr. Hesch said they had a large utility variance as well. He said utilities expense came in \$10,000 over budget. He said I did have members of my team look into that variance and they did have an adjustment on the natural gas bill in January that was from October through December. Mr. Hesch said it looked like they made some adjustments, so that drove up the natural gas bill which was the main driver of that variance. He said the electric bill was also a little bit higher than expected so that was a big negative there. He said, all in, the Warner finished about \$25,000 under budget.

Mr. Hesch said nothing significant to comment on at the ballpark.

Mr. Hesch said the convention center performed about in line with budget expectations. He said operating revenues were about \$8,000 over budget. He said they also had some large repair maintenance expenses. He said it looks like they had some HVAC system repairs that took place in the month of January, so repair and maintenance expense was about \$24,000 over budget. Mr. Hesch said that was the main driver as to why they missed the bottom line and came in about \$17,000 under budget.

Mr. Hesch said you will also notice we added Liberty Park as a venue. He said at this point there is nothing notable to comment on there. He said what you are seeing is mainly just some labor related allocations that are flowing there in expenses but there has been no activity yet.

Mr. Hesch said I took a look at January 2024 versus January 2025. He said although we did come in about \$20,000 less at the bottom line this year than we did last year, I do feel if we were to remove those chargebacks and if we did not see these large repair maintenance expenses come in, the Authority did well and performed slightly better in January 2025 than January 2024.

Ms. Dahlkemper motioned to accept the January 31, 2025; Financial Statements as presented to the ECCCA Board. Mr. Riley seconded the motion. The motion was approved unanimously.

## **MANAGEMENT REPORT:**

Mr. Pine said I would like to provide you with a marketing update. He said we did have a good start to the year. Mr. Pine said our new marketing director is doing a good job of tracking our performance related to digital marketing. He said we have a Facebook follower goal for the year of 35,000. He said we started the year at 30,000 followers. He said we added an additional 1,000 in January. Mr. Pine said I will talk about some things that I think attributed to that. He said in addition to that; we had 916,000 views and our goal was 100,000. Mr. Pine said we have had similar results on Instagram.

He said we had a lot of show announcements in January but one of the particular things I think added to it was the Golden Ticket Giveaway that we did. He said we asked people to follow our page, which essentially, we are trying to gather future ticket buyers. Mr. Pine said that we put out the offer to give away four tickets to 10 shows which drove that number up significantly. He said, in addition, our goal was 40,000 website views for the month and we achieved 45,000. Mr. Pine said the good thing is we are doing a better job of tracking this now that we have a marketing director in place. He said the numbers are good with showing that some of the things that we are doing in terms of advertising and promotions are having a positive impact not only on these numbers specifically but we feel as we bring more shows in, we are getting those shows on to more potential ticket buyers.

Mr. Pine said regarding the UPMC field replacement update. He said Ray Willams and I had a call today with the contractor. He said they will be at the ballpark on Monday. Mr. Pine said there is a few things that remain including a small amount of turf that needs to be put in behind the catcher area. He said we need to finish the bullpen mounds and we need to do some final work to the track material. Mr. Pine said that it has obviously been difficult with snow cover but it is supposed to rain on Monday and Tuesday which should help. Mr. Pine said, regardless of that, we pressured them to come back since we have our first home game on April 4<sup>th</sup>. Mr. Pine said they plan to have the bullpen work done by the end of the week and then the last remaining items are small enough to where they will be able to come back on days where the weather is favorable within the month of March. He said I do not feel that there is going to be any issues. Mr. Pine said that the team is going to be here a week before April 4<sup>th</sup>. He said we should be in good shape to get that finished on time. A brief discussion followed.

Mr. Pine said I had a presentation yesterday in front of the CRIZ Board. He said I had a couple objectives for that presentation. Mr. Pine said, first and foremost, Erie Events is an organization that is going to be a long-term partner for this funding source. Mr. Pine said I think we anticipate \$15 million a year as a minimum over the next 30 years. He said, in addition to laying out why we are a good partner, obviously, we have several potential projects. Mr. Pine said I talked to them about some of the feasibility studies that we have underway. Mr. Pine said Mr. Snyder laid out the parking study that we have done. He said I talked to them about the entertainment district feasibility study that we are doing this year and about potential future convention center expansion. Mr. Pine said I talked about two particular projects that we identified as shovel ready or near shovel ready. He said that would be the sale of the GAF property as well as the addition of two levels to the parking ramp. Mr. Pine said I received good feedback. He said I also talked about the Erie Zoo just from the standpoint that the Vet Center is going to be a big piece. Mr. Pine said as I understand it there is potential acreage set aside within the CRIZ zone attached to the Erie Zoo. Mr. Pine said, if we have a relationship with the zoo, we could obviously help with that project. He said we have matching ability and we are financially sound so that we can bridge finance which gives the CRIZ Board a lot of flexibility in terms of how they identify who to work with. He said, ultimately, we could bridge finance money that we are promised through a letter and then we get that money in later years. He said I believe the first round of funding is not until the end of 2026. Mr. Walczak said 2026 is the first-year money will come in. He said that 2024 is the base year. Mr. Walczak said 2025 will be the first year which you measure increment over that 2024 amount. He said that increment is what comes back to the CRIZ Authority. He said that measurement of 2025 money or taxes, does not happen until the spring of 2026. Mr. Walczak said we are told it takes the Department of Revenue three or four months to figure it all out and then get money out. A brief discussion followed.

Mr. Pine said we met with the hotel group. He said we reviewed budget for this coming year. He said the Sheraton went through a tough year coming out of renovations. He said their goal is to get back up to normal operations. Mr. Pine said they have had some challenges over the past six months related to some staffing. He said they were without an assistant general manager for quite a while. Mr. Pine said they hired their front desk supervisor as the assistant general manager, and they are filling that front desk position. He said all indications we are getting is she is doing well. Mr. Pine said, as of now, it is early in the year, but things are moving along. Mr. Pine said there are no real issues to address at this time regarding the hotels.

Mr. Snyder said tying into the hotels with the Bayfront Landing sales team, our sales director, Amy O'Connell, has been busy. He said she has a newsletter going out in March to over 800 folks in the association and convention industry. He said she does that quarterly and we get a lot of response. Mr. Snyder said she does a good job with that, and now with our director of marketing and our marketing team helping make sure that looks great, I am hopeful that we will continue to get good feedback from our clients. Mr. Snyder said she is also traveling to Manheim, PA in Lancaster County for the PASAE Connection Conference, and then to Las Vegas for the Connect Springtime Marketplace in April. He said, if you remember, in 2024 we had a lot of positive interaction from those conferences, and it led to business here on the campus. He said we are excited to see what she can bring back for us in 2025.

Mr. Snyder said we are working with Visit Erie on a LinkedIn Ad Campaign for the campus and prepping for our Familiarization Tour with potential clients in May.

Mr. Snyder said we have started the management of Erie Promotions. He said we had the RV Show and the Auto Show in the last month and both of those shows have performed well. He said that the dealers and the key stakeholders

have been very happy, even though the gate attendance has been slightly off. Mr. Snyder said that could be due to weather and some other factors as well. He said we are excited about how those first two shows went. He said our staff is on board now, as you have seen, so we are getting people up to speed and transitioning that over.

Mr. Snyder said, just to touch on Liberty Park, we have met and engaged with over a dozen different groups for renting the park. He said six of those have gone to contract. Mr. Snyder said these are all rentals of the park. He said about half of them are traditional events that you would be familiar with such as Beer on the Bay and the Heart Walk. Mr. Snyder said there is a handful of new events that we are working on as well. He said we have six of the 8 Great Tuesday acts booked and we look to publish that summer lineup here in the next month or so.

Mr. Snyder said this is not in my management report but want to share that I did attend the Port Authority's Stakeholder's Meeting, regarding the redevelopment of the Coke Plant site. He said they invited a group of about 40 that are all stakeholders on the Bayfront and in the city. He said they got feedback from those stakeholders of how they should redevelop that space. He said they met with elected officials in the morning, and then had public meetings yesterday and today. Mr. Snyder said, from my point of view, there was a lot of really good feedback. He said I think the Port Authority is going to get a lot of good ideas they will work with their consultant to figure out what is best.

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 and update on Monacella Spa has opened. Mr. Pine said that he was at the ribbon cutting and it was well attended.

**NEW BUSINESS:** None.

### **OTHER BUSINESS:**

Ms. White said I do want to share that our illustrious Executive Director, Gus Pine, did well at the Erie City Misson Knockout the Homelessness event Tuesday night.

The Board congratulated Mr. Pine for his success and fundraising efforts.

### **EXECUTIVE SESSION:**

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

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

### **ADJOURNMENT:**

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

The meeting adjourned at 4:19 PM.