

**ERIE COUNTY CONVENTION CENTER AUTHORITY**  
**MINUTES**  
**Thursday, January 16, 2025**

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

Board Members Excused: Deitrick

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

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

**INTRODUCTION OF GUESTS:** None.

**MINUTES FROM PREVIOUS MONTH:**

Ms. White asked for approval of the December 19, 2024 minutes.

Mr. Glass motioned to approve the December 19, 2024 minutes. Mr. Riley seconded the motion. The motion was approved unanimously.

**PUBLIC COMMENT:** None.

**FINANCIAL REPORT**

Mr. Hesch presented the December 31, 2024 Financial Statement to the board. He said we officially wrapped up 2024 and I am happy to report that as a year, it was very strong. Mr. Hesch said we exceeded our bottom-line expectations by about \$500,000 for the year.

Mr. Hesch said that in December, we were somewhat heavily impacted by some inclement weather at the beginning of the month that drove some event cancellations which impacted our revenues. Mr. Hesch said for the month we did miss our budget by about \$109,000 across all the operating venues.

Mr. Hesch said the arena had a couple different things in play. He said, if you recall, we have talked about some of the forecast adjustments over the past couple of months. Mr. Hesch said Disney on Ice, that was initially budgeted in December, we saw play out in January at the arena. Mr. Hesch said if you also recall, there was a hockey game that we had budgeted that was an extra game that ended up not being in the schedule. He said, on top of those two items in the forecast, there was a weather-related hockey game postponement that is now happening as February of 2025. Mr. Hesch said the game was moved from December to February, so we lost that revenue in December as well. He said those three missed events in the month of December caused us to miss our revenue target by about \$146,000 at the arena. He said they did a really great job on their expense control so in the bottom line, they only missed by \$54,000.

Mr. Hesch said the Warner did also have a weather-related cancellation, but they also had higher than expected event activity, so they actually exceeded their budget. He said we budgeted five events, but had eight events during the month. He said total revenues exceeded budget by \$64,000 which flowed through to a favorable variance at the bottom line of \$26,000.

Mr. Hesch said at the ballpark they performed just about in line with budget, so nothing to comment on there.

Mr. Hesch said at the convention center they saw the largest impact from the weather. He said the Festival of Trees was completely canceled and then a Champion Cheer event, which I believe is a multi-day event, was limited to one day. He said the total revenue loss from those two events alone was around \$100,000. Mr. Hesch said despite that big hit, they actually exceeded their revenue by about \$38,000 and that is largely due to some strong food and beverage revenues across the other events that were held during the month. Mr. Hesch said on the expense side, they had some higher-than-expected repair maintenance bills. He said, then at the bottom line, they had an unfavorable variance of about \$25,000. Mr. Hesch said so despite some inclement weather that really hit the revenues hard, the team did a really great job managing expenses in the month. Mr. Hesch said we limited those unfavorable variances, and then again, ended the year \$500,000 ahead of budget.

Mr. Glass said do you project that the arena is going to continue to underperform. Mr. Hesch said I think it is about in line with where they finished 2024 if I remember correctly. Mr. Pine said we are tracking well for budget. He said 2023 was the first year that we had the opportunity to come out of COVID and really did not book a whole lot of activity. He said we were probably a little too aggressive for 2024 trying to get back up to a normal level of events and we did not achieve that. Mr. Pine said we recalibrated that for 2025 so the budget for 2025 is not as aggressive as 2024. He said we have got a couple things in our favor. Mr. Pine said we have booked two very strong shows. He said the one in June is Nate Bargatze, a well-known comedian and Teddy Swims, an up-and-coming singer, who will likely sell out. Mr. Pine said we think we are going to get two rounds of playoffs as well. He said we actually budgeted for one, but indications are good that if we finish a four seed, we could get two rounds. Mr. Pine said it is only January, but we feel confident that we will get back to achieving budget for the arena.

Mr. Zaphiris said how did the Connor McDavid event do. Mr. Pine said it was a total sell out. He said that we typically do \$45,000 in food & beverage and we did \$88,000. He said I got an update from a finance representative of the Otters, at the VIP event, that their merchandise sales, 3 hours before the game, was already at \$30,000.

Mr. Hilbert motioned to accept the December 31, 2024; Financial Statements as presented to the ECCCA Board. Mr. Glass seconded the motion. The motion was approved unanimously.

## **MANAGEMENT REPORT**

Mr. Pine said I will give a quick update on our marketing strategies for this coming year. He said on January 6<sup>th</sup> we initiated our annual digital display billboard purchase with Lamar. He said those are happening across the region. Mr. Pine said we are using that to promote upcoming shows. He said we are promoting our brand, and we are supporting special promotions as well. Mr. Pine said we will continue to include promoter shows throughout the year. He said the nice thing about making an annual purchase is we can make specific decisions throughout the year to help support shows that are announced so we know they are going to sell well. He said if shows are struggling, we can add some help to some promoters to try to raise their ticket sales throughout the year. Mr. Pine said we are also going to use those boards to promote the newly acquired consumer shows that Mr. Snyder's team will be handling at the convention center, starting with the Auto Show coming up in February. He said, along with that initiative, we also are making an annual purchase with cable advertising with the Erie News Now stations. He said, in addition to the cable, we are doing Over-the-Top advertising. He said ads will be placed through streaming such as Hulu. Mr. Pine said we can target ads, based on data, to be able to get those ads specifically in front of potential ticket buyers. Mr. Pine said, lastly, we are looking to expand our reach and our potential ticket buyers within our database. Mr. Pine said we launched, this past Monday, the Golden Ticket Campaign. He said the campaign is offering 4 tickets to 10 different shows throughout the year. Mr. Pine said it is 40 tickets which will have a substantial cash value to potential people. Mr. Pine said that will be going to one lucky winner. He said all they have to do is provide us with information that allows to us to contact them via phone or address and ZIP code as well. Mr. Pine said in less than 24 hours, we had 3600 respondents. Mr. Pine said I was reading through the comments on Facebook and they were all positive. He said I think it is getting the name out there that Erie Events is associated with all these venues. He said we were strategic about events that we included. Mr. Pine said we are really trying to educate the public, and more specifically, those who do not know specifically what we do, that we manage all of these venues. He said that the winner is going to be announced next Friday and that we are using a computerized randomizer to choose a winner. Mr. Pine said one of the big initiatives that we had this year was to have more of a footprint within the community in terms of what Erie Events is and helping promoters. He said it is one good way that we can continue to do business with the promoters that we currently work with and new ones that we will work with by providing some value that we have in these bulk purchases that they can tap into when they are trying to sell tickets within our market. He said it is only going to allow us to continue to be an attractive place to host promoters and other events.

Mr. Pine said on Wednesday, the Port Authority held a meeting to vote on the Event Management Agreement. He said they passed that unanimously so that is all in place. Mr. Pine said the last piece to identify was specific language related to insurance. He said we have both attorneys together and have that figured out. He said that I am heading over there after this meeting to officially sign the document. Mr. Pine said I am told that after that news coverage, Mr. Snyder was getting phone calls and emails from promoters. He said but the piece that I liked were the calls from people that wanted to utilize the park for non-ticketed events. He said I think there was a handful of events that were out there, but that is a public park, and I think it is great that people understand that they can utilize the park for non-ticketed events as well. Mr. Glass said did they figure out where they are going to put the boat yard. Mr. Pine said they are working on that. He said they are updating their master plan. He said most of that master plan is geared towards identifying the future of the Erie Coke plant, which falls within their realm. Mr. Pine said also, as part of it, it is moving that boat ramp, but they want to re-up their master plan and identify what specifically that space needs to look like in the future. Mr. Glass said is

there anything on our sea wall. Mr. Pine said nothing in terms of updates. He said I think where I am at on that is trying to identify financial support. He said that could perhaps fall under CRIZ funding. He said, if not, I have got a meeting set with Tony the Harbor Master to try to understand what port grant money is out there. Mr. Pine said in conjunction with our market house, that would be a great location if we plan to redo that. A brief discussion followed.

Mr. Pine said we are in the process of an event ticketing RFP. He said we are looking to support our efforts to improve our ability to reach and serve our current customers, as well as the potential ticket buyers that we are looking to attract. He said we have got at least five companies that have indicated they are going to submit proposals. Mr. Pine said all of the major ticket companies are in that mix and we are set to open that proposal tomorrow. He said then we will look to review and perhaps negotiate with some final candidates over the next few weeks to identify which company we are going to choose. Mr. Pine said we have set June or July to make that transition from the current ticket company because, from a ticketing standpoint, it is going to be a time with the lowest amount of activity that we have in our venues.

Mr. Pine said I am sure everybody heard, as expected, that the CRIZ application for our community was accepted. Mr. Pine said my only update is that I am scheduled to speak in front of the CRIZ board on February 19th. Mr. Pine said my objective there is going to be two-fold. He said number one, I am going to talk about why we are a viable candidate in terms of an organization, an organization with a strong history in property development, and an organization that has access to funds that could be a great partner for any CRIZ project. He said then my second objective will be to outline some of the projects that we either have in mind, that are shovel ready, along with ones that we are working on through some of these studies that we have been doing to lay out for future projects as well.

Mr. Pine said all board members should have received, from Ms. Nealon, a Pennsylvania Statement of Financial Interest form in the mail. He said that is for activity from 2024. He said if anybody has not received that or needs assistance in filling it out just contact our office and we can assist you.

Mr. Pine said I have one added item to share. If you recall, we have a program called Wells Wishes that we initiated last year. He said that is where we offer opportunities to the public, either for a small group or a larger group, to specific events in our venues. Mr. Pine said there is a link on our website for individuals to fill out a form and share why they or their group would want to attend the event being offered. Mr. Pine said from those entries we try to identify people who might not have the ability to purchase tickets and give them the opportunity to come and enjoy an event at one of our venues. He said the upcoming event is an Otters game. Mr. Pine said we are going to offer a suite for the game, along with pizza and soda, on February 22<sup>nd</sup>. He said this will be going live on our website on January 27<sup>th</sup> and we are going to promote the opportunity through our social media.

Mr. Pine said, lastly, I will be participating in this year's Knockout Homelessness event to support the Erie City Mission. He said I am hoping that all of you will support this good cause. Mr. Pine said my wife works for the store that supports a lot of the financial input into the budget for the Erie City Mission. He said because of that, I have seen how that organization helps people overcome things like addiction and connects them with a 360 experience where they come out of that with skills and the ability to not only beat an addiction that is holding them down, but to be able to get in and be active members of society. Mr. Pine said, in addition to that, we all know about the homelessness problem and that it is serious in our community. He said it is important to support this cause so I have offered up my chin, so to speak, and hopefully my ability to influence others to open up their pocketbooks and help support too. Mr. Pine said so if you can help support financially or please come on out on February 18<sup>th</sup>.

Mr. Snyder said the only thing I really want to note is that the convention center, due to its activity, we achieved our room night goal for citywide room nights in 2024. He said I know we talk a lot about the financial impact of our activity, but we were able to generate over 26,000 room nights to the community, not just our two properties, but county wide hotel activity. Mr. Snyder said so we are proud of the team and the event activity. He said I think that is a big impact, and part of the reason this building is here. Mr. Snyder said other than that, we are moving forward with Erie Promotions, Liberty Park and 2025 Convention Center events.

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, the architect gave us an update yesterday that it has got to be done by Thursday. He said that it is coming along pretty well. Mr. Glass said that all the case goods are in, all the walls are up, finished and painted. Mr. Glass said the water feature is in, and it goes from floor two stories high. He said the plumbing fixtures are being installed and the doors and hardware due tomorrow. He said they are not onsite yet and that might be the only catch. Mr. Pine said the punch is where our architect walks through and identifies things that need to be corrected. He said that is set for the January 23rd with completion set the next day on the January 24<sup>th</sup>. Mr. Pine said

in that meeting everybody agreed to that date. He said we are still looking at February 1<sup>st</sup> move in date for the tenant. Brief discussion followed.

Mr. Pine said 17 windows have been installed at the Sheraton. He said that we have identified 100 that have lost that gas seal that are fogging up. Mr. Glass said when did they find good weather to put the windows in. Mr. Pine said I asked the same questions. He said they are scheduled to come back on Tuesday. He said Neal Wurst and I were discussing that Tuesday it is not going to get above 10 degrees, so that might not be a great day to come back. Mr. Pine said we will go over and take a look at the windows and make sure there are not any issues since they said it had to be over 32 degrees to install.

#### **NEW BUSINESS – None**

#### **OTHER BUSINESS**

Mr. Nuber, said as Nominating Committee Chairperson, he spoke with the current officers, and they have agreed to serve another term. He said Ms. White as Chairperson, Mr. Riley as Vice Chairperson, Mr. Glass as Treasurer and Mr. Hilbert as Secretary.

Mr. Zaphiris motioned to approve the Officers as presented by the Nominating Committee. Mr. Glass seconded the motion. The motion was approved unanimously.

#### **EXECUTIVE SESSION**

#### **ADJOURNMENT**

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

The meeting adjourned at 3:29 PM.