

ERIE COUNTY CONVENTION CENTER AUTHORITY
MINUTES
Thursday, March 20, 2025

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

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 3:01 PM.

INTRODUCTION OF GUESTS:

Mr. Snyder said we have Ms. Tiffany Zinn with us today. He said she is joining Erie Events Marketing Team as one of our new marketing coordinators. Ms. Zinn will be helping us primarily with branding and marketing of the Bayfront Landing with our sales team here at the convention center including the work we are doing with Erie Promotions, 8 Great Tuesdays and other activity at Liberty Park.

The Erie Events Board welcomed Ms. Zinn to the organization.

MINUTES FROM PREVIOUS MONTH:

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

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

PUBLIC COMMENT: None.

FINANCIAL REPORT:

Mr. Hesch said February was definitely a good month for the authority as a whole, and certainly better than what we reported back in January. He said all budgeted activities actualized as expected and all of our facilities were either at or above budget expectations.

Mr. Hesch said, as we look at the arena, all budgeted activity went off as planned, but we also saw one additional Otters' game. He said, in late November 2024, there was a game that was postponed. He said that game was held on February 24th. Mr. Hesch said that event drove some strong attendance figures, as well as food and beverage revenues. He said food and beverage revenues, which was a large contributor to our positive variance, exceeded budget by about \$57,000. He said food and beverage expense is also over budget by about \$14,000. He said given the extra game and strong attendance numbers at all games, we would expect that. Mr. Hesch said, otherwise, some really good expense control contributed to the bottom-line with a favorable variance of about \$111,000.

Mr. Hesch said the Warner also had a good month. He said all budgeted events actualized and attendance was pretty much on budget. He said they had some good food and beverage revenues and they exceeded their food and beverage revenue budget by about \$19,000 and they had really good expense control in place for the month of February. He said they exceeded their bottom-line budget by about \$14,000.

Mr. Hesch said really nothing notable to comment on at UPMC Park. He said they were within \$2000 for the month with just some very minor expenses and revenues.

Mr. Hesch said the convention center also had a very good month. He said their total operating revenues exceeded budget by \$9000. He said expenses were under budget by \$10,000. Mr. Hesch said they had a favorable variance at the bottom line of \$20,000 for month of February.

Mr. Hesch said there is really nothing notable to comment on at Liberty Park, as there is no activity there just yet.

Mr. Hesch said in looking at year-to-date, so far this year, we are just shy of our budget at the bottom line. He said we are within \$4,000. He said no significant concerns as we look forward through the rest of the year.

Mr. Hesch said as we take a quick look year-over-year, year to date, 2024 versus year-to-date, 2025 we are about \$54,000 ahead at the bottom line over last year.

Mr. Richards said is this the first-time we listed Liberty Park as a forecast. Mr. Hesch said it was there last month with very minor activity. Mr. Richards said do you know what the annualized budget is for Liberty Park for the year. Mr. Hesch said for Liberty Park the 2025 budget for the year has a forecasted loss of \$8,500. Mr. Richards said do you project the concerts or can you guesstimate what you are going to raise otherwise. Mr. Pine said sponsorships and concert activity are the anticipated revenue streams. Mr. Pine said we are forecasting three concerts in addition to 8 Great Tuesdays. Mr. Richards said we do not own it we lease and that is why we included on our financials. Mr. Pine said we have an event management agreement. Mr. Zaphiris said we don't get the naming rights revenue, do we. Mr. Pine said we get 20%.

Ms. Dahlkemper said our food and beverage really has been doing well for quite a while. She said we went to cashless. Mr. Pine said, correct. Ms. Dahlkemper said that does not seem to have had an effect and that it has actually improved. Mr. Pine said it has helped. He said the idea was to increase speed, so anybody who was turning away because they saw a line and the puck was about to drop, that is not impacting them anymore. A brief discussion followed.

Mr. Riley motioned to accept the February 28, 2025; Financial Statements as presented to the ECCCA Board. Mr. Deitrick seconded the motion. The motion was approved unanimously.

MANAGEMENT REPORT:

Mr. Pine said we are 15 days away from opening day for the SeaWolves. He said to give an update on the field, we have got some very minor elements left to accomplish with the field renovation. He said, essentially, it is just some warning track material that needs to be put down now that the pads are getting completed this week. He said they will be back on Monday so we should be finished up in plenty of time for the start of baseball.

Mr. Pine said just a brief update on the market house. He said last week Kevin Flowers wanted to do an updated article on the project, last week. He said there was some TV follow-up from that article. Mr. Pine said TJ is shopping for bridge financing. He said we are looking at a \$15 million range at this point. Mr. Pine said we know when this comes to fruition, that is going to be a big piece to it. He said, in addition to that, we have had some conversations with the Construction Committee. He said we are going to look to engage with a construction manager for the project, similar to what we did at the Warner and the Stadium Club. Mr. Pine said we will be shopping for bids for a construction manager. Mr. Pine said, and the third piece I am working on, because we're moving down these steps, I am looking for leases from our two anchor tenants. He said if we can get a lease signed, obviously, we do not know the initiation date of that lease, it will be contingent on the finishing of the construction, but having those contracts signed, we will be able to then make more or less a generalized announcement and we can speak more to exactly what we are going to be doing within that property. Mr. Richards said, based on your report, the last time I was involved in this was when we had a call with Senator Pittman's office. He said did that go well. Mr. Pine said we are still working through that and providing them information. A brief discussion followed.

Mr. Pine said we had two consultants in town related to a couple of studies that we are undertaking. He said they were in town to meet with stakeholders to discuss the feasibility of expansion for the convention center. He said Mr. Snyder hosted some meetings with Visit Erie and some customers that are currently using the convention center, events that will most likely could grow. Mr. Pine said, in addition to that, they met with other stakeholders within the community. He said, essentially, this consultant came and got some feedback locally. He said then they are going to look nationally at venues of similar size to be able to come back to us and give us some recommendations on if this is something we should pursue in terms of expansion of the space here at the convention center. Mr. Pine said, in addition, we are doing a study of the space in front of the arena and the ballpark, that we have discussed previously. He said, obviously, that space is highly underutilized and it is the front door to two of our major venues. He said we did a similar community conversation along with a representative from the Otters Hockey Club and the Erie SeaWolves, who also participated in that discussion. Mr. Pine said we had Mr. Walzak, Mr. Ed Brzezinski and Mr. Terry Scutella there as well. He said so what we would like to do, as the next step, is provide them some time to gather that information, and then I think we will hold a study session with the board. He said I would like to hear some of their feedback that they got from the community, and then get some feedback from our board members as well that might have some ideas on how that space, particularly, can be both impactful to the overall community, but support our teams and the activities that we provide at those venues. Mr. Pine said I will have more to come on that once I hear from the consultants. Mr. Schmitt said does that include where that house is located near the green space and in front of the ballpark. Mr. Pine said that is a good question, there are two homes there

and that is the spot that we do not own. He said I have asked them, ultimately, through this process, to provide us with solutions under two potential scenarios. He said one being we would have the ability to somehow acquire that property and then the other scenario would be how could we activate that space, if for some reason, we could not acquire the property. He said how could we bifurcate that and still maximize its use.

Mr. Pine said the Courtyard Marriott is up for its seven-year refresh renovation, which is basically a renovation to the guest rooms and some of the things like carpet and vinyl on the first floor. He said it was actually due in 2024, but we got a reprieve on that because the customer service scores have been so good. He said they have bought us another year because of the overages with the Sheraton renovation, we wanted to build back our reserves for both facilities to be able to comfortably do this project. Mr. Pine said we met with HVS a couple weeks ago to talk about when this project would initiate for the year. Mr. Pine said we are going to do carpet and wall vinyl on the first floor and in the meeting rooms and some furniture replacement as well. He said that will happen this summer. Mr. Pine said we are trying to get that done prior to the busy summer season, because from a visual standpoint, that will be impactful. Mr. Pine said the guest rooms we are going to delay until December to better align us with enjoying the benefits of replenishing those reserves over the busy summer months. Mr. Pine said, lastly, it will allow us to take those rooms out in December, which is much easier to do from an inventory standpoint, than the middle of summer. He said we will be working with Shelly Bueller as a construction manager for that project. Mr. Pine said it is a fairly minor project, but we do need somebody that is going to help us manage the subcontractors for us. He said Ms. Bueller did a really good job with the Monacella Massage build out so we are going to hire her for this small project as well.

Mr. Pine said the April board meeting will be held on Thursday, April 24th instead of the third Thursday of the month.

Mr. Pine said we have a board member who is being honored, coming up very soon, Ms. Gwen White, for the Clifford Award. Mr. Pine said this award recognize remarkable individual lifetime accomplishments and the ordinary person doing extraordinary things in the name of Clifford W. Martin. He said Clifford Martin was a remarkable young man who graduated from Strong Vincent High School, Washington and Jefferson College and the Wharton School of Finance. He said Mr. Martin excelled in his professional life with the General Accounting Office in the United States and in Europe. Mr. Pine said Ms. White is being honored on Wednesday, April 9th, at our own Stadium Club at UPMC Park, from 5:30 to 7:30. The board congratulated Ms. White on her nomination.

Mr. Snyder said our building & grounds team has done a good job. He said they have worked with a vendor and with Penelec to get a rebate and we are going to re-lamp our Expo Hall with new LED lighting. He said it is only going to cost us about \$1 a unit. He said we will work on that project when we have some down time. Mr. Snyder said we have LED lighting in there now, but these are more efficient fixtures that should provide some better lighting on the floor.

Mr. Snyder said I also have an update on 8 Great Tuesdays. He said we are going to do the announcement for 8 Great Tuesdays summer lineup on April 8th. Mr. Snyder said the marketing team is going to work on a release. He said I will make sure that it is sent out to everybody in this room prior to it being sent out to the public. He said we have the lineup booked now and we have some sponsors lined up. Mr. Snyder said Mr. Kissel is going to have the Sons of Lake Erie out there again this summer, like they did last year. He said, in addition to the summer lineup, the rentals have filled up. Mr. Snyder said we have more rentals to the community than we anticipated. He said we are excited about the summer activity at Liberty Park and none of that includes the concerts that Mr. Pine is pursuing as well.

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

OLD BUSINESS:

Mr. Glass, Construction Committee Chairperson, said the committee met yesterday. Mr. Glass said 35 windows have been installed at the Sheraton out of 100. He said we are going to give the contractor a deadline to be done by the end of April. Mr. Glass said the air handler is at the contractor's shop in Erie. He said the curb, that the air handler sits on, is going to be delivered next week and then lifted into place. He said currently they are installing the duct work on the interior of the building. Mr. Glass said each room is going to get a duct run to it to create a positive pressure, rather than a negative pressure, which is different than what it has been in the past. He said hopefully that will eliminate some of the moisture sucked through the outside walls.

NEW BUSINESS:

Mr. Pine said I am requesting a minor modification to the agreement that we have with At Bat Group, which is the Erie SeaWolves. He said the way the current contract is written, the Stadium Club, the event space above the offices for

both teams, is currently written, that if the SeaWolves have the ability to sell a sponsorship of that space, our organization gets the first \$50,000 of that sponsorship. He said that contract has been in place since 2018. He said if you participated in shopping for sponsors, \$50,000 is quite a high number in our community. Mr. Pine said so there is really likely no chance that that space, being that small, is going to sell for that amount. He said I had a conversation with the owner and General Manager. Mr. Pine said currently, I do not know if the specific number is in this recital, but my objective would be to give them a number that they can reasonably sell which I think would be 20% going to Erie Events and 80% going to the team. Mr. Pine said it has been seven years and we have received zero of those \$50,000. He said I believe that was probably written in to the agreement to be able to have a tremendously friendly deal with the team to keep them in town. Mr. Pine said but I think at this point, if we all can benefit from them being able to sell sponsorship, I think it is the right thing to do for our organization. Mr. Richards said I think how that number came about was when I got the naming rights from Erie Insurance, nobody in the legal community had written contracts like that before. He said so we hired a law firm from Boston that gave us the boilerplate for that lease and I think they adopted the pricing range from Boston.

Mr. Riley motioned to approve Resolution 2025-001, as presented to the board. Mr. Richards seconded the motion. The motion was approved unanimously.

Mr. Glass, Construction Committee Chairperson, said that the construction committee reviewed the request and are making a recommendation that we do submit to the CRIZ for the parking ramp and as well as shopping for bridge loan for that project. Mr. Pine said I can give some more detail on this request. He said we have received bids/estimates back related to the expansion of two floors on the ramp. He said what we have received was one for \$8.5 million and the second estimate was for \$5.5 million. He said the second estimate was actually more in line with the type of build. Mr. Glass said the architect designed a precast edition and that came in at \$8.5 million and it was then shopped to the contractor, who built the original building, which is a post tension, poured in place, and his price was \$5 million. Mr. Richards said who is the contractor. Mr. Pine said Mike Coates Construction. Mr. Zaphiris said would they build that set back and leave the Pier 6 bar exposed. Mr. Pine said it would be the same footprint and the bar would be open but it would not have southern exposure.

Mr. Pine said that Resolution 2025-002 is a request to approach the CRIZ with a proposal. He said they do not have a formal application process. Mr. Pine said I have had discussions with Brian Polito. He said a proposal is probably what they can initially deal with. Mr. Pine said so we have already done the parking study; we have got pricing and there is a tremendous need. He said, in fact, whether or not we do this or not, we are getting pricing on adding gravel in to the south of that ramp now to be able to accept 150 parking spots. Mr. Pine said we are at a significant deficit right now for parking. He said the nice thing is, if we build on this ramp, we have 150 more spots if for some reason, at certain times, we have to shut down the entire ramp or two floors, we are really not sure yet how that will impact. He said, in any event, I believe, from my conversations with the CRIZ Board that number one, I think there is an appetite of that board to get projects underway; we have the ability to bridge finance it and this is an infrastructure project. Mr. Pine said this is critical to any future growth on the bay front. He said, in fact, the conversation I had with Nick Scott, he would like to us to have the ramp done before he even thinks about building another hotel because they are under such pressure as well from a parking standpoint. Mr. Pine said I do not know that we technically need a resolution, but I think it is important that this project has the full support of our board. He said I think the support will really help during the process when I present the proposal to the CRIZ board.

Mr. Pine said, then additionally, we are adding in the resolution a request, related to the bridge financing, so that when we hear back, we can act quickly to be able to start that process.

The Erie Events Construction Committee motioned to approve Resolution 2025-002, as presented to the board. Mr. Riley seconded the motion. The motion was approved 10-0-1. Mr. Richards abstained.

The Erie Events Construction Committee motioned to approve Resolution 2025-003, as presented to the board. Ms. Dahlkemper seconded the motion. The motion was approved unanimously.

OTHER BUSINESS: None.

EXECUTIVE SESSION:

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

The meeting adjourned at 4:10 PM.