

**ST. JOSEPH COUNTY BOARD OF MANAGERS
FOR HOTEL-MOTEL TAX
FRIDAY, NOVEMBER 1, 2019
8:30 A.M. CENTURY CENTER SUITE 12**

Members Present

John Anthony
Greg Downes
Joseph Kurth
Mark McDonnell
Carmen Piasecki
Thomas Walz

Members Absent

Jenny McNeil
Dan Parker
Paul Phair
Gary West
Ron Zeltwanger

Others

Aaron Perri, Venues Parks & Arts
Rob DeCleene & Staff, VSBM
Jacob Hamman & Century Center Staff
Jeff Jarnecke, Venues Parks & Arts
Aladean DeRose, City of South Bend
Margie Anella, Potawatomi Zoo
Ken Prince, Mishawaka

The meeting was called to order by President Anthony at 8:30 a.m.

ROLL CALL

Roll call was taken with the following member absent: Jenny McNeil, Dan Parker, Paul Phair, Gary West, and Ron Zeltwanger.

APPROVAL OF MINUTES

Anthony entertained a motion to approve the minutes of August 22, 2019. Downes moved to accept; seconded by McDonnell, the motion carried.

TREASURER'S REPORT

Anthony gave an overview of the financial report on behalf of Zeltwanger. For the first time ever there were collections of over \$1 million in each quarter of the year. 2019 Q1 was the highest Q1 for collections ever and Q2 followed as the second highest Q2 ever. The financial report is very strong and Q4 is expected to be very strong as well. The hotel room inventory is significantly higher than it was 10 years ago. Anthony thanked Notre Dame, hotels and all the agencies present. Discussion followed on the number of new Elkhart hotels near the Toll Road.

PRESIDENT'S REPORT

Anthony stated that Notre Dame announced the Billy Joel concert on June 20, 2020. The first of three Presidential Debates will be at the Joyce Center on September 29, 2020, which will include media and Secret Service. Josh Sisk was named Executive Director of the Potawatomi Zoo. The zoo will present their first report at the next meeting. The zoo had a strategic master plan with conceptual designs and is expecting approval its board this month.

Agency Reports

Century Center:

Jeff Jarnecke reported that hotel room nights generated by Century Center continue to increase with almost 16,000 rooms expected by the end of 2019 and almost 15,000 rooms on the books for 2020. There are almost as many rooms booked for 2021 as there were booked in 2014. The number will likely plateau at 20,000 room nights without the addition of more space or reconfiguration of the existing space.

Jarnecke reported on 2019 Q3 performance of \$487,544 and Net Operating Loss of \$787,456. Staff are working hard to push to almost 600 events this year. SMG received a Net Promoter Score of 78.

Jarnecke reported that the \$1.26 million capital improvement projects will be completed in the building by the end of the year. The reconfiguration of the parking lot entry off Martin Luther King Jr. Boulevard is underway and will be complete by the end of the month. The North elevator project is waiting for the last bid and the North restrooms renovation are going back out to bid. These projects will be completed early 2020.

Jarnecke gave updates on renovating the Bendix Theatre into the Bendix Arena for e-sports. A consultant group has been retained and have toured the facility for their thoughts and recommendations. The consultants suggested utilizing Convention Hall and Discovery Ballroom for national events and that the Bendix Arena might be arena three. The Bendix Arena quote specifications are being completed for carpeting and chairs with January and February 2020 blocked on the calendar for construction. The product could be positioned with a LAN café where members could come in any day of the week and play on 30-50 gaming stations. This would provide a spot in the market to build community and provides an opportunity to market the Bendix Arena for e-sports and provides a different form of feedback. The Civic Center Board of Managers agreed to cash flow the project so that the project can be completed in 2020. Staff are working with VSBM staff to submit a bid to host the inaugural National Association of Collegiate E-sports Annual Convention with 300-500 attendees July 15-17, 2020, which dates would open the Bendix Arena. Sponsors will be located in the market. President Gregg Chenoweth of Bethel University visited with his Crossroads Conference Commissioner Larry Sinclair and confirmed that six out of the eleven institutions in the Crossroads Conference are starting e-sports. A meeting was held last week with the e-sports segment of the Indiana State Athletic Association on hosting a tournament for 16 schools. Groups are interested in hosting their own events on a quarterly basis. Discussion followed on the age range for e-sports being under age 29 and that Indiana schools are very intentional about recruiting females to the program. Possible naming rights and sponsorship opportunities are being discussed.

City of Mishawaka – Sports Complex

Ken Prince, City Planner with the City of Mishawaka, presented an inaugural report on the progress of the new sports complex to be built in Mishawaka. Working with VSBM, one developer has submitted a bid for building an indoor/outdoor facility which is currently being evaluated. Financials will be presented at a future meeting. Road construction will be complete this year, depending on the weather, and 95% of the infrastructure is complete. Prince will report update at future meetings. Anthony encourage indoor events so the building can be utilized in the winter months when the hotels are most empty.

Visit South Bend Mishawaka:

Rob DeCleene reviewed the Smith Travel Research (STR) report for the month of September 2019. This has been a great year of events such as Garth Brooks, NHL Winter Classic, USA Hockey National Championship, US Senior Golf Open, Liverpool Soccer Friendly, and Midwest Minor League Baseball All-Star Game. Next year will be great with the Bill Joel concert June 20, 2020, the first Presidential Debate on September 29, 2020, and Notre Dame football season. Fox News has 200 rooms per night (800 rooms total) reserved at the DoubleTree by Hilton Hotel September 25-29 plus CNN, other national media outlets and security will be here for an anticipated 3,500 room nights for the event. Century Center will host three major conventions because of the additional downtown hotel rooms.

New hotel inventory will be opening – a SpringHill Suites in Roseland in 2020 Q1; La Quinta in Roseland; and the Four Winds Casino broke ground 9-11-19 with 23 stories, full-service spa, 5,000 ft. of event space plus break outs to open Fall 2021. Four Winds will have 317 rooms; however, their primary clients are their casino players. Discussion followed about collection of Hotel-Motel tax being an ongoing discussion as the Pokagons are a sovereign nation.

Meeting Sales had four conversions with 1,653 room nights for 2020 – IN Automotive/IN Landmarks, Brilliant EdVentures Tour Group, Accelerate IN Municipalities (AIM) Idea Summit, and North American Interfaith Network Connect. Site visits included MPI Great Lakes Education Summit, Association of Public Treasurers of the US & Canada, Accelerate IN Municipals and Venue ND.

Trade shows attended included Connect Association, Connect Specialty, Small Market Meetings Conference, AACA Eastern Fall Market, Association of IN Counties, and YP Summit. Pizza stones with the VSBM logo on one side and VSBM team on the other side were sent to the top 200 list. The meeting sales team has made sales calls in Indianapolis and efforts with Knowland, ISAE Convention Committee and MPI Indiana. Promotional videos were created for meeting and sports venues.

Sports Sales had three conversions with 835 room nights – 2019 ACO Heartland Major-Cornhole, 2020 NCBBA Men's National Championships and 2020 Luck O' the Draw Lacrosse Festival. Pending 2020 leads include FIRST Robotics Competition, NACE National Convention for E-sports, AYOP, Midwest Shootout-Basketball, Tim Welsh Invitational and 2021 Synchronized Skating Sectional Championship. Sports sales efforts included Sports Indiana 10-15-19 meeting, United Soccer League (USL) expansion into South Bend with the South Bend Lions professional team and anticipated announcement in November, e-sports focused calls and meetings with Century Center, Sports Top 50 List, Simpleview and Knowland trainings, Golf marketing meetings, Event Impact Calculator best practices. Sports tradeshow included Connect in Louisville, KY; SPORTS in Panama City Beach, FL; 4S Summit in Providence, RI; and education sessions in sales, sponsorship Services and strategy. Staff met with America's Youth On Parade (AYOP) in Janesville, WI, regarding the annual event at Notre Dame to be held July 24-26, 2020 with 8,000 attendees, 3,700 room nights and \$2.5 million economic impact. Sports events continue to be a significant portion of occupancy with 67 events in 2019, 32,100 room nights, 221,416 attendees and \$27.3 million economic impact.

The VSBM 2020 Visitor Guide is currently in production to be distributed in December with 100 pages total vs. the 24 pages in the 2009 Visitor Guide. The Visitor Guide features 16 new pages dedicated to the local foodie scene.

The Basement digital campaign continues with partners Morris Inn/Venue ND, US Gold Senior Open, South Bend Cubs and Holladay Properties. April 26 – September 9 there were 168,860 clicks, and 10,737,683 impressions. Traffic by metro included Chicago, South Bend, Granger and Indianapolis.

Website August 22 – October 27, 2019, had 59,385 total website visits, 50,318 unique visitors. Top referral sites were Google, Facebook, Bing, UND.com and Yahoo. Top referral cities were Chicago, South Bend, Granger, Mishawaka, and Nashville. Top content pieces were "Do a Dog Friendly Trip to the Bend", "Guide to Notre Dame Football Weekends", "Plan Your Event at Gillespie", "10 Iconic Landmarks of Notre Dame" and "What You Need to Know for Tailgating at Notre Dame." Top external links were Michiannarenfest.com, eastracewaterwa.gr8.com, Google Maps, DTSB ArtBeat and DTSB Map. New web content included "48 Hours in The Bend", "6 Places for Fall Color", "Do a Dog Friendly Trip to The Bend", "Explore the Studebaker-Bendix Heritage Trail", "Football Fans Flock to Notre Dame" and "Make the Oliver Inn Your Bed & Breakfast Experience."

To date the Golden Romer had 122 event days, 24 Notre Dame campus tours with 1,288 estimated participants were given, 2,668 welcome bags and 22,040 visitor guides were distributed. The South Bend Airport Visitor Center was updated with a workspace and several charging ports. The Century Center visitor space will be refreshed. Community Tourism Action Plans were completed and presented to Downtown Mishawaka and Lakeville.

The Travel Blog Exchange (TBEX) blogger conference was attended for the first time September 10-14 in Billings, MT. Justin Goldman of Hemispheres Magazine will cover Notre Dame football vs. Virginia Tech game day experience for a feature next Summer or early Fall with 11 million distribution and 70% read rate.

Q4 priorities include securing travel writers for the following story pictures: "Dinner & A Show" (promotion of 2020 Broadway Theatre League shows), Attend ITA meeting in Indy, 2020 Marketing Plan, 2020-2022 Strategic Plan, Association Forum of Chicago – Holiday Showcase; Hamilton County Tourism – VSBM Staff Summit; Adobe Max 2019: The Creativity Conference; and Crowdriff SEE Conference Seek, Explore, Experience (User Generated Images).

DeCleene concluded by announcing the VSBM Holiday Kickoff Luncheon to thank partners to be held on November 21 at the Waterford Estates Lodge.

NEW BUSINESS

Anthony and DeCleene discussed the \$500,000 Tourism Capital Development Fund and increase of up to eight people on the Review Committee vs. the previous four members. Rafael Morton will identify up to three members from the St. Joseph County Council. Three Hotel-Motel Tax Board Members including an appointee from St. Joseph County, South Bend and Mishawaka will serve. McDonnell (South Bend) and Kurth (St. Joseph County) have agreed to serve again. DeCleene will contact Gary West (Mishawaka) about serving. The fund is intended to benefit the advancement of St. Joseph County as a destination. The zip line across the St. Joseph River is on hold due to the construction by Seitz Park.

The January 2020 meeting will be rescheduled and notice of the new date will be sent to members.

ADJOURNMENT

With no further business, Anthony called for a motion to adjourn. It was moved, seconded, and the motion carried.

JA:mes