

**CIVIC CENTER BOARD OF MANAGERS
THURSDAY, MAY 13, 2021
CENTURY CENTER – BENDIX ESPORTS GAMING CENTER
8:30 A.M.**

Members Present

Dennis Andres, Jr.
Greg Downes
Randy Kelly
Michael Neises
A. J. Patel
Aaron Perri
Jill Scicchitano

Members Absent

Linda Doshi

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

CONSENT AGENDA

Perri entertained a motion to approve the consent agenda, including the 1) Minutes of the February 11, 2021, meeting; 2) Claims January – April 2021 and (3) Financial Report March 31, 2021. Dennis Andres motioned to approve; Greg Downes seconded and motion carried.

PRESIDENT’S REPORT

Perri welcomed new board member A.J. Patel as an appointee of the Mayor of the City of South Bend. He reported that public events have started after the Covid-19 Pandemic including a bridal show and boat show at Century Center and South Bend Symphony Orchestra concerts and The Color Purple at the Morris Performing Arts Center.

Perri reported that the State of Indiana Legislature Bill 164 was passed 4/19/21 to increase the St. Joseph County Innkeepers Tax from its current 6% to 8%. The Bill will go before the St Joseph County Council at the meeting 7/13/21. If approved, 0.5% of the 2% increase would be allocated by the Hotel-Motel Tax Board to the Morris. Jeff Rea, President and CEO of the South Bend Regional Chamber, and Rob DeCleene, Executive Director of Visit South Bend Mishawaka, are leading this effort.

Perri reported that the State of Indiana Legislature Bill 384 Professional Sports Convention Development Area (PSCDA) which had expired was renewed 4-19-21 for an additional 20 years, including the addition of three downtown hotels, the Howard Park event center, and facilities located at the Indiana University South Bend campus to the South Bend PSCDA. The maximum amount of covered taxes that may be captured in the renewed South Bend PSCDA is \$2 million per year.

Perri spoke on the Regional Economic Acceleration Development Initiative (READI) which will dedicate state money to promote strategic investments and how to enhance the Century Center parking lot to the Press Gainey and Post Office buildings. Jill Scicchitano added that the initiative is an extension of the Regional Cities programs, grants can be awarded up to \$50 million and the submission deadline for the grant is in August.

VENUES REPORT

Morris Performing Arts Center

Jeff Jarnecki reported that Ratio Design in Indianapolis studied and issued conceptual renderings for the Morris mega block from LaSalle Avenue to Colfax Avenue/Michigan Street to Main Street for future development, expansion and parking structure opportunities. The renderings include a new parking structure which could open to the Morris on the first and second floor and to the LaSalle Apartments. More guest services, restrooms, elevators, drop off, and more event space are

planned as well as more outdoor event space and an area to park food trucks. The new building would include space for the Equity in the Arts program and classroom space. The Neverending Encore Campaign has a total goal of \$30 million. The City of South Bend will issue a Request for Proposals (RFP) for an executive architect.

Jarnecke noted building operations are being updated for higher efficiency. Staff will be meeting with Ameresco regarding energy savings on HVAC, utilities, water, electrical systems. Frost Engineering will be studying the concrete floor in the theater. August 15 to October 6 is on hold for possibly pouring new concrete and installing new seats; however, these projects may need to wait until summer of 2022 due to the time needed for the new seating order.

Staff returned 2/1/21. Events are currently limited to a 575 maximum capacity by the St. Joseph County Health Department. The Pulse FM 6/11/21, 7/9/21 and 8/13/21 events in the Jon R. Hunt Plaza and lawn have been approved for a capacity of 2,000 people. There are 1,300 tickets sold for the rescheduled Brit Floyd 8/10/21 concert and the promoter wants to be at 100% capacity. The Morris has 54 events booked for 2021 and could approach 70 events.

Morris 2021 Q1 revenue was \$22,979 less expenses of \$226,910 resulting in a net loss of - \$203,931. An SBA grant was submitted for 45% of 2019 revenues; however, it is a third-tier priority. The status of the grant should be known by the end of July. The insurance provider determined that \$63,000 would be paid on the business interruption claim.

Palais Royale

The Palais Royale has 45 events booked for 2021. Under the new business structure with Navarre Hospitality, Palais Royale 2021 Q1 revenue was \$42,073 less expenses of \$40,298 resulting in a net profit of \$1,775. This compares to 2019 Q1 revenue of \$44,890.75 less expenses of \$98,256.08 resulting in a net loss of -\$53,365.33. and 2020 Q1 revenue of \$50,993.44 less expenses of \$65,253.37 resulting in a net loss of -\$14,259.93 under the previous business structure.

Century Center

Jarnecke provided an update on Phase 2 of the Bendix Arena in progress. An announcement or press conference will be in about 30 days. Discussions are underway for a 3-year title sponsor agreement. Rob DeCleene and Nick Kleva with Visit South Bend Mishawaka have been actively involved. Upcoming national events include collegiate in August, collegiate and high school in October, a high school recruiting showcase in November and conference and tournament in December. The UpTime Esports youth teams are interested in having two different youth teams and summer camps.

Jarnecke reported that Century Center 2021 Q1 revenue was \$503,697 less expenses of \$587,186 resulting in a net loss of -\$83,489.

ASM Global banquet staff had a reduction in force, many left and new staff are being hired for events. There has been a 50% increase in event staff wages in order to fill positions. Food costs have increased 6% with meat and seafood costs having increased up to 18%. Use agreements will change to be able to adjust pricing prior to an event. Any agreement pricing currently signed to date will be honored.

The Century Center new website will launch today. VenueOps event management software (used by Morris staff) will soon be used by staff at Century Center.

ASM Global staff wearing orange shirts and jackets now manage the Century Center parking lot and City of South Bend parking garages. Jeff Jarnecke already has management responsibilities for the parking lot and garages. Oversight of parking would be a better fit to be transferred from the Board of Park Commissioners to the Civic Center Board. Discussion followed regarding whether the board needs to approve the change. Aladean DeRose responded that state statute allows changes of oversight with no need for board approval. Perri entertained a motion in support of the legislative statute to transfer oversight of the parking garages from the Board of Park Commissioners to the Civic Center Board. Andres made a motion in support; Downes seconded and motion carried.

Andres and Kelly thanked leadership and staff for their extraordinary effort on the work being done for esports at the Bendix Arena.

OLD BUSINESS

Greg Downes gave an update on the Morris 100 campaign. He thanked Perri, Jarnecki and staff for their work on the 4-27-21 press conference. It was announced that the City of South Bend will contribute \$10 million and Ernestine Raclin, Carmi and Chris Murphy and the Carmichael Foundation will contribute \$5 million towards the \$30 million goal. The new building north of the Morris will be named the "Raclin Murphy Encore Center" and the new park will be named the "O. C. Carmichael Park." Large donation requests will be made in June. Discussion followed on new naming opportunities.

Perri thanked Greg and Mary Downes for their leadership in co-chairing the Morris 100 campaign.

NEW BUSINESS

Jarnecke explained the OMNIA Partners contract to approve select professional services and the Irwin Seating Agreement for new Morris seating. City departments and the City Legal department will review.

ADJOURNMENT

With no further business, Mr. Perri entertained a motion to adjourn. It was moved by Andres, seconded by Greg Downes and the motion carried. The meeting adjourned at 9:30 a.m.

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