

ST. JOSEPH COUNTY HOTEL MOTEL TAX BOARD
FRIDAY, NOVEMBER 6, 2020
ONLINE MEETING
8:30 A.M.

Pursuant to Executive Order 20-09, Section 4 (A), issued by Indiana Governor Eric Holcomb and continued by Executive Order 20-18, by which strict compliance with Indiana's Open Door Law is currently suspended due to the COVID-19 health emergency, the St. Joseph County Hotel Motel Tax Board met August 5, 2020, at 8 a.m. by video/telephone conferencing in which a quorum of members participated. This meeting was made available to members of the public and the media as provided by the Open Door Law.

Members Present

John Anthony
Greg Downes
Mark McDonnell
Jenny McNeil
Paul Phair
Carmen Piasecki
Gary West
Ron Zeltwanger

Members Absent

Dan Parker

The meeting was called to order at 8:30 a.m. by President Anthony. Jeff Jarnecke conducted roll call of board members.

APPROVAL OF MINUTES

The minutes from the August 21, 2020 Hotel Motel Tax Board meeting were reviewed. A motion by Mr. McDonnell to approve the minutes as presented was moved forward and seconded by Mr. Kurth. The motion carried.

TREASURER'S REPORT

Mr. Zeltwanger reminded the board of the FY21 budget revised revenue number was \$4.4 million of which \$2.3 million had been actualized through Q3. Through Q3, \$3.4 million had been dispersed which left a balance of \$4.170 million. It is anticipated that a balance of \$3.645 million will remain at yearend and based on the 2022 budget, reserves should remain around \$3.5 million next year. Limited discussion ensued.

PRESIDENT'S REPORT

President Anthony reported that TSA screenings in the month of October were down by 70%. He congratulated Mr. Jarnecke for the article originally appearing in Sports Travel Magazine and being reproduced in other publications about the region's and Century Center efforts in bringing esports to the area.

President Anthony provided an updated on the revenue enhancement committee and reminded the board of the goals, which included increase hotel tax revenue and grow room nights by investing in hospitality product within the county. He expected a tax increase of one to two percent with a bill needing to be filed downstate by year's end. Discussions with hoteliers and local plus state officials are on-going. The effective date of any increase would not be until 2022 at the earliest.

Discussion and questions ensued.

AGENCY REPORTS

CENTURY CENTER

Mr. Jarnecke provided a financial update to the board and shared it is expected that the operation will incur more than a \$500,000 loss. He noted expenses are trying to be controlled and staff largely remain furloughed. Business is expected to be sluggish through at least Q1 and probably Q2 of next year; however, hosting Notre Dame football has been a welcomed addition. Mr. Jarnecke expects to end the year with having booked 1,802 room nights compared to nearly 16,000 last year. Next year tentatively shows 10,784 room nights anticipated. Of the 371 events originally scheduled in 2020, 149 were held; 157 cancelled; and 21 were postponed.

Mr. Jarnecke provided a positive update on the gaming center for esports with the space being ready mid-December and open to the public in January 2021. The first sponsor in Pepsi via Game Fuel was secured and he expects a few others by year's end. With next year's budget allocation, an additional investment of infrastructure will be made within the Bendix.

MISHAWAKA SPORTS COMPLEX

Mr. Prince provided an update on the proposed sports complex; however, there was no immediate news on timing. They are seeking an additional 20 acres for the project and are eager for the Pendleton, Indiana project to open for comparative purposes. Mr. Prince did share several renders of what a building could look like both inside and out for discussion purposes as well as planning of funding mechanisms.

POTAWATOMI ZOO

Mr. Sisk noted construction of current projects is underway. The fundraising budget was increased by \$1 million to a total of \$4 million, which is still in the quiet phase. The original project came in over budget and an additional \$1.5 million is still needed for the lion and giraffe exhibits. As a result, the lion exhibit is temporarily on hold. The Zoo is working with Majority Builders on the project. Mr. Sisk expects phases one and two to be complete by the summer and the giraffes should be here by then as well. It was noted that \$100,000 was provided by the Elkhart Community Foundation.

VISIT SOUTH BEND MISHAWAKA

Mr. DeClene provided a brief update noting there were no staff changes on his team. He also shared August was a good month from an occupancy perspective but then September dipped. Not surprisingly, in a year-over-year comparison, 2020 was down significantly. The VSBM team has three pending leads right now and hosted 11 sporting events in the county. Mr. DeClene did cite increased activity on social and digital platforms and noted the return of "Football Fridays" in downtown South Bend. He shared findings on the tourism economic impact report. He concluded his report of noting current projects, including new website, marketing campaign and visitor guide, in addition to the November 19 holiday lunch at the Ramada.

NEW BUSINESS

There was no new business.

OLD BUSINESS

There was no old business.

ADJOURNMENT

President Anthony thanked the board, agencies and staff for all the hard work during these hard times.

With no further business, Mr. Anthony entertained a motion to adjourn. It was moved by Mr. Kurth, seconded by Mr. Zeltwanger, and the motion carried. The meeting adjourned at 9:29 a.m.

JA: jsj