

ST. JOSEPH COUNTY HOTEL MOTEL TAX BOARD
FRIDAY, MAY 13, 2022
CENTURY CENTER – RECITAL HALL
8:00 A.M.

Members Present

John Anthony	Mark McDonnell	Carmen Piasecki
Greg Downes	Jenny McNeil	Gary West
Kurt Janowsky	Dan Parker	Ron Zeltwanger
Micki Kidder	Paul Phair	

The meeting was called to order at 8:00 a.m. by President Anthony. Mary Ellen Smith conducted roll call of board members.

APPROVAL OF MINUTES

Anthony entertained a motion to approve the minutes of the February 23, 2022, meeting. Greg Downes moved to accept; Jenny McNeil seconded; and motion carried.

TREASURER’S REPORT

Ron Zeltwanger reported that on 3-31-22 the Mishawaka Sports Complex/Fund 4926 had a balance of \$1,530,907.71; the Potawatomi Zoo Capital/Fund 4927 - \$524,147.47; Hotel/Motel Tax/Fund 7304 – \$4,389,469.01; Morris PAC Capital/Fund 7403 - \$252,547.68; and Tourism Capital Investment/Fund 7404 \$505,095.44. Potawatomi Zoo had disbursements of \$412,617 which Josh Sisk will report on.

PRESIDENT’S REPORT

President Anthony reported that the leisure and event travel has come back strong after the pandemic. The weakest part of the travel industry is business travel. The University of Notre Dame recently had the Blue Gold Game and Garth Brooks concert. Commencement, a second commencement, alumni reunion and the Billy Joel concert are coming up.

Micki Kidder reported that 74% of ticket purchasers for the Garth Brooks concert came from outside this area. The per cap was much higher than football game ever held. The demographics for the Billy Joel concert in June are trending similarly with 70% of ticket purchasers being from outside this area with most being older and more males. The first weekend in June should be strong as there is the alumni reunion and the 50th anniversary of undergraduate women is being celebrated with more people coming.

Anthony reported that the applications for the Capital Investment Fund are due 5-31-22. The committee looks forward to reviewing the applications this summer and coming back to the board with recommendations. The committee consists of seven people including the Corey Noland/St. Joseph County Council, Mari Bishop/Visit South Bend Mishawaka/Mar, hotelier David Waymire/Doubletree by Hilton Hotel, and four Hotel-Motel Tax Board members Paul Phair, Mikki Kidder, Ron Zeltwanger and John Anthony.

AGENCY REPORTS

MORRIS PERFORMING ARTS CENTER

Jeff Jarnecke reported that for 2022 the Morris has 89 shows scheduled with an estimated 3,570 room nights and attendance of 52,644 as of 4-30-22. After renovation there is the potential for a record number of shows in the building. This is the first year that the Morris accounts has been an enterprise account with the City of South Bend. The Morris will retain the revenue earned and will absorb any expense. The 2022 revenue of \$1,212,921 is inflated with additional funds merged into the account of

\$500,000 from the City of South Bend as seed money in recognition of the proceeds from previous years. After expenses of \$303,313 are deducted there is a net profit of \$911,608. There will be an additional one-time expense for the Morris 100th anniversary celebration.

The Morris will be closed July to September for construction. On 6-26-22 the Broadway musical Anastasia will finish loading out from the Morris around 3:00 a.m. Construction begins on 6-27-22 at 6:00 a.m. with moving seats out of the building. Larson Danielson Construction Company, Inc., will be cutting concrete in 2' x 2' and 4' x 4' squares and taking them out the building. The new concrete floor will be poured in August. The new chairs will then be installed. New HVAC system, lighting and fixtures will be installed. Project vendors include Ameresco, Tango Design, Frost Engineering – Larson Danielson, Irwin Seating, Base Systems (sound, lighting, risers, IT), and Ratio 9renders and cost estimate.) All work will be completed by 9-30-22 in time for the Morris 100 Fest, the community celebration outside on the Jon R. Hunt Plaza and inside the Morris. The lighting vendor is currently 40% finished on changing incandescent lightbulbs to new LED lighting. The new chairs are 1" wider and will have 2"-3" of additional leg room, which will reduce the capacity from 2560 total seats to 2410 seats. The new 300-350 vehicle parking garage will wrap around to Main Street. Future development could include condos and apartments above the garage facing Main Street. The plaza in front of the Morris will be redesigned at the time that the new building is constructed with an anticipated occupancy date of 1-1-25.

The Morris 100 Fest will be 9-30-22 to 10-1-22 with free entertainment inside and outside the Morris. The headliner show on 10/1/22 will be a ticketed event and will be the first show inside the theater after construction.

PALAIS ROYALE

The Palais Royale has 50 events scheduled for 2022. The 2022 revenue of \$39,172 less expenses of \$57,478 leaves a balance of (\$18,306); however, this does not include the \$25,000 license fee paid by Navarre Hospitality. The ballroom continues to have a \$3 million - \$4 million economic impact.

CENTURY CENTER

Jeff Jarnecke reported that the team is working hard on having 11,000 room nights. It is anticipated to have 245 events in 2022. The Chamber of St. Joseph County Salute to Business luncheon with 965 attendance was the largest luncheon held to date. New water heaters were installed and the HVAC chillers were repaired. Dedicated Xfinity 1G broadband internet was installed at Century Center and the Morris. Revenue in 2022 of \$1,140,855 less expenses of \$870,201 leaves a net of \$269,854. Full time positions are fully staffed; however, there is a gap in hourly wage staff so full-time staff are assisting with serving and other duties.

The Bendix Esports Arena upcoming events include the Indiana High School state championships with 300 participants expected 5-14 and 5-21-22. There were 681 active users and the average game time was 1:41. Rocket League is the most popular game. There have been 2,9555 hours played (not including tournaments.) Friday night is the busiest time followed by Saturday afternoon. Esports has been an important addition to the operation.

MISHAWAKA SPORTS COMPLEX

Ken Prince gave an update on the Mishawaka Sports Complex and reported that the decision was made to go forward with the project without ice. The facility will start Fall 2022 and it is anticipated will take one year to build. When the architects finalize the floor plans then the financial people can generate estimated revenue reports. The most optimistic opening date is the end of 2023.

POTAWATOMI ZOO

Josh Sisk reported that 20 schools with 40 buses of students came 5-4-22. Landscaping is being added to the giraffe exhibit. With additional private donations, fundraising is at \$5.5 million for the concession lodge and black bear exhibit. The lodge will have windows that the black bears can come to the glass and watch the people eat. Groundbreaking will be in July and the opening is planned for Summer 2023. Other projects include the monkey exhibit and parking for 50+ vehicles. The zoo is hosting the Association of Zoos and Aquariums registrar conference October 1-7.

VISIT SOUTH BEND MISHAWAKA

Rob DeCleene reported that the 2022 Q1 data shows St. Joseph County hotel room occupancy rate of 46.3%. Hotel inventory is now just over 5,026 rooms compared to 2010 hotel rooms of 3,491. There were 2 meetings in Q1 with attendance of 450 and 407 room nights with an economic impact of \$448,140. There were a total of 22 sports events (14 hockey events) with attendance of 2,855 and 631 room nights with an economic impact of \$313,260. Esports was featured on Simpleview. Nick Kleva was named a DI "30 under 30."

The VSBM website won "Best Website" at the Indiana Tourism Awards. The interactive map is currently being improved. The website was included in a case study by Simpleview. Nicole Lawler and Jake Brown attended the Simpleview Summit to learn about CRM, CMS and ActON. The website had 100,029 unique visitors with top referrals from South Bend, Chicago and Indianapolis.

Board members thanked Rob DeCleene and expressed their gratitude for all his work as this is his last meeting to report for VSBM. He is leaving his position and has accepted the position as Vice Chancellor of Indiana University South Bend.

OLD BUSINESS

MORRIS 100 CAMPAIGN UPDATE

Greg Downes reported that close to \$21 million has been pledged. The fundraising event at the Morris held 3-23-22 was fabulous and pledges are still coming in. He thanked Aaron Perri, Jeff Jarnecke and the VPA staff for their assistance with the event. Two private fundraisers will be held in the next 30 days. The Morris 100 Fest will be a two-day event on September 30 – October 1. There are almost 30 members of the 2022 Society which include contributors of \$100,000 or more. There are still \$4 million in asks that realistically could hit in the Fall. The hope is that by Fall there will be \$25 million pledged and there can be groundbreaking on the Raclin-Murphy Encore Center. It is hoped that final costs can be finished by June. Videos produced by Chuck Frye are on the Morris website at www.morriscenter.org.

ADJOURNMENT

With no further business President Anthony entertained a motion to adjourn the meeting. Carmen Piasecki moved to adjourn the meeting; Greg Downes seconded; and the meeting adjourned at 9:40 a.m.

JA:mes