

ST. JOSEPH COUNTY HOTEL MOTEL TAX BOARD
THURSDAY, MAY 25, 2023
CENTURY CENTER – BENDIX ARENA
8:30 A.M.

Members Present

John Anthony	Paul Phair
Rob DeCleene	Carmen Piasecki
Micki Kidder	Gary West
Mark McDonnell	Kyle Willis

Members Absent

Becky Fletcher
Jenny McNeil
Ron Zeltwanger

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

APPROVAL OF MINUTES

President John Anthony entertained a motion to approve the minutes of the February 23, 2023, meeting. Mark McDonnell moved to accept with corrections being that Rob DeCleene, Becky Fletcher and Kyle Willis attended the meeting; Gary West seconded; and motion carried.

TREASURER’S REPORT

John Anthony reviewed the 2023 Financial Report ending 3-31-23 in the absence of Treasurer Ron Zeltwanger. The Mishawaka Sports Complex/Fund 4926 had a cash balance of \$2,743,167.11; the Potawatomi Zoo Capital/Fund 4927 – \$749,800.84; Morris PAC Capital/Fund 7403 - \$483,131.27; Tourism Capital Investment/Fund 7404 – \$1,717,354.83; The Hotel-Motel Tax/Fund 7304 started 2023 with a cash balance of \$6,242,204.65 plus receipts of \$1,510,996.77 minus expenditures of \$1,533,482.00 leaves a net balance of \$6,219,719.42. The last rolling four quarters of \$6,052,299.00 revenue surpassed the previous years: 2022 - \$5,510,020.00; 2021 - \$4,326,612; 2020 - \$3,016,446.00; 2019 - \$5,046,539 (Q3 + Q4 shared with Potawatomi Zoo and Mishawaka Sports Complex); and 2018 - \$5,679,728 (highest on record.)

PRESIDENT’S REPORT

President Anthony reported tax collections are up because room rates are higher. Occupancy is flat; however, more taxes are being collected from the short-term rental market/Airbnbs.

Anthony reported that the Tourism Capital Investment Fund Review Committee had met a few times. Four applications were received; one was withdrawn. The recommendation from the committee is to fund two organizations with grants: The Indiana Dinosaur Museum - \$1,000,000 for a new attraction and experience; and the Indiana Invaders - \$215,000 for creation of additional playing surfaces. Additional applications were received from St. Joe High School and Newton Park (withdrawn.) The committee also suggest that Visit South Bend Mishawaka staff work with the 2022 TCIF recipient The Ice Box as well as the recommended awardees to determine an appropriate funding timing for board review. Motion was made by Mark McDonnell to accept the award nominations; Paul Phair seconded; and motion passed.

AGENCY REPORTS

MORRIS PERFORMING ARTS CENTER

Andrew Schreiber reported that Dr. Marvin Curtis has started in the new position of Arts Equity & Public Art Coordinator. He is working with the South Bend Symphony Orchestra on the Dia de los Muertos 10/29/23 concert. Staff are working on quality of life upgrades Amber Schisler, Director of Ticketing Sales & Strategy, is working on ticket fraud prevention by third party scalpers. Seat backs have been adjusted to give more leg room. Guest feedback is being collected from new post-event

survey emails. The Morris has four house-promoted shows to earn a higher level of income. There are 96 events scheduled in 2023 compared to 97 events in 2022. The upcoming John Mellencamp concerts 6/23-24/23 will be sold out shows. The Princess Bride 6/25/23 will be close to sold out. Town Halls on diversity and equity are being planned to get feedback from groups that feel that they are not represented at the Morris. Ticket kiosks are being planned for outside and the St. Joseph County Public Library. Fatbird signed a new two-year contract and is looking to expand their space.

Fundraising for the new expansion is \$3 million less than needed with \$18 million raised of the \$21 million needed. Groundbreaking is hoped to take place in 2024 Q1. The plaza area in front will be redesigned with a stage for public performances, two fountains and a lot of greenery.

CENTURY CENTER

Schreiber reported that the contract with ASM Global has been extended for an additional two years. Great feedback has been received from people having events. Four schools held proms over two weekends. Sunburst races 6/3/23 will have 1,600 room stays. The International Jugglers Association Convention in July will have 953 room stays. The new LAZ Parking contract will help Century Center and have improvements to downtown parking garages.

The air conditioning is fully functional now with the new large-scale chiller system. That was a higher cost of \$100,000 than the original budget of \$75,000; and some of the other capital item costs have been adjusted lower. New kitchen equipment has been ordered as well as new event tables and chairs. A full replacement of the water softener is required as the hard water created issues with faucets and bathroom utilities. The Island park pavers and parking lot seal and striping will be happening in July. The bathrooms upstairs have been renovated. There will be new automated entrance gates into the parking lot.

President Anthony announced that Aaron Perri has resigned his position as Executive Director of the City of South Bend Venues Parks & Arts. The Hotel-Motel Tax Board is having a Morris seat plaque engraved for him to thank him for his seven years of service.

POTAWATOMI ZOO

Josh Sisk reported that the zoo had 316,000 visitors in 2022 compared to 211,000 visitors in 2019, and was the number one regional destination except Notre Dame. There have already been 43,396 visitors 2023 Year-to-Date so the zoo is on track for another great year. The Education program reached 59,185 kids. The zoo is home to 430 individual animals including 136 species and is a part of a national breeding program across the country. Part of the mission of the zoo is conservation and \$21,500 has been donated directly to the field. New lions have arrived, are currently in quarantine, and the new exhibit will have a ribbon cutting 6/29/23. The new bear café will open in Fall 2023. The new tigers exhibit will break ground Summer 2024. The Zoological Registrars Association Conference 10/2-7/23 to be held at the Embassy Suites by Hilton South Bend at Notre Dame will have 80 room stays.

VISIT SOUTH BEND MISHAWAKA

Jeff Jarnecke reported the STR data from 2023 Q1 which showed that the 54 hotels in St. Joseph County had a 3% drop in Occupancy and stated that the numbers will look better in Q3. On average there are 1,000 – 1,400 homes available in St. Joseph County for short-term rentals with guests paying close to \$500 for 3 nights. Leisure marketing 2023 Q1 had 990,392 hotel searches; 8,248 bookings, 15,354 room nights with \$2.25 million hotel revenue generated, and spent \$45,864. The top origin markets were Chicago and Indianapolis.

VSBM has sponsored 40 events such as Sunburst races and Art Beat with 79% of the \$125,000 sponsorship fund. Also, 93% of the \$100,000 bid fund has been awarded to meetings and associations, There is not a typical ask. This involves more hosting such as to pay for an opening reception or closing event.

Discussion followed on the new Four Winds Hotel with 317 rooms, ballroom and 16 break-out rooms. There is some discussion of possibly adding an additional tower in the future. The primary business model is the casino which gives free or lower rate rooms to gamers. Staff are working on how many room nights are available. Room rates are \$1,200 - \$1,500 per room night for football weekends. The Pokagons have entered into a Development Agreement with the City of South Bend that the hotel is obligated to pay 8% to a joint marketing account which would be paid to the Hotel-Motel Tax fund. The hotel will not be reporting data to STR. The Four Winds Hotel has been taken out of VSBM reports.

MISHAWAKA SPORTS COMPLEX

Billy Bunkowfst, Vice President of Development of Card & Associates, reported that all approvals have been received and all bids received came in on budget of \$38 million for the new Mishawaka Sports Complex. The City of Mishawaka is in the third stage of a READI (Regional Economic Acceleration and Development Initiative) grant. Groundbreaking is 6/22/23 at 10:00 a.m. with the opening planned for the end of July or August, 2024.

NEW BUSINESS

None

OLD BUSINESS

None

ADJOURNMENT

With no further business President Anthony entertained a motion to adjourn the meeting. Mark McDonnell moved to adjourn the meeting; Carmen Piasecki seconded; and the meeting adjourned at 9:20 a.m.

JA:mes