

**CIVIC CENTER BOARD OF MANAGERS
THURSDAY, MAY 9, 2024
CENTURY CENTER – RECITAL HALL
8:30 A.M.**

MEMBERS PRESENT

Linda Doshi Heather Goralski
Randy Kelly Aaron Perri
Canneth Lee Jill Scicchitano
Austin Gammage

MEMBER ABSENT

A. J. Patel

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

CONSENT AGENDA

President Perri entertained a motion to approve the consent agenda, including (1) Minutes of the 2/22/24 meeting; (2) Claims 1/1/24 to 3/31/24; and (3) Financial Reports 12/31/23. Randy Kelly motioned to approve; Canneth Lee seconded; and motion carried.

PRESIDENT’S REPORT

Aaron Perri reported that Greg Downes retired from the board at the end of the 2/22/24 meeting. Board members extended their gratitude for his 13 years of service and 6 years as President. He led the initiative to move the Century Center from a City managed venue to a professionally managed venue with a service contract. He led the rework of the Century Center Island; installation of a pavilion and the Ameresco energy savings project; He was Chair of the Morris 100 Committee which celebrated the Morris 100th anniversary in 2022; started the Equity in the Arts program and kicked off the Morris capital campaign with Phase I completed. Perri requested that everyone sign the card for Greg. Perri will give Downes a gift from Century Center and Morris seat plaques are being engraved for Greg and his wife Mary to be placed on their Broadway season ticket seats. The vacant mayoral appointed seat will be filled soon.

Perri thanked Dr. Marvin Curtis for organizing the South Bend Music Festival on 4-13-24 with 275 South Bend high school students involved in the free event. Fridays by the Fountain free concert series will run 6/7 – 8/30 on the Jon R. Hunt Plaza. The free Movies at the Morris series continues on 6/7, 7/5, and 8/2. ASM Global has a new internship program starting at Century Center. The new Century Center survey uses QR codes posted throughout the building which attendees can use to give feedback during the event. Century Center was the only venue in the worldwide company to score 100% on “food and beverage” and “safety” categories which is 39% above the company average on “food and beverage” and 13% above for “safety.”

Visit South Bend Mishawaka

Jeff Jarnecke, Executive Director, reported that VSBM in conjunction with the St. Joseph County Board of Managers for Hotel-Motel Tax is creating the first tourism master plan for St. Joseph County. The 10-year strategic plan will be an opportunity for investment opportunities throughout the entire county. The firm Convention Sports and Leisure (CSL) which conducted a study for esports feasibility at Century Center was selected to conduct the tourism study. They also work with the University of Notre Dame and a number of other clients in St. Joseph County so they already have familiarity with tourism in St. Joseph County. The firm conducted a familiarization tour in February with 120 or more interviews with individuals and small groups. In March 2,700 responses were received from a survey issued to visitors, clients and residents. That information is being used to benchmark against similar Midwest cities with colleges/universities and other attractions that are competition – Lansing, East Lansing, Bloomington, Muncie, etc. In the last two weeks stakeholders met to react to some of the ideas that CSL put forward. On 6/7/24 CSL will make a presentation of with recommendations to the steering committee led by John Anthony, President of the Hotel-Motel Tax Board.

Ratio Design in Indianapolis conducted a study and Century Center feasibility study by HVS in Chicago to benchmark. Phase II is that Lord Cultural Resources in New York will come to look at Century Center, the former Football Hall of Fame and Doubletree/1st Source Bank building to reimagine what that downtown South Bend area could become. Study results should be available mid-June according to City staff.

Discussion followed on how CSL study recommendations will be prioritized. Jarnecke explained that the steering committee will prioritize study recommendations based on weighted criteria that are most important initiatives, will give the greatest return, etc. Perri stated he will represent the board and he invited board members who are interested to contact him or Jarnecke Perri added that the City of South Bend continues to advance the Downtown South Bend 20-Year Comprehensive Master Plan and 6/4 and 6/6 there are public sessions that board members can have input.

VENUES REPORT

Morris Performing Arts Center

Amber Schisler, Director of Ticketing Sales & Strategy, reported that April 2024 ticket fee revenue (which is retained by the Morris) was up close to \$80,000 and March was close to \$60,000 which is higher than 2023 and 2022. The number of tickets sold is going up and that trend continues largely due to the work of Jane Moore, Director of Booking & Event Services, who is booking incredible events. Also, the increased number of ticketed free events such as the movies series brings the ticket numbers up. Although the Morris does not receive revenue from the free events, these events bring people into downtown South Bend. Ticket Revenue for April 2024 was close to \$600,000 which is much higher than in 2023 and 2022. Donation at ticket check out is a new initiative which received \$817 in Q1. The new round up to the nearest \$1 initiative had 2,312 donations with \$1,100 in revenue. The American Theatre League "Staging the Future" fundraising initiative just started with 5 donations of \$50 total to lower the barrier for student groups and non-profit organizations to come to Broadway shows at the Morris. Discussion followed on how free ticketed events help with Morris commissions from concession sales and bring people to downtown restaurants and businesses. The Equity initiative fund pays Morris expenses, movie rights/royalties, etc.

There are an average daily number of 80 ticket fraud prevention alerts processed. The most recent 8 shows had no ticketing problems; compared to the normal multiple incidents per show. Schisler and Brian Scully, Assistant Director of Ticket Sales & Strategy, had been working every show to find people new seats due to third party ticket fraud. Education for the public continues with pamphlets. Tickets for free events also helps with having people go through the process of obtaining their tickets from the official Morris website and Box Office. Credit card charge back requests are much less than previously. Perri commented that Schreiber's position was previously titled Box Office Director; however, Schisler brings the strategy to the "Sales & Strategy" part of the new title for the position.

Andrew Schreiber, General Manager of Venues, reported that there are currently 96 events booked at the Morris in 2024 and 62 in 2025 compared with 103 the entire year of 2023 and 96 in 2022. More events will be booked for the end of the year. Booking is on hold for 2025 until the construction schedule is known for the Phase II new building as the theater fire escapes will be blocked. Broadway shows have been announced for the 2024-2025 season: The Addams Family, The Cher Show, Chicago and Les Miserables. The South Bend Symphony Orchestra will have Aretha: A Tribute and Harry Potter and the Chamber of Secrets (music with the movie) in their upcoming season. The Movies at the Morris series continues with Singing in the Rain 6/7/24, Jaws 7/5/24; and Indiana Jones and the Temple of Doom 8/2/24. Jeff Dunham (sold out 2019 show) was just announced with two shows 8/7 and 8/8/24.

The South Bend Music Festival was held 4/15/24 with 275 South Bend high school students in 20 ensembles performing to 500 guests. The students had dinner in the Palais Royale. Event expenses were paid from the Equity in Arts initiative. The South Bend Latin Dance group is holding an event at the Palais Royale about once a month and have now added ballroom dancing which has added an older crowd.

An attendant is now at the Main-Colfax parking garage for shows to assist people to enter and exit quickly. License plate readers, security cameras and additional lighting have been installed at every parking garage. Off-duty police officers now wear neon wristbands at shows so that people can be identified quickly who are carrying firearms in case of emergency. Security has confiscated pepper spray and pocket knives and no firearms at the security check prior to shows.

The actual 2023 revenue was \$1,164,076 less expenses of \$1,413,399 with a net loss of (\$249,924.) The revenue includes all accounts – Box Office revenue, Fatbird lease, Navarre Hospitality for food and beverage. The loss was greater than budgeted due to less shows booked early in 2023 due to repairs and construction; and those expenses were higher than expected because of issues with HVAC, water heater, and water softener. The 2024 Q1 revenue was \$378,972 less expenses of \$381,917 with a net loss of (\$2,945.) This does not include any additional Hotel-Motel Tax Board money that will be coming for capital projects. The Morris is on track for the 2024 budget with revenue of \$1,535,803 less expenses of \$1,435,803 for a net profit of \$100,000.

The Palais Royale floor (\$88,000) and ceiling (\$46,000) were renovated in February. Other 2024 capital projects include a projector and screen for community movie events (\$118,000), bathroom fixtures and repairs (\$40,000), cloth awning replacement with metal (\$25,000) and front exterior digital screens under the marquee (\$100,000).

Century Center

Schreiber reported that Century Center actual revenue was \$4,462,846 less expenses of \$4,128,822 with a net profit of \$334,023 which includes the money from the Hotel-Motel Tax Board. The Fund 670 2024 Q1 revenue was \$1,271,413 less expenses of \$1,115,427 with a net profit of \$155,985. Aaron Perri added that Century Center has three funds: 670, 671 and 672 (which is at a deficit) and he suggested consolidated the three funds.

Heather Goralski commented the Rotary Club of South Bend that meets weekly at Century Center has a philanthropic fund of \$15,000. She stated that staff could contact her for assistance in applying for money from that fund if there are projects that would qualify. Schreiber will discuss this with staff.

ASM Global/Century Center

Rebekah Love, General Manager, reported that Brit Bluege started 4/22/24 as Event Manager and Becca Bohn started as Food & Beverage Operations Manager. Brad Ennis (from VPA Maintenance) starts 5/23/24 as Event Coordinator. Two interns will be starting next week.

Recent events include: The Home Show; the Heartland Travel Showcase with 250 regional meeting planners 3/1-3/24; AMPS military model convention 4/11-13/24; and the Summer Activities Expo with almost 3,000 people 4/20/24. Upcoming events include: 2024 Scrabble Players Championship with 1,100 room nights, Indiana Municipal Clerks and Treasurers with 730 room nights, five wedding receptions with over 600 room nights and Sunburst Races. Bids are out on Unicorn World with 25,000 guests over two days in 2025 Q1.

Net promoter score for 2024 Q1 is 100%. The new in the moment surveys are receiving constructive feedback from guests. A postcard was created to give to clients at the end of their event.

NEW BUSINESS

Morris 100 Phase II Resolution

Patrick Sherman, Manager, Public Construction – VPA, highlighted the Morris 100 Phase I \$10 million improvements to the existing facility -- guaranteed energy savings, HVAC systems, roof, new roof, concrete floor, seats, security, lighting. Phase II is the construction of the new 20,000 sq. ft. Raclin Murphy Encore Center on the north side of the Morris. The new \$16k.5 million building will include additional event space, restrooms, storage, customer service, and support for the Equity in the Arts program. The Board of Public Works has approved the request to advertise for bids and the bid will be awarded June 25, 2024. The team is working closely with Jane Moore, Morris Director of Booking & Event Services, to plan for events during the construction of 14-16 months. No tax dollars are being used for the project. Fundraising by Greg and Mary Downes will pay for \$6 million from private Donations, plus \$1.5 million Indiana Regional Economic Acceleration & Development Initiative (READI) Grant. The project will start later this summer.

Phase III of the project includes a public parking garage. The City of South Bend is committed to the project and a Request for Proposal (RFP) is being created for design work. Construction is anticipated to start in 2026 and be completed in 2027. Ratio brought forth some ideas previously. Ideally the parking garage would have apartments above and mixed use on the ground floor.

Discussion followed on the Hoffman and LaSalle Hotel residents and how Phase II and Phase III will affect them. Sherman stated that City staff have been having discussions with both building operators and will work with them to address resident and user parking and provide parking space in the garage.

President Perri entertained a motion to approve Resolution No. 24-01 A Resolution in Support of Investment in Expansion and Improvements at the Morris Performing Arts Center. Linda Doshi motioned to approve; Canneth Lee seconded; and motion carried.

ASM Global Incentive Bonus

President Perri reported on the ASM Global Century Center 2023 Incentive Fee Calculation. Criteria #1 Total Room Nights in 2023 was 16,879 which is 2,186 or 15% over the benchmark of 14,693 room nights and allows \$30,000 incentive. Criteria #2 Net Promoter Score was 76 as of 12/31/23 which was 11 or 16.92% over the benchmark of 76-60 and allows \$9,000 incentive. Criteria #3 Net Operating Income 12/31/22 was \$60,788 which was \$207,373 or 77.33% under the benchmark and, therefore, no incentive. President Perri entertained a motion to approve the total 2023 incentive fee due ASM Global of \$39,000. Randy Kelly motioned to approve; Linda Doshi seconded; and motion carried.

ADJOURNMENT

With no further business, President Perri adjourned the meeting at 9:35 a.m.

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