



AUTHORITY BOARD MEETING

Date/Time: Wednesday, April 26, 2017; 12:00 p.m.

Location: BMO Harris Bank Center (Board Room – Lower Level)
300 Elm Street, Rockford, IL 61101

MINUTES

Board Members Present: Craig Thomas
John Phelps
Sunil Puri
Mike Dunn
Luz Ramirez
Mike Schirger
Marcus Hill

Board Members Absent: Tom Walsh
Howie Heaton

Others Present: Attorney, Tim Rollins
Alderman, Teena Newburg

Guests: Lon Rosenberg; Regional VP, SMG
Roseanne Haedt; Chartwell Agency
Andrew Stutzke; WIFR 23

Staff Present: Troy Flynn; Executive Director, BMO Harris Bank Center
Julie McIntyre; Office Manager/Interim RAVE Board Secretary, BMO Harris Bank Center
Gretchen Gilmore; Director of Finance, BMO Harris Bank Center
Jena Keith; Director of Ticketing Services, BMO Harris Bank Center
Mike Walsh; Director of Operations
Kristen O'Halloran; Booking Manager

Chairman Craig Thomas calls the meeting to order at 12:15 PM.

MINUTES – The minutes from the March 14, 2017 meeting were reviewed and approved.

MOTION: *Motion to approve March 14, 2017 minutes made by Sunil Puri, second by John Phelps. Motion passes unanimously.*

ELECTION OF ACTING BOARD SECRETARY

- No motion necessary since it is temporary for this month only

COMMITTEE REPORTS

- **Finance** **Mr. Sunil Puri, Chair**

John Phelps defers to Treasurer's report.

- **Executive** **Mr. Craig Thomas, Chair**

Craig Thomas combines his Executive report with Chairman's report. He reports that he and Troy Flynn will be meeting with the new Winnebago County Chairman soon to reengage discussion with the new chairman and will do the same thing with the new Mayor. Then we will review board appointments and make sure we remain on the same page regarding ongoing appointments.

- **Davis Park** **Mr. Tom Walsh, Chair**

Tom Walsh is not present. Troy Flynn spoke with him and there are no reports on Davis Park.

- **Coronado** **Mr. Craig Thomas, Chair**

Craig Thomas defers to Mike Schirger and Troy Flynn. Beth Howard sent an email to update the board on a few of the ongoing matters. The City apparently completed the RFP on the roof and it's in process. There was water damage and paint restoration that they are aware of but now there is another area under the balcony. FOC hopes to have all of that addressed by the 1st week of May. One of the FOC's board members is now Mayor and will be resigning as an Alderman. They are unsure of what they will do but perhaps they may add an Alderman Representative to FOC or see if someone else is interested. Perhaps it would be the same Alderman that serves on our board, according to Beth. That is a discussion for the Mayor and Alderman to figure out what they would like to do in that regard. Ongoing discussions among FOC and the City, and ultimately RAVE, regarding a clear delineation of roles as it relates to the theatre is in order. This will hopefully reduce the level of friction or potential headaches as we engage in activities that may cross over between organizations. Apparently Beth attended a conference and came away with interesting ideas she will share at a later time. Craig defers to Mike Schirger to talk about discussions with FOC on priority issues. Mike says they are working through the priorities and Mike Walsh is doing a lot of work on that in terms of costs and timeline specifics on some projects. They have committed to decking and a few other items to repair. The last thing Craig said is the most important thing, that we need to work on clearly defining the roles of what FOC is doing, the City is doing and what we are doing, so we don't have a whole lot more confusion and frustration about that. That is something that is on everyone's mind. Troy states that FOC is funding \$9K to re-deck the stage. Currently we've had the same stage for some time. Parts of the boards are dilapidated and require painting several times a year. The idea is to put in a product that is a little more user friendly for the venue. That should be happening somewhat immediately and FOC will cut a check for that. It should be installed by June or July when we are slow. Other items highlighted were a sound system, lighting, and other capital plans. Just making sure we are preparing for the future. Mike Schirger adds that the City owns the theatre and to make sure they are engaged in this process of capital planning and putting together the capital. Mike Dunn then asks if there is an operating agreement in place already between the City and RAVE for the Coronado. Craig states that it's part of the intergovernmental agreement and there is a section as it

relates to the repairs and maintenance of the theatre. Mike states, one time not long ago, the City directed us in some sort of written document as to what our responsibilities were as far as the Coronado was concerned. Craig states in general terms yes. Mike asks, is part of that document the oversight of maintenance? Craig states the issue becomes repair/maintenance vs preservation. Craig states in regards to preservation, the FOC has funds to do that. John Phelps states there is a limit of major repairs beyond which the City is responsible. Troy Flynn states \$15K-\$50K is our limit with a threshold of \$15K per incident. Mike Dunn asks, is there set limits with the FOC that they have to kick in? Craig states there is no automatic with the FOC and they decide to fundraise for a project. If not, it would go back to the City, unless it fell within our deductible. Mike states his recollection is that it was pretty clear that we had a responsibility up to a certain level and anything beyond that level would be funded by the City. Craig states that part is clear. It's the add-on piece; FOC and their mission has morphed since the renovation campaign. Craig states Troy came up with a new idea for the theatre to enhance revenue. Troy says we have 4 sets of 4 seats that are together that would be available for purchase for all the events that we host at the CPAC. So similar to the premium we have at the BMO, we have suite holders or box holders and our ability to sell this premium along with collateral; owner apartment parties, parking out front of the CPAC, plaques on the seats which have already been done, etc. We are looking at packaging these seats and taking them out of the manifest. So instead of having a 2,300 seats, we have a 2,286 seat venue. We could sell these as private boxes and you can make it a little more personal. You get to see every show that comes thru. It's very limited and exclusive. That is an element we want to pursue this year. Craig says 2 things to highlight; any marking of the business is the same as the plaques currently there and for the single ticket buying, the public will still be able to access the best seats in the theatre. It is possible to offer valet rather than parking on the street.

- **Governance**

No report at this time.

- **Program Advisory Group** **Mr. Michael Schirger, Chair**

Mike Schirger said Troy Flynn and Kristen O'Halloran are doing a great job. The Wilco show received a lot of press. There have been great bookings; Dwight Yoakam and In This Moment. This lead to an examination of marketing, of branding, and of who we are engaging in these things. We are making a lot of progress. Kristen has been answering the bell and the rest of the team has been servicing. Troy states Wilco generated a different approach to marketing. They have been very robust in the main stream. The artist has engaged a local poster artist who does specialty posters for cool eclectic bands. We've entered into a relationship with Prairie Street where you can name a beer as part of the Wilco package. They are creating a beer that is a "Coronadoesque" beer, limited edition. So we are crossing our marketing with Prairie Street and utilizing a relationship with LaMonica. We are just trying to generate a grass roots buzz. The promoters like what they see us doing in regards to marketing and feel we are looking outside the box. We are looking into the possibility of bringing in an underground artist from East State Street that does Live Painting. It has been a dream of his if he can figure out how to make it work. We could then present the painting to Wilco as an artist gift. Remaining Wilco tickets are very limited. Mid May we should be sold out.

- **Capital Improvement** **Mr. John Phelps, Chair**

Gretchen Gilmore was able to submit paperwork to the State to show that we have fulfilled 99% of our minority and female business requirements. The State submitted a cash request to pay us 99% of what they have held back. So they now have only withheld \$3,600. We should see the check in the next few days. It was the 12% of the 4 million dollar grant.

John Phelps reminded, at the last planning meeting we discussed having an advisory meeting and bringing in non-board members. John has volunteered to run the capital improvement committee. He reached out to Bob Strop who was a former owner of Cord Construction and worked with the City and Park District on the Indoor Sports Center downtown and Sportscore 2. Bob is now retired and volunteered to assist us. We will start the process and have a more vigorous program with budgeting and more reporting as we look at what needs to be programmed for these facilities in the future.

TREASURER'S REPORT – Mr. Sunil Puri

Gretchen Gilmore reports, in March we had 5 IceHogs games, Miranda Lambert, WWE, IKWF, 2 RSO's, RCCA, Broadway Annie, Rockford Laugh-A-Thon, Get the Led Out, All City Musical, TheatreWorks and Decades Rewind. Miranda Lambert out performed last year's numbers. Although we thought we over budgeted she did better than we thought. Gretchen looked at the IKWF results which showed the best we have seen them yet. IceHogs averages fell again. Coronado did really well however, last March we had home runs like Impractical Jokers, Shen Yun and Peppa Pig. We still fell short but not by much. According to the financials, only \$10K. If you look at where we are year-to-date, we are not that far off and in fact, we are trending to meet, if not, outperform last year's budget amount. Last season we presented a very aggressive budget that we thought we would never meet and ended up out performing. This year, although, it shows we are not meeting budget, we are on track to meet that aggressive budget from last year. John Phelps said we lost parking revenue relative to last year, we are paying a dollar per ticket for IceHogs, our own parking went up for the employees, and mid-year our subsidy was reduced due to some miscommunication with the City. So year over year comparisons, we have done a good job of keeping us close to budget.

MOTION: Motion to approve March 2017 financials made by John Phelps, second by Luz Ramirez. Motion passes unanimously.

GENERAL MANAGERS REPORT

Mr. Troy Flynn

IceHogs Update: Troy Flynn states the IceHogs finished their season last month. They ended up finishing the year 14 games under 500. If you were watching the press, the Blackhawks had a very early exit in playoffs. Stan Bowman said there were going to be some changes. Assistant Coach Kitchen was let go and they came to Rockford and let go Ted Dent, IceHogs head coach. Ted was head coach for 6 years, a very good guy, great in the community, and an asset but that's their decision and we support it. We have been lock lips with them as to how they want their message sent out. We sat down with Mark Bernard since we have a couple things that cross over with them on the contract as far as a car for the coach. We will receive that back this week as well as removing his stuff from the building. We wish Ted the best. They have been great. Mark assured us with the hiring process with the new coach that it would be explained and understood that the responsibility of that position has community engagement and a lot of

tie-ins as to how our organization works in the community. We are not part of the coaches hiring process.

Gretchen and department heads were able to compile for your review numbers and analysis. We still need to go thru and finalize what that means. Some items are not apples to apples.

Marketing Update/Events Update: Sponsorship renewals are going well. We have some revenue generating ideas for next season. We discussed doing some additional boxes in the BMO at the top of the horse shoe, where the Hog Pound is, as there is a lot of standing room. We identified a couple areas and beta tested them this season by putting different patrons in the seats. Its 4 seats around a small table in the end zone area that we would sell like the club boxes. We are doing different things to try and generate new revenue streams. Maintaining the revenue streams we have, corporate sales are going well and renewals have started. We have established different fairs and events that our sales group will be attending to try and generate new revenue. One item that was identified is that walk up tickets were down. We have a meeting with Mike Peck regarding this. The team garage sale is May 13. It's a lot of equipment and apparel. Our promotional approach for next year is being evaluated as well as our calendar as to how we are doing things. In prior board meetings, Troy mentioned that we wanted to travel east but that won't happen this season. However, he is going to engage a couple discussions in relationship building while he's in Hilton Head and try to cultivate that idea a little bit further. We are going to talk to Chartwell about our next year's schedule and promotional aspects and how we tie into the community. The tag line we are very excited about is "Our Team, Our Town" and that's with the Roots logo. Troy thinks it's important to note the IceHogs contributed \$157,000 to charity this year along with the players going out, coaches doing Hog Talks, our guys taking Hammy to different locations, getting involved with youth programs and things like that. We are going to have a young franchise next season. The Blackhawks mentality breed a very specific thought process and how they give back and interact, which is not changing. Which is a good thing.

March had 22 events and 5 IceHogs games. March was a very good month. April is going to end with 20 events. This week is City First's Original Women's Conference which is a new event for us and lasts 3 days. We've been working with the church for months now and they are hosting a women's conference. It's a line of business we've seen an uptick on. Meaning the multiple day, multiple year events. Parking will be a little taxing during this event and there are several different sessions you can buy tickets for. Troy is hoping that hotels are seeing some traffic. We are set at a ½ house with 4,500 seats. They are breaking for lunch so they are frequenting the downtown businesses. The Jehovah's are back in for their 3 year deal. Troy is optimistic and has been given a verbal confirmation on the Best of Preps event with the RR Star. He will follow up today. That is the catering event. It is a 1,000 plated dinner with a speaker. Craig states we are only doing events that other venues/conferences can't do. A 1,000 plated event is a pretty good guideline and Giovanni's is probably the largest and they are 900. We estimate the 20 events will generate about 32K-34K people downtown this month and that's over 1,600 people a day.

Chris Smith is our production manager at Coronado. He's been here 2 years and actually bought a home here. He was a touring guy for a long time. He was nominated and received a RAMI for Rockford Area Music Industry as the best stage manager of Rockford.

New Confirmations announced; Wilco and Dwight Yoakam in June along with the Garden Brothers Circus in May. New bookings post June; George Lopez, Peppa Pig, Brit Floyd, The Price is Right, In This Moment, and Broadway's Jersey Boys. RSO is doing 12 events and confirmed 3 for RCCA. FNF starts June 2. We also have a ton of holiday traffic this year. We have been in touch with the Rockford Dance Company regarding the Nutcracker to see if we can work something out to get them back engaged. This is going to come into a management's expense most likely from their end but we should be able to assist. We sat down with Emily from RDC a couple months ago and then followed up with some quotes. She was going to follow up with her board. We have a ton of holiday traffic and we are trying to manage that. Not a lot has been confirmed.

Directors are reviewing and updating their budgets for this year as part of their forecast. Employee reviews are due Friday. Self-Promoted pool, as well as the deal structures with promoters on the genres that are not readily available, is going well. We have several holds that might move into the BMO since they are big enough. Mike Dunn notes that Davis Park bookings will become more and more difficult with the construction. Troy feels that there is some interest in Davis Park from the developer but can't confirm that.

Mike Dunn states that we should not let the Rock Valley College Starlight sit off to the side. We should program Starlight in the summer time with RAVE sponsored events. Chris Brady is now the manager of the theatre at RVC. Mike will reach out to him. Sunil Puri states they are trying to change what they have now.

Lon Rosenberg said he is really excited about the bookings that are going on here as a result of the hard work by Kristen and staff.

COUNSEL'S REPORT – Attorney Tim Rollins

No report at this time.

CHAIRMAN'S REPORT – Mr. Craig Thomas

No report at this time.

OLD BUSINESS:

Gretchen said the Statement of Economic Interest is due for 4 board members. She will reach out to them individually and send a link. Craig said it has to be completed.

NEW BUSINESS:

None at this time.

MOTION: Motion to go into closed session made by Mike Dunn, second by Sunil Puri. Motion passes unanimously.

Closed session began at 1:05 pm.

Open session resumes at 1:15 pm.

Mike Dunn feels there is strong frustration between Troy Flynn and Beth Howard/Troy and FOC. He is wondering if the definition of the role of FOC and Beth possibly have not been made clear enough. Craig Thomas states he has had candid conversations with Mary Ann Smith and Beth and has made it clear that lines are sometimes being crossed. There is no need for additional Coronado representatives on the board because every board member is pro-Coronado.

Teena Newburg states this is her last meeting. Teena thanks the board for this opportunity. She appreciates all the knowledge and hard work that is put in. Teena supports Troy very much and the board members. Craig tells her thanks.

MOTION: John Phelps made a motion to adjourn; seconded by Mike Schirger. The motion passes unanimously.

ADJOURNMENT – The Authority Board adjourns at 1:25 p.m.

Respectfully Submitted,

Julie McIntyre