

CAPITAL IMPROVEMENT BOARD OF MANAGERS
OF MARION COUNTY
Minutes of Meeting
Friday, May 12, 2023-8:30 am
Visit Indy Boardroom (3rd floor of Indiana Convention Center)
and Via Teleconference

A Meeting of the Capital Improvement Board of Managers of Marion County, ("Board") was held on May 12, 2023. Per Indiana law, this meeting took place in person as well as via teleconference. Board members Marci A. Reddick, David E. Corbitt, Mick Terrell, David Ruhmkorff, Earl Goode, Jim Dora Jr., Maggie A. Lewis and Jaime Bohler Smith attended in person as did Ex-Officio Leonard Hoops. Board member Sarah Fisher was absent. Others in attendance included Andy Mallon, Executive Director, Mary Solada, General Counsel, Dentons Bingham Greenebaum LLP ("DBG"), Tom Boyle, Director of Operations, Kobi Wright, Chief Legal Officer and Business Operations Director, Eric Neuburger, Stadium Director, Tim Kuehr, Chief Financial Officer, Monique Wise, Director of Sales and Marketing, Chad Wilke, Director of Event Services, Monica Brase, Public Information and Marketing Manager, Nike Jackson, Diversity and Inclusion Manager, Chris Gahl, Visit Indy ("VI"), Daren Kingi, VI, Matt Albrecht, Pacers Sports and Entertainment, Tenley Drescher-Rhoades, City of Indianapolis, Kevin Austin, Synthesis Inc., David Sease, SGA, and members of the media. (A copy of the list of those in attendance is attached hereto.)

Ms. Reddick introduced the **Approval of Minutes** for the April 14, 2023, CIB Meeting, which is attached to and made a part of these minutes. Upon a motion by Mr. Goode and seconded by Mr. Corbitt the April minutes were unanimously approved as presented.

Mr. Kuehr presented the **Financial Update** to the Board as per the supporting documentation, which is attached hereto and made a part of these minutes. Mr. Kuehr reviewed the financial statements for the month and year to date with the Board members explaining variances from budget and answering questions as necessary. Ms. Reddick asked if there were any additional questions for Mr. Kuehr regarding the Financial Update and there were none at this time.

Ms. Reddick introduced Matt Albrecht of Pacers Sports and Entertainment to present the **Fieldhouse Management Report**, which is attached to and made a part of these Minutes. This report includes financial information from Fieldhouse Management, LLC as required, pursuant to Section 6(b) of the CIB Operating Agreement with the Pacers. Mr. Albrecht addressed the Board members explaining this is the Statement of Revenue and Expenses for the fiscal quarter and three-month period ending March 31, 2023. Mr. Albrecht informed the Board that there were several large concerts coming to Gainbridge Fieldhouse including John Mayer, Aerosmith, Kiss and the Jonas Brothers. He reported that everyone at Pacers Sports and Entertainment was excited about the NBA All-Star event and preparing for the event. He also commented that it was great to have the Fever back in the arena noting that it had been 3 years since they last played in the building. There were no questions regarding the Fieldhouse Management Report from the Board at this time. Mr. Albrecht confirmed that funds received by Pacers Sports and Entertainment from the CIB will not be used for the new facility being constructed by Pacers Sports and Entertainment in the City of Fishers. Ms. Reddick thanked Mr. Albrecht for his presentation.

Ms. Reddick then introduced the **Visit Indy Updates** agenda item as attached hereto, made a part of these minutes, and presented by Leonard Hoops. Mr. Hoops updated the Board on the

Hotel Market Share Performance for the previous month and explained the VI Room-Night Production by Year, Venue and Market Segment, comparing this year's results to past years' results using data and graphs. Mr. Hoops informed the Board that there was an all-time record for March for Marion County, as well as the downtown and non-downtown areas enjoying the highest revenue ever and the highest daily rate. He reported that downtown was at 71% occupancy all month for March with records set for YTD all time revenue for Marion County and for all time average daily rate. Ms. Reddick asked if the donut counties have also done well and Mr. Hoops replied that the neighboring counties have done well even before then. Mr. Hoops explained that there are three main travel sectors including business transient, group travel and leisure travel. He noted that Indianapolis is already back to pre-pandemic levels on both leisure and group travel and reported that most travel forecasts expect the business transient portion back to pre-pandemic levels by 2025-2026. Mr. Hoops noted that hotel booking was at 92% of the YTD pace. He added that this has been the YTD fastest lead pace since he has been with the VI at 147%. He stated that he is confident VI will be at 92% by the end of the year. Mr. Hoops reported that the 32nd Annual ROSE Awards were held earlier in the week at the Indiana Roof Ballroom. ROSE is an acronym for Recognition Of Service Excellence. These awards, presented by VI honor non-managerial hospitality employees or volunteers who provide excellent customer service making every Indianapolis visitor feel special. He noted that VI Recognized 93 employees with 9 employees receiving the coveted Rose Award. He commented this was a wonderful event with many tear inducing type of moments and was sold out for the first time. Ms. Reddick asked the Board if there were any further questions for Mr. Hoops and there were none at this time. She thanked Mr. Hoops for his presentation.

Ms. Reddick introduced the next agenda item **ICCLOS Sales Report** as attached hereto and made a part of these minutes. She introduced Monique Wise to present the ICC portion of the report. Ms. Wise informed the Board that the occupancy for April was at 72% and the attendance for the month was 115,380. Ms. Wise reported that since the last meeting the facility successfully hosted the FDIC annual event, which was on target with the projected attendance of approximately 35,000 people. Other notable events included the Indy Chamber Human Resource Conference, the Mini Marathon Expo as well as Comic Con with an estimated attendance of over 22,000 over the course of the 3-day event. Ms. Wise reported that earlier in the week the IUPUI Celebration of Black Graduates was held and reported that starting today and throughout the weekend the building will host several additional IUPUI Graduations including the School of Informatics, the McKinney School of Law, the School of Business and the School of Nursing. She noted that there would be fifteen events taking place in the Facility over the next four weeks and mentioned in particular that the following weekend promised to appeal to a wide spectrum of demographics with a varied group of events taking place at the same time in different locations in the Facility. These events include a National Safety Conference, the Health Connect event, USA Gymnastics Rhythmic Qualifiers as well as an event bringing approximately 9,000 cheerleaders to the City. She also reported Unicorn World and Lego Brick Fest, two family friendly events, were also taking place over the same weekend in another part of the building. Ms. Wise reported that collectively these events would bring in approximately 30,000 attendees through the building over the course of the weekend. Mr. Mallon noted that having these varied events all taking place simultaneously showcases exactly what the CIB's sales department does well by taking advantage of every available space in the building as well as placing likeminded groups together. He recognized Ms. Wise and the sales team, and in particular Local Sales Manager Amanda Grimm on a job well done. Ms. Wise added that the sales department tries to place like-minded groups together as well and strives to make sure that everyone leaves happy after attending their event. Ms. Reddick thanked Ms. Wise for her presentation and asked the Board if there were any questions. There were no

questions for Ms. Wise at this time. Ms. Reddick introduced Eric Neuburger to present the Lucas Oil Stadium portion of the Sales Report. Mr. Neuburger informed the Board the FDIC returns to the Stadium noting that this year the group set things up a little bit different this year by highlighting the Firehouse of the Future, which was a lot of fun for the attendees. He shared that the Stadium will be a polling place for the elections next week. Mr. Neuburger explained that the Colts held a Select-A-Seat event, which successfully upgraded many season ticket holders the prior weekend. Mr. Neuburger explained that the month of May is a very popular month for the LOS tour program with many people in town for the Indianapolis 500 Race as well as a large amount of school field trips bringing visitors to the Stadium. He added that another benefit of these Stadium tours is that since they are operated by the guest services department the increased foot traffic helps to keep a steady work schedule for many of these part time employees which enables them to still earn a paycheck even when there is no large ticketed event that is taking place at the Stadium. Mr. Neuburger informed the Board of an upcoming Colts recycling event taking place that weekend which gives people the opportunity to drop off unwanted electronics to the South lot at LOS to be properly disposed of and sent away to be recycled. Mr. Neuburger informed the Board about an event that would be taking place at LOS that weekend known as VeeCon and remarked that he had never seen anything like it. It is described as the 2nd annual first-of-its-kind NFT-ticketed super-conference for the community to come together and learn, share ideas and build lasting relationships with other like-minded entrepreneurs with discussions and performances from iconic and emerging leaders in business, marketing, sports, innovation and popular culture. He explained that there would be social media influencers attending that would be communicating to millions of followers around the world and talking about our city. Mr. Hoops informed the Board that this was only the 2nd year for this particular conference and explained that this is the type of show that has the potential to evolve into an event as popular and large in scale as a Gen Con or PopCon years down the road. Mr. Neuburger also shared with the Board that the Colts schedule came out the day before noting that once the schedule is released there is a domino effect that results in increased interest in specific games as well as an increase in ticket sales. Ms. Reddick asked the Board if there were any questions for Mr. Neuburger and there were none at this time. Ms. Reddick thanked Mr. Neuburger for his report.

Resolution Accepting Delegation by the Metropolitan Development Commission of Marion County, Indiana of Hotel Project and First-Tier Subcontractor Prequalification Requirements

Ms. Reddick introduced Mr. Mallon to present this agenda item and thanked him for all of his efforts and hard work leading up to this point with regard to the hotel and convention center expansion project. She commented that Andy has worked very hard with the City and Visit Indy and noted it truly has been a team effort. Mr. Mallon informed the Board that the Mayor's office has decided to pivot specifically with the hotel portion of the expansion, which will result in the City being the entity issuing the debt for the project. Mr. Mallon explained that the CIB originally had a preliminary agreement with Kite Realty Group as the owner and developer of the hotel. However, given the state of the financial market and the volatility in the debt market, the status of the preliminary agreement has changed. He explained that there have been various challenges and given the timing that is needed to honor contractual commitments with other organizations (such as Gen Con) which were booked based on the promise that the hotel would be constructed by 2026. Mr. Mallon explained that the City will be issuing the debt and undertaking ownership of hotel and expansion real estate. He explained the Resolution before the Board has two main components. The Resolution will add the Hotel as part of the CIB's responsibility to the original agreement where Kite will now only be the developer of the project. The agreement now includes the CIB constructing and procuring the entire project which will

now include the Convention Center Expansion and the entire Hotel. The Resolution also includes a list of pre-qualifications working with the CIB's responsible bidding practices, which will provide and incorporate certain protections to the CIB. Ms. Reddick commented that this project is an exciting opportunity and extremely important to the City. She also stated that the resolution specifically states that the CIB will follow applicable laws for XBE participation in the project. She noted that the CIB adopted XBE participation standards many years ago and that it is important to include a statement to this effect in the resolution for the project to reflect this policy. Mr. Hoops commented that he often is asked about the timing of the project and why it is so important that this construction take place at this time. He reminded the Board that this hotel and expansion project has been in the works since 2014. Mr. Hoops commented that these large events want to remain in Indianapolis and the organizations involved love having their events here. However, in his professional opinion, our City will lose these opportunities and events if these expansion projects are delayed any further. He commented that this is an inflection point in time and Indianapolis can either continue to grow or not. He added that moving forward will enable the City to keep the big existing business of \$2 Billion a year while enabling VI to be more competitive with other larger cities by having the capacity to accommodate and the ability to layer multiple larger events as a result of the addition of the ballroom space. He emphasized that there are very few groups and events that can compare with PRI and Gen Con. Mr. Mallon reiterated that with this proposed agreement the City would own the Building and will lease it to the CIB. The CIB will then enter into an operating agreement with Hilton, who will continue to run the show. He emphasized that the CIB will not micromanage. He likened this agreement to the one that the CIB currently has with Gainbridge Fieldhouse and Victory Field, adding that the CIB already has experience with this type of relationship. Mr. Mallon explained that the CIB would engage an asset manager with the necessary expertise and experience to work on behalf of the CIB with Hilton and actively manage that experience. Ms. Reddick asked the Board if there were any further questions and there were no additional questions at this time. Mr. Dora informed the Board that he needed to recuse himself from the vote.

Mr. Corbitt motioned to approve the Resolution Accepting Delegation by the Metropolitan Development Commission of Marion County, Indiana of Hotel Project and First-Tier Subcontractor Prequalification Requirements agenda item and Mr. Ruhmkorff seconded said motion. The Resolution Accepting Delegation by the Metropolitan Development Commission of Marion County, Indiana of Hotel Project and First-Tier Subcontractor Prequalification Requirements agenda item was unanimously approved as presented taking into consideration the aforementioned recusal. Ms. Reddick and Mr. Mallon both thanked the Board for their approval on behalf of all the parties involved.

Mr. Mallon presented the **Memorandum of Understanding for the CIB-City Downtown Program** agenda item, which is attached to and made a part of these Minutes. Mr. Mallon explained that the purpose of this MOU is to providing programming to the downtown area and help to activate downtown in an effort to increase revenue as well as help to dispel the notion that Downtown is not safe for visitors. He explained this agenda item is asking the Board to authorize \$750,000 to go to Big Car Art Collaborative, a non-profit organization, to coordinate these activation efforts. Mr. Mallon explained to the Board that this is not an ongoing financial commitment from the CIB but just a one-time pilot project to provide information about the downtown and share it with others. This project is intended to be active throughout the warmer months and would be in effect through November of this year. Mr. Mallon stressed that no CIB funds are being taken away from anything else. When asked about the cost of increase security that would be needed for this project, Mr. Mallon explained that the Mayor's grant of \$3.5 Million will be the source of the funding for that and the CIB will be working with DT Indy to ensure

there is increased security during these events as well as working with the Indianapolis Public Safety Foundation. Ms. Reddick asked the Board if there were any further questions and there were none at this time. Mr. Corbitt motioned to approve the Memorandum of Understanding for the CIB-City Downtown Program agenda item and Mr. Ruhmkorff seconded said motion. The Memorandum of Understanding for the CIB-City Downtown Program agenda item was unanimously approved as presented.

Ms. Reddick introduced Mr. Mallon to present the **Extension of Sodexo Live! Agreements at the Convention Center and Lucas Oil Stadium** agenda item which is attached to and made a part of these Minutes. Mr. Mallon explained that this pertains the proposal to extend the current catering agreement for a period of 5 years with the company formally known as Centerplate. He explained that the incentives being given to Sodexo to bring new ideas to the buildings and pushing them to up their game. He noted that recently the Convention Center had one of the best F & B nights in the history of the Convention Center adding that LOS always does well with the F & B. Mr. Mallon asked if there were any questions from the Board at this time and there were none. Mr. Corbitt motioned to approve the Extension of Sodexo Live! Agreements at the Convention Center and Lucas Oil Stadium agenda item for both buildings and Mr. Ruhmkorff seconded said motion. The Extension of Sodexo Live! Agreements at the Convention Center and Lucas Oil Stadium agenda item was unanimously approved as presented and the agreements with both the Convention Center and Lucas Oil Stadium were extended by 5 years.

Mr. Mallon presented the **Hudnut Commons Phase 2 Concrete Repairs (Parking Garage)** agenda item which is attached to and made a part of these Minutes. Mr. Mallon explained that the CIB conducted a facility assessment in 2021, identifying capital repairs for the garage over a five-year period. This is phase two of the proposed repairs, which address the current state of the scaling on the concrete floor slabs and installing new traffic epoxy coating. He explained that the Project was publicly bid under Ind. Code 36-1-12. The NEW Group / Lacy Construction Group, Inc. submitted the lowest responsive and responsible bid in the amount of \$1,175,000.00 with XBE Participation: MBE 15.00% WBE 7.68% VBE 1.80% DOBE 0%. Mr. Mallon reported that Staff and Counsel recommend the award going to The NEW Group / Lacy Construction Group, Inc. in the amount of \$1,175,000.00. Mr. Corbitt motioned to approve the Hudnut Commons Phase 2 Concrete Repairs (Parking Garage) agenda item and Mr. Ruhmkorff seconded said motion. The Hudnut Commons Phase 2 Concrete Repairs (Parking Garage) agenda item was unanimously approved as presented and the contract awarded to The NEW Group / Lacy Construction Group, Inc. in the amount of \$1,175,000.00.

Indy Eleven Update

Mr. Mallon took this opportunity to update the Board on the status of the Indy Eleven Stadium. He informed the Board that he and Counsel have been meeting on a regular basis with the group from Indy Eleven and have seen different renderings of the proposed venue. He noted there has been some movement on the part of the Indy Eleven group, but added there are several issues present that need to be resolved. Mr. Mallon stated that the CIB is moving forward with taking a team effort toward addressing any issues to determine how feasible this Stadium project will be. He noted that he personally has been able to look at the schematic design stage of the stadium and has a better understanding of how they plan to construct it as well as the proposed location. Mr. Mallon reported that there are particular challenges that they are working through adding that working through development phase for the statute requires that there be an adequate funding source for a stadium. He commented that the group is confident that they will be able to produce the revenue that will fund a stadium. He concluded by saying that conversations and negotiations have taken place with the Indy Eleven team however

nothing has been finalized at this time. He wanted the Board to be aware that the CIB is engaged and on top of this matter. Ms. Reddick thanked Mr. Mallon for his update.

Ms. Reddick introduced the next agenda item **Disposal of Obsolete Equipment** as attached hereto, made a part of these Minutes, and presented by Mr. Mallon. He noted the list of equipment has been reviewed by Staff and found to have no book value. Ms. Reddick asked if there were any questions from the Board and there were none at this time. Upon a motion by Mr. Goode, which was seconded by Mr. Ruhmkorff, the Disposal of Obsolete Equipment agenda item was unanimously approved as presented.

Ms. Reddick introduced the **Claims** as attached hereto and made a part of these Minutes. She then presented Operating Claims 495G and Confirming Claims 492C to the Board for approval. There were no questions from the Board at this time. Upon a motion by Mr. Dora and seconded by Mr. Ruhmkorff Operating Claims 495G and Confirming Claims 492C were unanimously approved as presented.

In **Other Business**, Mr. Mallon introduced Nike Jackson, newly hired Diversity and Inclusion Manager for the CIB, to the Board. He commented that by adding this position to our staff the CIB was making an effort to be intentional about securing new business and connecting with members of all communities of Indianapolis as well as making a conscious effort to be inclusive and accessible to everyone. Moving forward Ms. Jackson will be attending the regular CIB meetings and the Board will be seeing her every month. Ms. Reddick welcomed Ms. Jackson on behalf of all of the Board members. Mr. Mallon also took this time to recognize Barry Wehr, a set-up employee with the ICCLOS staff for the past 20 years and a recipient of one of the nine main ROSE awards the previous evening. He noted that Barry has held two full time jobs over these 20 years with his other full time position as an employee of UPS. Mr. Mallon commented that Barry was the heart and soul of the set-up team and he was so proud of him for receiving this prestigious award. Mr. Mallon thanked Mr. Hoops and the Visit Indy staff for recognizing Mr. Wehr and providing the forum for this very special evening to occur.

There being no further **Other Business** to address and no **Public Comment**, the meeting was adjourned.



Marci A. Reddick, President
THE CAPITAL IMPROVEMENT BOARD
OF MANAGERS
OF MARION COUNTY



David Ruhmkorff, Secretary
THE CAPITAL IMPROVEMENT BOARD
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