



# City of Madison

City of Madison  
Madison, WI 53703  
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## Meeting Minutes - Approved MONONA TERRACE COMMUNITY AND CONVENTION CENTER BOARD

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Thursday, June 18, 2009

4:30 PM

One John Nolen Drive  
Hall of Fame Room

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**Present:** 9 -

Sheridan A. Glen; Jeffrey B. Bartell; Warren E. Onken; Ann E. Kovich;  
Mark M. Opitz; Glenn R. Krieg; Judy Sidran; M. Alice O'Connor and  
Wayne Bigelow

**Excused:** 5 -

Mona Adams Winston; Henry S. Lufler, Jr.; William DiCarlo; Anne Katz  
and Thomas J. Ziarnik

### CALL TO ORDER / ROLL CALL

### APPROVAL OF MINUTES

A motion was made by Onken, seconded by Sidran, to Approve the Minutes.  
The motion passed by voice vote/other.

### PUBLIC COMMENT

There were no citizens present who wished to address the Board.

Chair Kovich requested that the first two topics on the agenda be reversed to  
allow time for copies to be made of a document, and the Board members  
approved.

### NEW BUSINESS

1. [11551](#)

Finance Committee Update - Henry Lufler, Chair, Finance Committee  
- Approval of the 2010 Capital Budget

Mr. Lufler was unable to attend the Board meeting, so Mr. Onken reported on a  
recent Finance Committee meeting on his behalf. The Mayor had given  
instructions that all departments submit their capital budget requests  
including a 20% reduction. Staff prioritized projects, crafted a conservative  
capital budget, and met the Mayor's directive.

Mr. Onken made a motion to approve the capital budget as presented,  
seconded by Ms. Sidran. The motion was approved by voice vote / other.

2. [14973](#)

Hotel Update - Jeff Bartell, Member, Downtown Hotel Feasibility Study Committee

The Hotel Feasibility Study Committee was formed in April 2008, and after a thorough review of all responses to the Request for Proposal, the Committee recommended that the contract be awarded to Hunden Strategic Partners, Chicago, Illinois. The hotel study report was delivered in January 2009, and in March 2009 the Common Council adopted a resolution accepting the report recommendation, and the Feasibility Study Committee was dissolved.

Marcus Hotel and Resort Group has the right of first refusal on the land best suited for the hotel construction, and discussions are ongoing between Marcus and the City of Madison. The principle questions are:

- optimal size of new hotel;
- effect on existing hotels;
- City involvement;
- capacity of Monona Terrace to accommodate additional business;
- is the Marcus concept consistent with the Hunden recommendations;
- effect of not building the hotel.

Marcus Hotel and Resort Group has delivered a Letter of Intent to the City, highlights include:

- historic restoration of the Municipal Building and construction of a new hotel tower;
- 275-room hotel with restaurant/lounge, meeting rooms, ballrooms, pool and other amenities;
- parking ramp of approximately 700 parking stalls, 150 stalls for hotel use with an additional 50 stalls for hotel overflow use, and the rest for public use;
- skywalk to Monona Terrace through the existing Hilton Hotel;
- approximately 9,000 square feet of ground level retail along Pinckney Street, Wilson Street and Doty Street;
- project costs still need to be determined;
- green construction and design practices would be used where practicable;
- construction would start in May 2011, project completion would be anticipated in May 2013.

The City and Marcus still have negotiations to complete, more may be known about this project in 30 - 60 days. Marcus representatives want a meeting with the Mayor, tentatively within the next month.

Mr. Hess commented that he was invited to attend a meeting with the Hammes Company regarding the proposed addition to the Edgewater Hotel (a tower with 120+ rooms). The four-start property would then have a total of 225 rooms, and would remain the Edgewater rather than becoming a "flag" hotel (i.e. Hilton, Double Tree, Sheraton, etc.). The Edgewater expansion would be a positive addition to the downtown. Board members expressed interest in inviting a representative from the Hammes Company to attend a future Board meeting to discuss the the Edgewater project.

3. [14291](#) Finance Report - Kathi Hurtgen, Director of Finance
- Monona Terrace hosted 79 events vs. 77 events forecasted for the month of May.
  - Revenue was +2% for the month, but -4% year-to-date.
  - Expenses were -4% for the month, -6% year-to-date.
  - Revenue over expenditures totaled \$33,000 for the month, and \$86,000 year-to-date.
- Mr. Hess reminded Board members that August would be a difficult month because of reductions in room rentals by a large convention. However, staff is doing an excellent job of controlling expenses and overtime; this is of utmost importance, as it appears that revenue totals may be less than forecasted for the year.
4. [14292](#) 2009 Booking Pace Update - Jim Hess, Director
- The stagnant economy continues to affect Monona Terrace:
- A convention is reducing attendance estimates from 400 people to 100 people, and therefore reducing room rentals.
  - One wedding cancelled, but sales staff was able to book another wedding to fill the space. There are still 111 weddings on the books for the year.
  - Revenue losses to date are estimated at \$247,000, and total revenues for the year may be -6% to -10%.
  - A meeting will be held with Deb Archer, Greater Madison Convention and Visitors Bureau to continue strategizing joint marketing efforts that will maximize revenues for both organizations.
5. [11917](#) Director's Report - Jim Hess, Director
- There were no questions on the Board Report.
  - The Common Council recently approved a contribution of \$100,000 from the Monona Terrace Funding Corporation to defray costs associated with the construction of the Lake Vista Café.
  - The Lake Vista Café enjoyed a successful first week of operation with over \$7,000 in sales (60% from the lunch hour, 40% from dinner sales). Revenue totals for the year are forecasted to be \$90,000 - \$100,000
  - Guest survey approval rates remain high with client Willingness to Return at 99%.
6. [14293](#) Announcements from the Chair - Ann Kovich, Chair
- The 20th Anniversary Celebration for Juneteenth will be held June 19 - 20 at Penn Park. Board members were encouraged to call Mona Adams Winston with any questions.
  - The July Board meeting has been cancelled.

#### ADJOURNMENT

A motion was made by Opitz, seconded by Bigelow, to Adjourn. The motion passed by voice vote/other.