



City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Meeting Minutes - Draft MONONA TERRACE COMMUNITY AND CONVENTION CENTER BOARD

*Consider: Who benefits? Who is burdened?
Who does not have a voice at the table?
How can policymakers mitigate unintended consequences?*

Thursday, September 15, 2022

4:00 PM

One John Nolen Drive
Hall of Fame Room

CALL TO ORDER / ROLL CALL

Present: 10 - Jane Richardson; Michael E. Verveer; David A. Aguayo; Andrea R. Nilsen; Alex Joers; Judith F. Karofsky; Glenn R. Krieg; Eric A. Rottier; James Ring and Angela Bozo

Excused: 2 - Mark J. Richardson and Aureliano Montes

APPROVAL OF MINUTES

A motion was made by J. Richardson, seconded by Bozo, to Approve the Minutes. The motion passed by voice vote/other.

PUBLIC COMMENT

1. [73594](#) 3 mins. per person
None.

DISCLOSURES AND RECUSALS

Glenn Krieg and Mike Verveer are both members of the Room Tax Commission, and Mike Verveer is a member of the Monona Terrace Booking Event Assistance Advisory Committee.

PRESENTATIONS

2. [73581](#) State of the Downtown Report: Jason Ilstrup, President, Downtown Madison Inc.

The things that make a Downtown successful include, a large residential base, a high rate of tourism, and high rates of employment. The latest numbers show that Downtown Madison is already there on the residential base, it's also moving towards recovery in the tourism sector, but it has a way to go on the employment front. Since the pandemic, only 50% of employees are back to working downtown regularly (3 or more days a week). This is something DMI is working on in several ways.

DMI and other organizations are working together to provide intentional support for an equitable downtown. Business incubation programs and new

finance models are being designed to support the area. They are spearheading efforts to help small businesses take advantage of the Main Street Bounce Back program as well as finding ways to use TID50 funding.

Downtown growth is underway with 4,000 apartments under development along with 550 new hotel rooms. New young companies are looking for downtown office space. The restaurant businesses are flourishing with the city's Streeter program. In fact, Madison is on the leading edge of outdoor retail.

Big downtown events are coming back in spades, things like Concerts on the Rooftop and the Art Fair on the Square had amazing attendance this year. Additionally, UW Athletics are a huge boon for the downtown. There is a reported \$19M impact on the city for each Badger Football home game!

To make the downtown a place where all are welcome public place-making is at the forefront. Projects under development now include a lakefront porch on Wilson Street, the construction of a new Wisconsin History Museum, the installation of Vel Phillips' statue at the Capitol and lastly but most impactful the Lake Monona Shoreline project

Throughout history, downtowns have suffered immense setbacks and have always rebounded. This downtown is no different. As one of only two cities in the USA with a downtown built on an isthmus, Madison's downtown is positioned to be uniquely successful.

REPORTS

3. [73596](#) Meetings Study: Laura MacIsaac, Director of Sales and Bill Zeinemann, Associate Director Marketing and Event Services

Sales staff embarked on a research project to answer a question posed at the June board meeting. Which was, "Why are meeting bookings lagging, is there a trend, and what are Monona Terrace client's attitudes about the future of meetings"? To research this, staff ran a list of all 2019 meetings to identify the clients that would have potentially rebooked post-pandemic and have this conversation. There were 56 clients that met the criteria.

Of the clients willing to have this conversation, 50% said, "Yes," they will be booking meetings in the near future. The other 50% said, "No," they will not be booking meetings.

Staff honed in on the reasons for not booking, and there were many. Some clients said they cannot afford to have their teams exposed and taken out by sickness all at once. There were organizations with such staffing shortages that their attendees cannot take time away from work to attend an event. And there are groups that disbanded during the pandemic. Unfortunately, there were such a variety of reasons that no specific trend could be pinned down, and therefore, no single solution.

After interviewing clients, sales staff reached out to downtown hotel partners to determine if this is a problem across the industry. Across the board, hotels said that although leisure travel is recovering, corporate business is slow. They have been experiencing the same drop in meetings bookings.

In conclusion, the current sales initiatives offered by staff, will continue to work with all of the meeting planners who plan to start booking meetings again. Of course, as Destination Madison and Monona Terrace implement the JLL optimization plan, in the future, there will be less meetings, but only because there will be more large conferences and conventions.

4. [73607](#)

Lake Monona Waterfront Ad Hoc Committee Update: Judy Karofsky, Committee Member and Board Chair

The dates for the kickoff meeting and check in meetings have changed since reported at the last board meeting. The kickoff is now October 3, 6PM at the Madison Central Library. The next meeting, a “check in” is November 7, 6PM at Monona Terrace. The final master plan presentations will be on Jan 25, 6PM at the Olin Park Facility.

5. [73598](#)

Room Tax Commission Report: Glenn Krieg and Mike Verveer, Commission Members

The commission voted on 2023 room tax allocations at the Sept 1 meeting. The allocation process was much easier this year than the last couple of years because the fund is rebounding from the pandemic far faster than anticipated. In fact, the fund was such that City Finance recommended using the 2019 allotments for 2023 allocations. Monona Terrace was allocated a total of \$6.68M. This included an operating subsidy of \$4.8M and \$1.65M in room tax fund supported GO borrowing for Capital projects and \$200,000 for debt service. Destination Madison received a total of \$5.5M. Including \$5.26M for destination marketing and \$275,000 for the event booking assistance subsidy. Overture received just over \$2M in funding, while \$738,152 was dispersed between Alliant Energy Center, the Zoo, and Olbrich. Even the City of Madison, who for the last 2 years has forgone taking any room tax was able to get the customary 30%. The commission also elected to keep some of the fund in reserve, rather than fully allocate it.

6. [73600](#)

Monona Catering Mid-year Report: Wendy Brown-Haddock, General Manager

Attachments: [mononacatering_9-15-22.pdf](#)

2022 was slow to start but by the time March came around, business was booming. Catering is starting to achieve near 2019 monthly revenues. Revenue is currently 483% higher than 2021. They have been in a continuous cycle of hiring to increase staffing, with college students going back to school they have to ramp up efforts again.

Unfortunately, due to the increase in business and the need to focus on event catering, Lake Vista Café could not be opened the entire season. Monona Catering looks forward to reopening for a full season in May 2023.

7. [73602](#)

Booking Pace Update: Bill Zeinemann, Associate Director Marketing and Event Services

Attachments: [bkpc_08-31-22.pdf](#)

After some busy months the event revenue projection is now only down by 7%

at \$3.5M. Overall revenue is down only 8.5% at \$3.7M. Numbers are going in the right direction. There should be approximately 486 events this year. This projection was reduced to account for a reduction in the number of smaller community programs. This reduction was necessary due to the time and effort required to plan and produce the 25th Anniversary celebration.

2022	Projected	Budgeted
Banquets	173	171 (exceeds 2019 number)
Meeting	103	147
Conferences	24	26
Conventions	23	26

2023	Projected
Banquets	170
Meeting	110
Conferences	13
Conventions	27

2023 is stacking up same be similar to 2022

8. [73604](#) Finance Report: Jeff Boyd, Business Manager

August event revenue was up 17% and although ancillary was down, the month still ended with \$31,000 to the good. As expected, expenses were up approximately \$30,000 due to wages and benefits from July that were paid out in August.

Year-to-date revenue is \$21,000 to the good. This is a combination of several high revenue months and a year of careful spending and saving by staff.

9. [73606](#) Director's Report: Connie Thompson, Director

- A. Administration
- B. Operations
- C. Community Relations
- D. Gift Shop
- E. Sales and Marketing
- F. Event Services
- G. Business Office/Human Resources
- H. Catering

Attachments: [rpt 09-15-22.pdf](#)

Adam Heffron was instated as the new director for Alliant Energy Center. Historically, the AEC director is appointed to the Monona Terrace board. Staff has confirmed that the County Executive does plan to do this.

The capital and operating budgets have been presented to the Mayor the finance committee the room tax commission and last the common council. Because of the way that Monona Terrace is funded by the Room Tax, the alders generally don't have questions about the budget. The Capital budget request is higher for 2023 and 2024 due to the planned renovation. Manufacturing of the carpet is the biggest expense. Other large projects include replacement of Olin Terrace and Rooftop tiles and pedestals.

Lastly, at a recent Common Council meeting a resolution passed that will require all boards, commissions and committee to record their meetings.

ADJOURNMENT

A motion was made by Aguayo, seconded by J. Richardson, to Adjourn. The motion passed by voice vote/other.