



## Five Flags Civic Center Advisory Commission Meeting June 27, 2022

- COMMISSIONERS PRESENT:** Commissioners Bakke, Blau, Christner, and Daugherty present.
- COMMISSIONERS ABSENT:** Commissioner Parks was absent.
- STAFF PRESENT:** HR Cook, Jesse Gavin, Julie Husemann, Aaron Rainey, Jacquelyn Pfohl, Nick Farfan
- OTHERS PRESENT:** Leisure Services Manager Marie Ware, City Councilwoman Susan Farber and reporters from the Telegraph-Herald and KWWL.
- CALL TO ORDER:** Chair Daugherty called the meeting to order.
- MINUTES APPROVED:** Commissioner Blau motioned to approve the minutes of April 2022 meeting. Seconded by Bakke. Motion passed unanimously.
- EXPANSION REFERENDUM UPDATE:** Leisure Services Manager Marie Ware reported on action from previous City Council meetings regarding Five Flags Center and its proposed expansion. Ware noted that the council requested referendum language for a March 2023 vote on the \$92 million dollar option during their meeting in early May. At their first June meeting, City Manager Mike Van Milligan presented information about the impact the proposed bond issuance and its impact on the city's debt limit. That new information gave the Council pause, and they voted to refer the issue to staff and to hold a work session on the other scenarios in the study. The work session had initially been scheduled for July 11. However, it will be postponed to a later date to accommodate for HR Cook's availability. Commissioner Bakke noted that having some advance notice of the debt limit impact would have been appreciated. The work session at a later date will allow time to review the pros and cons of each scenario in addition to what is gained by specific improvements that are in each scenario. Ware reported to the Commission that it will continue to be involved in the process. Ware will be contacting Convention, Sports, and Leisure International, the consulting firm that produced the initial studies, to discuss the other scenarios and paths to moving forward. Ware reiterated Council's appreciation for the Commission's work and noted that they will be vital to working through the next steps of the process. HR Cook noted that there is still time to compile new information and meet the deadlines associated with a possible March referendum, but emphasized that progress would need to come quickly.

**FIVE FLAGS CENTER ANNUAL REPORT:**

Five Flags Center General Manager HR Cook presented the Commission with the annual report that was presented to the City Council on June 20. Due to the scheduling of the report, it has information from the first ten months ten months of Fiscal Year 2022, and shows that the facility's financial health is very good. Five Flags Center is currently projected to beat the City's operating subsidy by approximately \$175,000. Food and beverage revenues have increased dramatically with minimal price increases. Country and rock concerts and family shows are performing well. Bookings are appealing to all demographic levels and average ticket prices remain around \$31. The months of February and March both saw revenues outpace operating expenses, something only ever seen in one other month since ASM Global (and predecessor SMG) took over operation of Five Flags Center.

**UPDATE ON CAPITAL IMPROVEMENT PROJECTS:**

Among the improvements that have happened in recent months are replacement of the venue's basketball goals and the purchase of new rope and stanchion systems. A new scissor lift is also in the works. New projects in the upcoming fiscal year include HVAC improvements, repairs to the arena roof, and upgrades to the theater's lighting and carpet. Leisure Service Manager Ware explained that upcoming \$6 million in capital improvements are being split over the next three fiscal years, with \$600,000 of work scheduled for Fiscal Year 2023.

**EVENTS REVIEW AND BOOKINGS UPDATE:**

Five Flags General Manager HR Cook spotlighted the upcoming concert by Christian rock band for King & Country on July 15. This is an act that Five Flags Center has been chasing for years and has finally landed, despite the performers now possibly being "too big" for the venue. Cook noted that a 25-year relationship with a promoter helped make the show possible. He also mentioned the August concert by ZZ Top and a September kids show from Disney Junior.

**STAFF REPORTS:**

Five Flags General Manager HR Cook had previously covered much of the information during the portion of the meeting that included discussion of the annual report and capital improvements.

**PUBLIC INPUT:**

None received.

**ADJOURNMENT:**

Motion to adjourn was made by Commissioner Bakke, seconded by Commissioner Blau. The motion passed unanimously.

**NEXT MEETING:**

Tentatively scheduled for Monday, August 29, 2022.