

Sears Centre still open for immediate future
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Published: 9/15/2009 12:22 AM

Hoffman Estates officials and the owners of the Sears Centre tentatively agreed to keep the arena from closing the same day the village board approved foreclosure proceedings to take control of the building.

In the short term, that means events like the Dec. 18 Chicago Bliss Lingerie Football game and the Spirit Spectacular youth cheerleading event Nov. 8 will go on as planned. The building's owners, the Ryan Companies, planned closing the building Oct. 1 and the village had yet to line up an arena management company to take over the 11,000-seat arena near I-90 and Rt. 59.

Ryan and the village made an agreement in 2005 that allowed Ryan to walk away if the arena wasn't making enough money. The building suffered a more than \$512,000 operational loss in 2008, setting events in motion for Ryan's exit. Monday's agreement would keep the building open until Jan. 1, when the village could have a new management group in place.

The threat of closure sent event organizers scrambling for new venues in recent weeks. Organizers of the Chicago Invitational college basketball tournament last week announced they were moving to the UIC Pavilion in Chicago.

However, Monday morning's two-hour meeting at the Sears Centre with CEO Pat Ryan, Mayor William McLeod, Trustee Gary Pilafas and Assistant Manager Mark Koplun provided a surprising shift.

Sheryl Callison, with the Spirit Spectacular, said she was caught "totally off-guard" by the news the cheer event was saved.

She's happy with the village's support.

"We were very pleased," she said.

The village board Monday night also unanimously voted to file for foreclosure against Ryan and target to take possession of the Sears Centre's title by Oct. 1. McLeod said the action shouldn't be deemed as hostile. The way the redevelopment agreement was structured leaves the village with little options other than foreclosure, McLeod said.

"There's really no other way of us getting possession of the building," he said.

Village Attorney Art Janura was careful to say the agreement was only tentative, and there's still a chance Ryan could fight foreclosure in the courts.

He called foreclosure a "somewhat agreed process" between the two sides.

While Ryan has paid their bills on time, including paying \$3.9 million annually toward a \$55 million village-backed loan for construction, they were close to falling behind in their bills, village officials said.

Pilafas said the village wanted to take action before this happened, and foreclosure offers them "the best way to protect their asset."

Once the village takes control of the building, they'll also be responsible for the loan, which could cost up to \$88.4 million over 22 years.

It's unclear who will be managing the arena come Oct. 1.

Hoffman Estates officials could elect to retain the arena's 11 remaining employees in their roles or make new hires. They've already retained International Facilities Group Inc. as a consultant.

Mary Beth Hardina, a vice president at the firm, could assume the arena's executive director post.

Village officials Friday night also sent out requests for proposal to four national arena management firms: AEG Live, SMG, Global Spectrum and VenuWorks. The firms could come before the village's Sears Centre committee Oct. 23, Pilafas said.