



Discussion of the Future of the Lincoln Park Community Center

Presentation to:

Lincoln Park Mayor and City Council

September 12, 2016

Outcomes of Tonight's Meeting

- Provide an overview of where we are
- Provide an overview of options
- Determine a timeline for decision making
- Determine process for decision making



Overview of Where We Are

- In June of 2015 EM signs agreement with Family Entertainment Properties Inc. (FEP) to lease the Community Center for \$1 per year. FEP to absorb all costs of Center
- The main revenue stream for the facility the last few years was Allen Park Hockey Association (APHA) – went back to Allen Park's Facility
- Loss of guaranteed revenue from APHA caused FEP to pull out the contract

Options

Three Primary Options Available to Mayor and City Council

1. Mothball the Facility
2. Operate Facility as Ice rink
3. Operate as Multi-Purpose Recreation Facility

Mothball Facility

- Close as functional facility
- Maintain internal systems but winterize
- Estimated cost is \$1,500 to \$3,000 per month, approximately \$18,000 to \$36,000 per year
- General Fund supported, no revenue sources
- Asset becomes a liability

Operate Facility as Ice Rink

- Keep Facility Open, relying on picking up those organizations seeking additional ice time, tournaments, open skate, learn to skate programs
- Wouldn't have large blocks of ice time sold;
- Unstable revenue streams
- To reduce costs associated with operations we would have to maximize possible efficiencies
- General Fund to support potentially up to \$150,000 this fiscal year

Ice Rink Financials

(Cost)

<u>EXPENSES</u>	<u>ANNUAL COST</u>	<u>MONTHLY AVERAGE</u>
Insurance	\$0	\$0
Utilities	\$112,983	\$9,415
Internet/Phone/Computer	\$5,700	\$475
Concession Supplies	\$16,200	\$1,350
Janitorial	\$2,400	\$200
Arena Repairs/Maintenance	\$30,000	\$2,500
Maintenance Repairs	\$6,000	\$500
Misc. Expenses	\$1,800	\$150
Wages and Benefits	\$100,728	\$8,394
<u>Total Approx Expenses</u>	<u>\$275,811</u>	<u>\$22,984</u>

Ice Rink Financials

(Cost)

EXPENSES	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July
Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$10,900	\$11,700	\$11,900	\$12,250	\$12,900	\$13,281	\$8,200	\$11,579	\$1,354	\$7,969	\$5,250	\$5,700
Internet/Phone/Computer	\$475	\$475	\$475	\$475	\$475	\$475	\$475	\$475	\$475	\$475	\$475	\$475
Concession Supplies	\$0	\$2,314	\$2,314	\$2,314	\$2,314	\$2,314	\$2,314	\$2,314	\$0	\$0	\$0	\$0
Janitorial Arena	\$48	\$310	\$310	\$310	\$310	\$310	\$310	\$310	\$48	\$48	\$48	\$48
Repairs/Maintenance	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Maintenance Repairs	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Misc Expenses*	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Wages and Benefits	\$3,908	\$11,598	\$11,598	\$11,598	\$11,598	\$11,598	\$11,598	\$11,598	\$3,908	\$3,908	\$3,908	\$3,908
Total Expenses	\$18,481	\$29,547	\$29,747	\$30,097	\$30,747	\$31,128	\$26,047	\$29,426	\$8,935	\$15,550	\$12,831	\$13,281

Ice Rink Financials

(Revenue)

Revenue Needed to Operate to Break Even

<u>Revenue Source</u>	<u>total</u>
Ice Contracts	\$209,877
Tournaments	\$22,000
Concessions	\$19,440
misc	\$9,500
Advertising	\$15,000
<u>Total Revenue</u>	<u>\$275,817</u>

Ice Rink Financials

(Revenue)

Most Likely Scenario

<u>Revenue Source</u>	<u>total</u>
Ice Contracts	\$70,000
Tournaments	\$15,000
Concessions	\$12,000
misc	\$9,500
Advertising	\$10,000
<u>Total Revenue</u>	<u>\$116,500</u>

Operate Facility as Ice Rink

Other things to consider:

- Where would money come from?
- Is this a priority?
- How many residents utilize the facility?
- Should City operate long-term or look for another lease arrangement?

Operate as Multi-Purpose Recreation Facility

- Utilize space for other recreational uses
- Could keep rink boards and ice making equipment to take advantage of ice opportunities
- Purchase temporary flooring to soften existing floor and provide indoor athletic uses (turf or rubber: cost approximately \$125,000)
- Work with YMCA to lease space for Y programming
- City of Wayne Ice Rink Conversion

Time Line for Decision

Need to have decision made by mid-October if
we are going to operate as an Ice Rink

Process for Decision Making

